

AVIATION: GLOBALISATION'S MAJOR ARTERY FOR GROWTH

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Across a region of over 20 nations, covering over 19 million square kilometers, representing a population of over 626 million people, where can one possibly look to unlock the breadth and depth of opportunity that exists in connecting the people of Latin America (LATAM) to the world, and to one another?

Well, to the skies, of course!

As regions across the globe step forward to take full advantage, and enjoy the full benefits, of the evolving global community of travel, trade and togetherness, the essential ingredients of success are becoming more transparent. In addition to shifts in national policies, promotion and partnerships for the advancement of activity with other nations, aviation is being exposed as the primary artery for enabling the flows of people and products into and around regions.

Nowhere is this more true than in LATAM.

Within this part of the world representing a rich array of evolving mindsets and markets for the development of tourism and trade, despite its challenges, opportunity abounds. Especially when the skies open to welcome new cross-regional programmes and partnerships aimed at increased commercial, consumer, and cultural activity.

And with increased mobility in the air comes increased possibility for people on the ground.

Speaking to aviation leaders from across the LATAM region at the opening of IATA's 2016 'Wings of Change' conference in Santiago, Chile, the Director General of IATA, Tony Tyler, was clear in his organisation's commitment to making the region a beneficiary of all that air transport can bring through the seats of the plane, and the belly, by directly tackling what it will take to reach a healthy cruising altitude for cross-regional operations. As stated by Tyler,:

"The theme for this conference is "Putting Aviation at the Forefront". We have a great opportunity over the next two days to debate our most pressing issues, challenge blockers to success and build alignment on the way forward. In Latin America and the Caribbean—which I will refer to simply as the region—aviation supports more than 4.9 million jobs and \$153 billion in GDP. All of this would not be possible without the intense collaboration and partnerships between the air transport industry, governments, airports and other key stakeholders."

Central to the region's potential for economic, social, cultural and environmental growth is the Travel & Tourism (T&T) sector. A very clear mirror of the changing aspirations and attitudes of the people of LATAM, T&T has become a way of living out wishes, and demonstrating worth.

Carlos Vogeler, Regional Director for the Americas UNTWO, echoes this sentiment around the spirit of exploration and personal identification spreading across the region.

"Travelling has become one of the society's needs. We have seen an increase in Latin American tourist arrivals at destinations such as Colombia, Argentina, Brazil and Chile, because people who previously travelled to the US or Europe are adjusting their budgets and choosing a place that is closer."

LOVE AND VISIT THY NEIGHBOUR

Importantly, this is not just about the people of LATAM looking beyond their region, creating relationships with people across the world. They are also seeking to create relationships with people just across the border.

At present, an estimated 70% of LATAM's international arrivals are coming from within LATAM. Vogeler continues: *"Thanks to rising levels of disposable income, many emerging economies have experienced great growth in the sector."*

The levels of personal money available for spending on personal travel shift not only with changes in personal wealth, but also with changes in currencies. The current ups and down of economies within the region have increased the desire to visit nations next door or slightly more around the corner for many regional neighbours.

Looking north of the region, North America remains a vital source of travellers to LATAM. Each quarter, LATAM welcomes over 30 million visitors from the US in particular, the rate of growth increasing in 2015 vs. 2014 by +4%. With the strengthening of the US\$, an estimated 20% vis a vis LATAM regional currencies, and also jobs numbers back home, many Americans are finding the pull of travel to LATAM too strong to pass up. Especially when the region is increasing the volume and value of its invitations to travellers through compelling marketing and promotional activity, and mega-events such as the 2014 FIFA World Cup and 2016 Olympic and Paralympic Games. While hosted by Brasil, the regional opportunity for pre/post visitation allows the mega-events to spread their benefits across borders, adding richness of regional experience to travel itineraries of travellers flying in, and great reward for those residents on the ground.

As natural and cultural appeal of the region increases, and even while local disruptions continue to unfold with regards to economic stability, political leadership, commodity values, not to mention Zika-based health scares, the region is growing. With steady momentum of regional growth in arrivals year on year, this has created invaluable foundations for employment across the region, with the sector generating one in every ten jobs.

For this reason, increased investment in air connectivity, both north-south and west-east, is a must. At present, limitations in regional mobility in the skies blocks the ability of the growing numbers of regional and international travellers to realize their travel aspirations. Both business and leisure logistics are limited by route availability and flight frequencies.

As the regional aviation community works tirelessly to embed understanding of local governments of the need to open their skies if they, the leaders across the region, are going to open a stable, sustainable future of economic and social wellbeing for their people, demand for travel into and within LATAM grows. Strongly.

With this growth in demand comes the growth of possibility of the people of the region, whether travellers travelling or locals hosting, to play a direct part in shaping the future for themselves, and millions across the globe embracing T&T. While qualitatively and quantitatively difficult to measure, without a doubt T&T has emerged as the best way to strengthen the spirit and stability of the global community. Think about it. No other industry in the world sees its stakeholders – the over 1.2 billion international travellers in 2015 – investing their own personal time, wealth and wishes into willingly and excitedly venturing out to places and peoples unknown in order to learn more about their differences, while at the same time, finding out how similar they actually are.

In these trying times where many forces are at play trying, painfully, to push people apart, this is why the world needs T&T.

And why, to keep the heartbeat of the world strong, the world's primary artery of connectivity of opportunity for places, people, product and peace – aviation - needs to continue to reach out to bring people closer together.

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