



AVIATION INDUSTRY COMPETITIVENESS INDEX IN LATIN AMERICA

Content

- 03** Methodology
- 04** Analyzed factors, findings and their importance for competitiveness
- 05** *Infrastructure*
- 06** *Taxes, fees for passengers and fuel cost*
- 06** *Technology and Digitization*
- 08** *Process facilitation for passengers*
- 09** *Liberalization and opening of the air transport market*
- 10** *Propensity to travel*
- 11** Conclusions
- 12** Definitions and Sources

Introduction

According to the report by Airbus, Global Networks, Global Citizens¹, air travel in Latin America will double over the next 20 years thanks to an incipient middle class and the transformation of airlines business models that will make air travel increasingly accessible. There are important opportunities for the region because, according to the same report, it is expected that by 2037 about 0.9 travels per capita will be made (instead of 0.4 which is the current average). Latin America and the Caribbean represent 8% of the global aviation market, a larger figure than Africa and the Middle East together², although well below other regions such as Europe and North America.

Latin America is a very interesting market for aviation given the large territorial extensions and the lack of alternative means such as train. The Caribbean, for example, is quite fragmented, which makes air transport essential in this area. The region has important natural and cultural resources, and this is key because, with the exception of Mexico, tourism in all countries is still below its potential.

But that's not all, the aviation industry is generating 7.2 million jobs in the region. Latin America is connected to 160 cities around the world through 2.6 million flights a year, according to recent IATA data³. This, despite facing very significant challenges such as economic instability, protectionist government policies, volatile exchange rates, infrastructure gaps, excessive taxes, lack of harmonization in regulations that affect the operation and the high costs of fuel, to name a few.

¹ https://www.airbus.com/content/dam/corporate-topics/publications/media-day/GMF-2018-2037.pdf#_blank

² <https://www.efe.com/efe/america/economia/la-industria-de-aviacion-en-latinoamerica-y-el-caribe-crece-pese-a-crisis/20000011-4073259>

³ <https://www.iata.org/pressroom/media-kit/Documents/briefing-latin-america-caribbean-presentation-agm2019.pdf>

With this panorama in mind, it is necessary to make the aviation industry more competitive in the region, considering all the factors that affect it. Its strengthening not only benefits the airlines, but also the countries and their population in general, since aviation has a very important catalytic effect: by increasing the connectivity of a country, more employment, business and tourism opportunities are generated and the benefits extend to many other sectors of the economy.

ALTA, in the search to facilitate the development of safer, efficient environmentally responsible air transport in Latin America and the Caribbean for the mutual benefit of the industry, countries and populations served by aviation, and together with Amadeus, a technology partner of the entire travel industry including airports and airlines, we have built this Competitiveness Index to identify and analyze the different factors and conditions that affect the development of air operations in a group of Latin American countries and understand what conditions lead to growth, allow higher income levels and provide greater well-being for both industry and countries.

The factors that we have chosen are neither exhaustive nor conclusive, but they are those that we consider have an immediate weight and impact on the operation of the airlines and on the well-being of the industry in general, considering all the players. These are: infrastructure, taxes and fees, the facilitation of processes for passengers within airports, the release and opening of air transport, the willingness of citizens of a country to travel, and technology and digitization. Our goal is to continue performing this index every year and measure how different countries are improving in terms of competitive conditions for the aviation industry.

The measurement of these factors allowed us to analyze and compare the conditions offered by the different countries in the region. It was no surprise to find that Chile takes the lead in the region, given that it has implemented policies to allow the entry of new competitors, the reduction of taxes for travels that have attracted more travelers and the technological adoption that has allowed the facilitation of many processes.

For its part, we found that Colombia is doing very well in the use of technology. In Panama, we highlight its advances in airport infrastructure and the way it has facilitated processes that allow passenger traffic to be very fluid, which is fundamental in its hub quality. In Mexico, we find the importance of strengthening secondary airports since the main one is saturated, while Brazil's liberalization and infrastructure growth policies are key. In Argentina, it is important to mention the government-industry work to grow domestic air traffic, and Peru and Bolivia to work on their growth potential.

We invite you to delve into the factors we analyzed and the findings of this index, which seeks to be a thermometer of the countries of the region and a space to seek opportunities for improvement, so that aviation in Latin America and the Caribbean continues its path towards the forecasted growth, as we are convinced of the importance it has for the economic and social development of this region.

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Methodology

To carry out the Competitiveness Index, we analyzed the main airports in eight Latin American countries. In Argentina, four airports were considered; in Bolivia three; in Brazil seven; in Chile three; in Colombia five; in Mexico five; in Panama one; in Peru three. In each one, we studied six factors that influence their performance and 16 individual indicators calculated from quantitative data from Amadeus, ALTA and other external sources.

The competitiveness score of each country was calculated from a weighted average of these factors.

It is important to mention that some factors are more related to the development of air transport and, as a result, had a greater weight in the final calculation. For example, airport infrastructure, taxes and average fares and fuel costs were more relevant than other categories because these are crucial for the development of the air transport industry.

Each indicator measured in the Report was normalized to a scale of 1 to 100. The country with the highest score received a score of 100.



The standard formula to convert each indicator on a scale of 1 to 100 was:

$$\frac{\text{country score} \times 100}{\text{maximum sample}}$$

As for the indicators for which a higher value indicates a worse performance, such as costs (for example, fuel prices and taxes), the formula is reversed, so that 1 and 100 still correspond to the worst and best.

Analyzed factors, findings and their importance for competitiveness

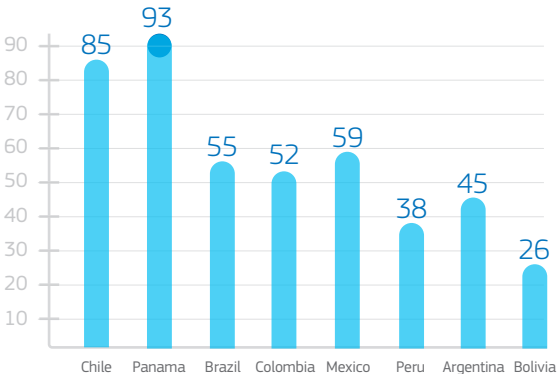


Country/Pillar	Infrastructure	Technology	Facilitation	Taxes, Fees and Fuel	Liberalization	Propensity to Travel	Total
Chile	85	90	51	97	68	88	82
Panama	93	76	51	72	72	75	75
Brazil	55	86	100	73	54	70	71
Colombia	52	78	91	59	89	63	68
Mexico	59	80	51	67	51	69	63
Peru	38	63	51	73	67	73	59
Argentina	45	83	51	53	61	67	57
Bolivia	26	50	51	32	75	62	44

1 Infrastructure

Indicator	Importance
Square meters of the passenger terminal per million annual passengers	Measure terminal congestion level
Boarding gates at the airport per million annual flights	Measure air congestion
Landing tracks per million annual flights	Measure air congestion
International connectivity	Quantify how well connected and integrated a particular country is to the global aviation network

Infrastructure is essential when we talk about competitiveness because it allows passenger and flight traffic to grow, which is why it was the first element we analyzed and to which we gave one of the greatest weights. Another relevant factor was the airspace and the number of arrivals an airport has, as this attracts more airlines and generates greater interest for both business and tourism travelers. It is important to keep in mind that when talking about infrastructure we also refer to the ability, for example, to include an additional airstrip or expand it.



Infrastructure

1 Infrastructure



In this aspect, airports such as Panama, a recognized epicenter of connectivity for the region, take the lead and occupy the sixth place in quality of infrastructure worldwide, according to the International Civil Aviation Organization (ICAO), which guarantees an environment suitable for the growth of air traffic. It is important to highlight the catalytic role of aviation in Panama, where several multinational companies have established their offices thanks to this connectivity, among other factors.

Santiago de Chile has greatly improved in recent years, especially since the inauguration of the new terminal that has increased its connection to the world. Colombia, despite its strategic geographical location, must still grow in infrastructure and in Bolivia the air infrastructure is very outdated.

The largest countries in the region, Mexico and Brazil, should strengthen their airport infrastructure, as terminals such as Benito Juárez of Mexico City have far exceeded their operational capacity. These two countries have done something very important and it is to create hubs in cities other than the capital, thus reducing congestion and providing greater efficiency in air with more direct segments.

In that sense, the industry in Mexico has made great advances and, while in 2009 there were 125 pairs of domestic cities that did not pass through MEX, in 2018 this number was almost 200, almost doubling the number of pairs of cities that connect without going through MEX. As for pairs of international cities, in 2009 there were 272 pairs of cities that did not pass through MEX, while in 2018 this figure was 356. Mexico, which is the second largest market in the region, has achieved that both traditional airlines ("legacy") and low-cost carriers (LCC) attract thousands of travelers to secondary airports in the country as Cancun. However, the fact that CDMX canceled the construction of its new airport was a lost opportunity to expand its competitiveness, losing the potential to become a much more important regional hub.

Another good example is the Fortaleza hub in Brazil, which has connected the country without relying on a single point. Fortaleza attracted an additional million passengers in just one year, thanks to this process. Argentina has also achieved the decentralization of the hubs and it is already possible to travel without going through Buenos Aires, something very important in a country with such a territorial extension. The country has made important investment plans for the Jorge Newbery Airport and Ezeiza International Airport, as well as other secondary airports⁴.

The completion of work at the El Dorado Airport in Bogotá, which handles 47% of Colombia's air traffic (occupying the first place in cargo volume in the region and third in passenger traffic in Latin America) has brought great benefits such as handling up to 90 operations per hour in the airspace of the Colombian capital. However, the country must anticipate the growth that is on its way and build a third track and passenger terminal that could increase capacity and receive 70 million passengers annually, according to IATA data⁵. Several airlines feel that the airport's capacity is already saturated. Some of the complaints about this airport are that it does not have enough parking spaces in contact with the terminal or enough taxiways which decreases the capacity on the ground⁶.

The number of passengers in Peru has increased from 5 to 11 million passengers in the last decade, which is largely linked to the growth in domestic segments. Although Lima Airport is currently saturated, it is expected that in 2024 the new terminal will be ready. Bolivia, on the other hand, has very interesting plans to attract tourists through the growth of infrastructure and connectivity with the region. Its growth is still incipient, but very promising for the region.



⁴<https://www.iata.org/pressroom/media-kit/Documents/briefing-latin-america-caribbean-presentation-agm2019.pdf>

⁵<https://www.iata.org/pressroom/media-kit/Documents/briefing-latin-america-caribbean-presentation-agm2019.pdf>

⁶<https://www.larepublica.co/empresas/la-saturacion-del-aero-puerto-internacional-el-dorado-se-adelanto-cuatro-anos-2920605>

② Taxes, fees for passengers and fuel cost

Indicator	Importance
Average taxes and fees per passenger divided by the country's per capita purchasing power (PPP)	High positions represent additional costs for passengers and slow down further growth in traffic and competitiveness

According to the International Civil Aviation Organization (ICAO), there are about 130 taxes and fees on air tickets in the region, many of which are not intended to boost infrastructure or cover the costs of aviation-related services.⁷ IATA notes that Latin America continues to be a very expensive place to do business and that taxes, fees and government policies have placed a heavy burden on airlines and stifle air travel by making them more expensive than necessary. The problem is seen throughout the region⁸.

However, the positive effects of reducing fees have become apparent. For example, reducing the airport tax at Cartagena Airport helped triple international traffic. Not only did the number of foreign tourists double (from 300,000 in 2014 to 600,000 in 2018), but 9 new airlines arrived that started 8 new routes to that airport since the reduction of the airport tax.

In Chile, for example, since the first reduction of boarding fees in September 2018, traffic has grown on average 18% over a cumulative 10-month period.

"The Aircraft Revolution" in Argentina has helped open hundreds of new routes, deregulating internal prices and encouraging the arrival of new players to the market, which has generated great benefits to the country.

As for fuel, the region is not very competitive. In perspective, while globally the cost of fuel represents an average of 24% over operating costs in 2018, for Latin American airlines, fuel accounted for more than 30% of operating costs.

Raising awareness among governments about the importance of moderating taxes and fostering more transparent and predictable models is essential in the search to build greater competitiveness for the aviation industry in the region.

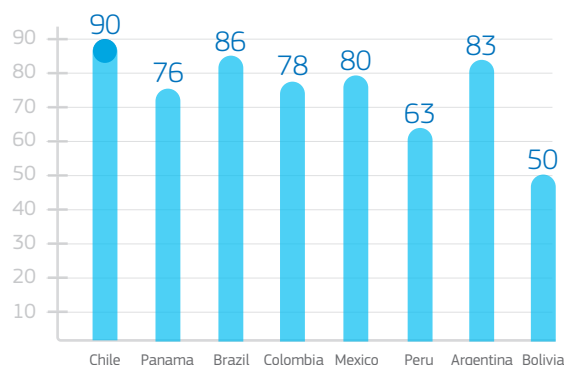
⁷ <https://a21.com.mx/organismos/2019/09/26/america-latina-debe-generar-7500-nuevos-empleos-al-ano>

⁸ <https://www.iata.org/pressroom/media-kit/Documents/briefing-latin-america-caribbean-presentation-agm2019.pdf>

③ Technology and Digitization

Indicator	Importance
Individuals using the Internet (% of population)	Greater Internet penetration represents more accessible information for passengers
Smartphone penetration	Increased smartphone penetration means greater potential to book air travel online through airline and OTA applications
CAF digitization index (Digital Ecosystem Development) *CAF: Development Bank of Latin America	Measures the level of digitization in the country considering more than 90 different variables

Access to digital technologies is a challenge in the region, since **only 57% of Latin Americans use the Internet**, according to ECLAC data.⁹ From the point of view of the competitiveness of the aviation industry, technology is essential not only to facilitate the life of the travelers, but also to provide the necessary data so that airports and airlines understand what happens to them from the moment they begin to investigate their travel possibilities until the moment their segment ends.



3 Technology and Digitization



The airlines continue to invest significant sums of money in their digital transformation, to be closer to the travelers and to be able to offer them the communications and services they need through the channels they prefer and when it makes sense. For example, offer a seat change or an additional suitcase before the travel or send information about a change in the itinerary or boarding gate when they are already at the airport. This constant and relevant communication substantially improves the customer experience, while airlines benefit from the optimization of their processes, reduce costs (for example, the use of paper or the number of people in baggage handling or check-in) and a positive impact is generated with on-time departures and operations in general.

Free Wi-Fi is one of the most important aspects and goes beyond providing a positive traveler experience, which is undoubtedly very important for hyperconnected generations. When an airport offers free Wi-Fi, it makes it possible for airlines to offer precisely that communication we mentioned and also allows them to identify where passengers are and where they are moving.

In airports such as Toronto, there are tablets at food outlets where travelers identify themselves with their flight number. The tablets provide not only a greater visibility of the passengers' locations but also allow airlines to give options such as VIP lounges or advertising. At the end of the day, the more data airlines and airports effectively manage their travelers, the more opportunities they will have to improve future offers and customer service.

The country with the best performance when it comes to digitalization is Chile and this has positively influenced the reduction of air transport costs and process facilitation.

According to the figures of the last report of the Organization for Economic Cooperation and Development (OECD), the consumption of mobile data is growing rapidly in Chile. The average consumption per user increased from 3.8 GB per month in December 2017 to 6.6 GB per month per subscriber in December 2018, registering a growth of 74.2%. For the same period, mobile Internet accesses grew 7.6%, at par with the average of the countries that make up the OECD, according to data published by the Undersecretary of Telecommunications of Chile.¹⁰

As for the high-speed Internet, the country is preparing to receive the future 5G network. According to the Undersecretary of Telecommunications of Chile, fixed broadband connections and 4G accesses already total 18.8 million subscriptions as of March 2019.¹¹

According to a study from Accenture, in conjunction with Oxford Economics¹², the digital economy today represents 22.2% of Chile's GDP and the country ranks first in the Digital Economic Value Index of the region for its current level of adoption of digital technologies, accelerators and digital talent, while countries like Mexico or Argentina still show a clear lag and untapped potential. However, despite being the regional leader in terms of digitalization, if we compare it with the rest of the world, Chile's maturity level is still low.



⁹https://repositorio.cepal.org/bitstream/handle/11362/44525/1/S1900182_es.pdf

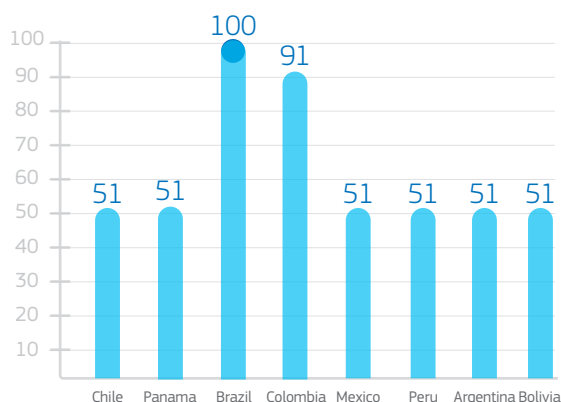
¹⁰<https://www.subtel.gob.cl/chile-logra-duplicar-el-consumo-de-Internet-movil-por-persona/>

¹¹<https://www.subtel.gob.cl/conexiones-de-Internet-de-alta-velocidad-crecen-213-anual-a-marzo-de-2019-y-mercado-se-prepara-para-recibir-el-5g/>

¹²https://www.accenture.com/t00010101t000000z_w_/cl-es/_acnmedia/pdf-71/accenture-digital-index-chile.pdf

4 Process facilitation for passengers

Indicator	Importance
Self-service registration (% of the country's airport with this capacity)	Facilitates the speed with which a passenger can check-in at an airport
Kiosks for automated migration (% of airports in the country with automated migration kiosks)	Reduces the time it takes for a person to make their processes of entering and leaving the country by air



Process facilitation for passengers

This aspect helps something very simple but fundamental: **compliance**. The efficiency of the airport and its ability to process the volume of passengers can be improved with solutions such as automated kiosks, thus improving and simplifying the experience of a traveler, arriving at an airport where the processes are “easy” instead of wasteful. Panama Airport is an example of efficiency because it allows passengers to transition from one flight to another in an agile way, which reduces time and improves connectivity.

But beyond the easiness, biometric solutions allow the authorities to have more information about those who arrive at their destination. For example, at Bogota's El Dorado Airport, when using the biometric service, the technology anticipates which flight the passenger is coming from and that exchange of data between competent authorities results in greater efficiency on the part of local authorities to process the flow of passengers, facilitating the exchange of data from booking systems.

Additionally, using biometric solutions for boarding significantly facilitates and speeds up the process. This is the case of Lufthansa who, working with Amadeus, developed a solution that addresses passengers with facial recognition without complications and in a single step, through a simple process launched at the Los Angeles International Airport. Automatic boarding gates, equipped with cameras, capture the images of passengers, whose image is sent securely to the US Customs and Border Protection database for real

time verification. After a successful instantaneous match, the system recognizes the passenger as “boarded”, which allows the passengers to go on board without having to show their boarding pass or passports at the gate. During the initial tests, very positive comments were received from the passengers. In fact, approximately 350 people boarded an A380 in approximately 20 minutes.

Collaboration has been the key to this innovative project. Amadeus helped build the interfaces between the Lufthansa Departure Control System (Altéa), the gate hardware was provided by Vision Box, and the US Customs and Border Protection Office provided the database to identify passengers. All these parties worked together to make the travel experience smoother.

Ensuring the safety of passengers and destinations will continue to be the most important activity of air terminals. Therefore, every year the big airports invest millions in digital tools that help them improve processes and for this, biometrics has proved to be a great ally. In the 15 North American airports where it is already implemented, biometrics has **inspected more than 15,000 flights and scanned more than 2 million passengers, detecting 7,000 visa violations**, according to figures from the American portal The Verge.



inspected more than **15,000** flights



scanned more than **2 million** passengers



detecting **7,000** visa violations

5 Liberalization and opening of the air transport market

Indicator	Importance
Visa requirements	Measure the extent to which a destination country is facilitating inbound tourism through its visa policy
Bilateral Air Service Agreements	Measures the weighted average opening of all Bilateral Air Service Agreements (ASA)

Visas can become a barrier for travelers. Therefore, it is important to analyze its impact on the competitiveness of travel. It has been found that the elimination of visas directly increases the number of travelers to a given country. For example, in 2012 the Mexican government eliminated the visa requirement for Peruvians and Colombians. The number of citizens of these countries that visited Mexico increased by 574 thousand compared with those that arrived in 2012, bringing more than USD \$311 million to the Mexican economy, considering that a tourist spends an average of USD 542 during a visit.

Brazil signed an Open Skies Agreement with the United States in 2018, resulting in a 14% increase of traffic over the previous year and, in addition, Brazil recently withdrew the Visa requirement for US, Canadian, Japanese and Australian citizens, which is expected to attract many more travelers from these markets. Similarly, now Chinese travelers who have Schengen visas do not need a visa to visit Brazil. This country has also liberalized its regulations on aircraft exchanges, which facilitates the transfer.

In Central America, the six member of the Central American Air Navigation Services Corporation (Cocesna) unanimously approved a valid regional license for aeronautical personnel working in these countries (pilots, cabin attendants, technicians, etc.)¹³. On the other hand, in countries like Panama, visa restrictions can represent threats to the development of air transport and tourism, while in Colombia non-restrictive visa policies encourage inbound tourism as in Bolivia.

According to IATA¹⁴, consumers in the region have benefited from access to larger route networks, more connection options and an increase in low-cost carriers; however national regulations that remain in place in areas such as training, licensing and aircraft registrations have limited opportunities such as the ability to move airplanes and personnel around an airline's network to meet market demands. Therefore, it is imperative that governments throughout the region ensure regulatory oversight, following the principles of smarter regulation while ensuring local sovereignty and legislation. In this way there is still much to do, to create market opportunities and drive new business models.

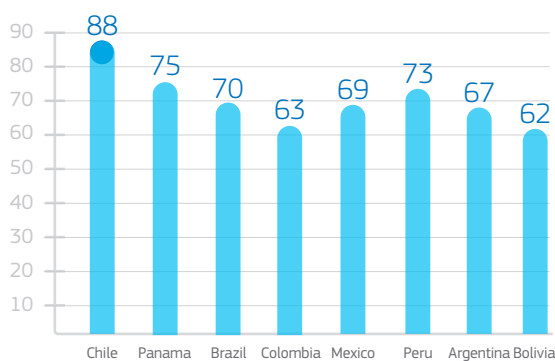


¹³<https://www.iata.org/pressroom/media-kit/Documents/brieing-latin-america-caribbean-presentation-agm2019.pdf>

¹⁴<https://www.iata.org/pressroom/media-kit/Documents/brieing-latin-america-caribbean-presentation-agm2019.pdf>

⑥ Propensity to travel

Indicator	Importance
GDP per capita (PPP)	Higher income and higher standard of living generate a greater demand for air travel for business and leisure purposes
Age dependency index	The working-age population makes more travels than the older and younger population. It is likely that countries with a high percentage of working-age population will see greater growth in their air traffic
Travel cost (unit cost per travel calculated for national, international intra-regional and international extra-regional)	As air transport becomes cheaper, more people can afford it, resulting in increased traffic



Willingness To Travel

It is no secret to anyone that the arrival of low-cost carriers opened a passenger market that before, unable to access the costs of an air ticket, used other means of transport such as the bus or simply did not travel. The middle class got on a plane and this panorama has caught the attention of airlines that discovered in Latin America an interesting market to expand. In the last year three new low-cost carriers began to fly in Colombia, Costa Rica and Peru, adding thousands of new travelers every year. In the first half of this year, airlines in the region transported

more than 148.5 million travelers. The commercial aviation industry continues to grow in Latin America and the Caribbean and is projected as one of the activities that attracts more businesses and tourism to the region. The **increase was 5.1% compared to the same period last year.** However, Latin America is not an inexpensive region to travel compared to regions like Europe, especially when considering per capita income.



more than **148.5 million** travelers



5.1 % increase compared to the first half of the year in 2019



Conclusions

This index reflects a direct relationship between investment in infrastructure, technology and more liberal policies for industry and the competitiveness of countries. The countries analyzed are going through different moments of growth, but all are aimed at achieving it. There is a growing awareness on the part of governments of the importance of strengthening the aviation industry because of the benefits it brings to countries and the opportunities it generates.

Latin Americans travel very little compared to tourists from other parts of the world; that is why there is still great growth potential. We have found that technology is one of the most important pillars for strengthening the industry, as it helps improve processes, monitor operations and maintenance, prevent future problems, avoid parked planes, optimize costs and improve the traveler's experience.

Likewise, with the continued deterioration of the ecosystem and the constant concern of airlines and travelers for its environmental impact, we can't ignore that having more efficient processes with the use of technology also reduces the carbon footprint, less paper is spent, less time and we promote much more responsible practices with the environment. Airlines around the world have begun to make efforts to reduce their impact on the environment and Latin America cannot be left behind in that important area.

Finally, this document makes it clear that to compete in the global market the region must continue growing in each of the pillars. Improving infrastructure is the first step in developing the industry and ensuring that the traveler's experience is successful, followed by the implementation of new technologies and innovation, which will ensure that the processes are fulfilled in the best way and will help ensure unique communications. Reducing taxes and fees will increase the flow of passengers and operational improvements will reduce waiting times and traffic jams at the terminals. Opening the skies will always bring more interest to these destinations, increasing the number of routes offered. In addition, giving travelers the option of traveling by plane at a low cost will attract a key audience that did not exist before.

Definitions and Sources

Pillar	Metric (components)	Calculation	Explanation	Sources	Weight
Infrastructure	Square Meters per million passengers	(total terminal sq. meters/annual passengers) *1000000 - measured for top 5 airports of each country	Measure terminal congestion level	Airports, ALTA	25%
	boarding gates per million flights	(total boarding gates/annual flights) *1000000 - measured for top 5 airports of each country	measure airside congestion	Airports, ALTA, OAG	
	runways per million flights	(total runways/annual flights) *1000000 - measured for top 5 airports of each country	measure airside congestion	Airports, ALTA, OAG	
	International Connectivity	based on the total seats available for each destination served during a particular year and the total number of destinations served	quantify how well connected and integrated a particular country is to the worldwide aviation network	ALTA	
Taxes and Fees					25%
	Pax. and Airport Charges Relative to cost of living	average pax. and airport charges/purchasing power index	High charges represent additional costs for passengers and restrain further growth in traffic and competitiveness	ALTA	
	Jet Fuel Price	Average price per gallon	Fuel is the major operational cost for airlines and therefore prices should be competitive	ALTA	
Technology and Connectivity					12,5%
	Individuals using the Internet (% of population)	Internet connections/total population	high Internet penetration represents more accessible information to air travel	World Bank	
	Smartphone Penetration	total smartphones/total population	high smartphone penetration means higher potential to book air travel online through airline and OTA apps	Global Mobile Market Report	
	CAF Digitalization Index		measures level of digitalization in the country considering more than 90 different variables	CAF	
Passenger Facilitation					12,5%
	Visa Requirements	percentage of the world population that is exempt from a visa or is eligible for visa on arrival or electronic visa when visiting the destination country	measures to what extent a destination country is facilitating inbound tourism through its visa policy	UNWTO	
	Self-service check-in	percentage of airports with these capabilities percentage of passengers using them	measures how easy and fast a passenger can check-in in a particular airport in a seamless manner	Amadeus	
	Biometrics in Airports	percentage of international airports with biometric (boarding or migration)	measures how easy and fast is movement of persons when arriving/leaving the country by air	Amadeus	
Air Transport Market Liberalization					12,5%
	Openness of bilateral Air Service Agreements	bilateral scheduled passenger traffic taking place under each ASA	measures the weighted average openness of all bilateral Air Service Agreements (ASAs)	WEF	
	Visa Requirements	percentage of the world population that is exempt from a visa or is eligible for visa on arrival or electronic visa when visiting the destination country	measures to what extent a destination country is facilitating inbound tourism through its visa policy	UNWTO	
Propensity to travel					12,5%
	GDP per capita		higher disposable income and living standards, result in an increased demand for air travel for both business and leisure purposes.	World Bank	
	Old, Age dependency ratio		working age population makes more trips than its older and younger population. Countries with high % of working-age population are likely to see higher growth in their air traffic.	World Bank	
	Cost of Travel	unit cost per trip calculated for domestic, international intra-regional and international extra-regional	As air travel becomes cheaper, a larger number of people are able to afford it, resulting in an increase in traffic	ALTA, Amadeus	



www.amadeus.com