



Moral Report 2023 and Action Plan 2024

Introduction

Who are we?

- The largest and oldest airline association in France
- 100% dedicated to airline business
- Representing 55 carriers and 111 airline brands
- Part of a worldwide B.A.R. network

The year 2023 showed a clear increase in air traffic, most airports and routes are back close to 2019 figures. This year has also been marked by a continued challenge for the aviation industry with environmental concerns which has come to an open crisis when the Dutch government decided to heavily cut airport movements.

This report provides an update on the moral aspects of the aviation sector and outlines the action plan for 2024. It also sheds light on BAR France's role during this period and touches upon future forecasts.

I- Year 2023

Air Traffic in France has been close to 170 million passengers, minus 5.5% compared to 2019 figures.

Some areas are showing relatively weak figures such as:

- French domestic – 20.6%, where a number of routes have seen a sharp increase in railway figures
- Asia – 21.9%, including China – 65.2%

When most others are getting back close to 2019 and Africa showing a very strong growth with +13.1%, mainly due to North Africa.

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	Décembre 2023/2019	Cumul 2023 (Mn de Pax)	Cumul 2023 / 2019
Trafic intérieur	85,8%	28,6	83,8%
Métropole Intérieur	80,8%	21,2	79,4%
dont radiales	74,7%	12,3	75,2%
dont transversales	91,0%	9,0	86,0%
Métropole - Outre-Mer	104,3%	4,8	99,8%
Outre-Mer Intérieur	93,9%	2,5	99,7%
Trafic international	103,7%	141,0	97,0%
Métropole - International	103,9%	138,6	97,1%
dont Union Européenne (UE27)	104,7%	68,7	98,9%
dont Europe hors UE	96,5%	22,3	89,3%
dont Amérique	106,7%	15,2	97,0%
dont Asie-Pacifique	84,9%	10,3	78,9%
dont Afrique	120,8%	22,1	113,1%
Outre-Mer - International	96,8%	2,4	88,2%
Sous-total trafic Métropole	100,2%	164,7	94,5%
Total trafic France	100,0%	169,6	94,5%

Main airports are also getting back to 2019 figures, but situation may vary depending on localisation.

- CDG remains #1 by far, but traffic is – 11.5%
- Growth at ORY + 1.4%
- NCE has been very active and is close to 2019 data, – 2.1%
- And MRS +6.8%
- Spectacular growth at BVA + 41.3%

	Cumul 2023 (Mn de Pax)	Cumul 2023 / 2019
Paris-CDG	67,4	88,5%
Paris-Orly	32,3	101,4%
Nice	14,2	97,9%
Lyon	10,0	85,0%
Marseille	10,8	106,8%
Toulouse	7,8	81,1%
Bâle-Mulhouse	8,1	89,0%
Bordeaux	6,6	85,6%
Nantes	6,5	90,3%
Beauvais	5,6	141,3%



Total movements - including overflying - has been 3 133 200, minus 4.3% vs 2019.

Tariffs

Tariffs fluctuated throughout the year, reflecting the industry's dynamic nature.

Annual average: After the significant increase observed in 2022 (+21.7%), airfare prices departing from France, regardless of destination, showing a more moderate rise in 2023 (+8.6%).

The year 2023 was marked by two distinct periods of price fluctuations: strong monthly changes during the first half of 2023 with a peak reached in February; much more moderate monthly changes during the second half of 2023, with three months displaying negative variations (July, November, and December). These variations are observed, to varying degrees, for all geographical regions.

Departing from France mainland, the price increase reaches 7.9% in 2023, regardless of destination, under the combined effects of a price increase on domestic (+13.6%) and international (+6.9%) networks.

In 2023, the price increase results from the domestic network, with an increase in intra-metropolitan (+14.5%) and overseas (+18.8%) networks. On the international network, the increase is more restrained (+6.9%), with a more significant price increase on the long-haul international network compared to the medium-haul one (+8.6% versus 7.1%).

On the medium-haul network, changes are mixed, with prices driven upwards by EEA & Switzerland countries (+11.8%) and, to a lesser extent, by other European countries (+3.4%). In contrast, ticket prices to the North African region were lower than in 2022 (-5.6%).

On the long-haul network, the Middle East and the Asia-Pacific region record the highest increases (10.1% and 10.6%, respectively). Ticket prices to Africa and Latin America increase by 6% and 4.9%, while North America experiences slower growth (+3.2%).

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Departing from the overseas departments, airfare prices continue to rise in 2023 (+15.2%), regardless of destination. This evolution is mainly due to the ongoing price increase from the Caribbean departments (+22% from Guadeloupe and +20.9% from Martinique). The increase is less significant from Reunion and Guyana. Changes were very variable in the months of 2023, with significant increases during the first quarter and weaker increases from April onwards.

The Role of BAR France during 2023

BAR France played a pivotal role in assisting airlines during the period.

This included day-to-day support for administrative matters, representation in professional commissions related to airport operations, slot coordination, and participation in administrative commissions overseeing airline activities. The association also contributed to discuss reduction initiatives for airlines, actively participating in economic consultative commissions for major airports.

Civil Aviation Budget

BAR France engaged in the Economic Consultative Commission of the civil aviation budget, working towards reducing airport charges and advocating for the financial well-being of its members. The association emphasized the airlines' role in financing the majority of Civil Aviation Administration expenses and actively contributed to budget discussions.

Long-Term Action: Environment:

BAR France proactively participated in environmental discussions, including the Consultative Commission for Environment for major airports like ORY and CDG. The association focused on defining noise perimeters, soft descent projects, IGMP, and collaborated on air pollution working groups, all aimed at ensuring environmental regulations did not overly burden airline operations.



2024 activity plan

The airline industry in 2024 is marked by a commitment to sustainability, a focus on passenger safety, and a dedication to enhancing the travel experience. Innovations in technology, entertainment, and data-driven services are reshaping the way we fly.

The year 2024 is expected to be a milestone for global passenger traffic recovery as it reaches 9.4 billion passengers, surpassing the year 2019 that welcomed 9.2 billion passengers (102.5% of the 2019 level).

Eurocontrol's projections for France indicate a strong increase in flights, with scenarios forecasting 100 to 105% compared to 2019. Same source forecast for Europe traffic shows a 95 to 99% vs 2019.

As previously, BAR France will be involved in defending airlines interests, both globally and on a case-by-case basis.

Main activities will cover the financial overviews of Civil Aviation and main airports during various CoCoEco meetings.

BAR is also involved in defending each carrier during dedicated governance bodies such as CAAC (Civil Aviation Administrative Commission) and ACNUSA.

Some 2024 specific issues where BAR France is already active and will use its mandate to defend our industry:

- 4-flight
- Balanced approach at ORY, CDG as well as other major airports
- Olympics
- ETIAS (European Travel Information and Authorization System) launch at French airports
- Airport quality
- New taxes implementation, etc...

Conclusion

The aviation industry continues to navigate unprecedented challenges, and BAR France remains committed to supporting its members through effective representation, financial advocacy, and environmental stewardship. The association

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anticipates a strong recovery in the coming years but also some important challenges mainly in the environmental area and is dedicated to ensuring the resilience and sustainability of the aviation sector.

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66, avenue des Champs-Élysées – 75008 Paris – Téléphone : (+33) 06 20 82 78 86
Association loi 1901