

2020 Hermes Leaders Forum Air Transport Re-imagined and Re-invented Conclusions

Aviation faces an unprecedented challenge recovering from the downturn due to COVID-19. The industry is projected to lose 1.5 billion passengers, compared to 2019 levels. Whereas a major challenge facing the industry at the start of 2020 was how to cope with a projected doubling of passenger demand over the next thirty years, the new challenge is how to keep the industry afloat while renewing the confidence of the general public in the safety of flying. The entire industry has suffered from the dramatic decline in aviation business, including firms at all levels of the supply chain. Aviation firms and organizations need to put aside their historic differences and work together to assert a common front in developing plans to restart and regenerate the industry.

Aviation has been among the hardest-hit industries from the coronavirus pandemic. As a result, governments should prioritize state support for the industry and its workers. However, this support has the potential to create distortions in the industry, with some firms receiving much greater support than others. Moreover, government support increases the potential of politically driven agendas, rather than economically driven or data-driven solutions. Governments and industry should work together to produce a recovery plan that is pragmatic and free from unnecessary bureaucracy, costs and operational burdens to provide a fair and equitable roadmap for renewed vitality.

Clearly, the industry brings great benefits to the world in terms of connectivity for individuals and businesses. However, the industry has also faced criticisms for its environmental record. As aviation recovers from this crisis, it faces a unique opportunity for reinvention. Aviation can use this downturn period and the recovery phase to introduce new environmental-friendly processes and train employees in technologies that will increase operating efficiencies while, at the same time, improving the customer experience. Although the current situation for aviation is bleak, aviation has always been resilient. With strong cooperation within the industry and between industry and governments, support from governments and the renewed confidence of the traveling public, the industry will recover and prosper.