

Date	27 May 2021	ARMATS CJSC - Armenian Air Traffic Services
Ref.:	DGD21_0153	Mr Artur GASPARYAN
Subject:	Feedback on performance in Q1 2021	Director General
Contact:	Mr Donal Handley	Zvartnots International Airport
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Encl.:	-	ARMENIA

Dear Mr Gasparyan,

ARTUR

I hope you are keeping well.

The crisis continues but there is hope of some recovery this summer. It is very clear that there is massive underlying demand so, as travel restrictions ease, we can expect a good increase in traffic. We look in detail at our latest medium-term forecasts later in this letter.

In this update, we are looking at the performance of the network and of Armenia for the period 1 January - 24 May 2021 including our latest traffic long-term forecasts for Europe for years 2021-2024.




I note that a number of airlines have started, or are planning to commence, services to Armenia. I very much hope that the situation with the pandemic this summer allows for more traffic.

Part 1 - European Network (Flight data)

At network level, the number of flights was down on average by 64.0% on 2019 i.e. 10,128 average daily flights during the period 1 January - 24 May 2021.

During this period, a total of 1.5 million flights operated in Europe compared to 4.0 million in the same period of 2019, a fall of 2.6 million flights. The graph in the next page illustrates the traffic levels in 2020 and the first months of 2021. It reflects the impact of further waves of the pandemic and the emergence of new variants, resulting in continued travel restrictions.

We've been stuck at about 35-36% of 2019 traffic levels for most of 2021 but I am pleased to see a slight improvement in recent days, with the network operating at 40% of 2019 traffic levels over the last 7 days. We can be confident that this will continue to improve over the coming weeks as the vaccine roll-out continues to progress and as States relax travel restrictions.

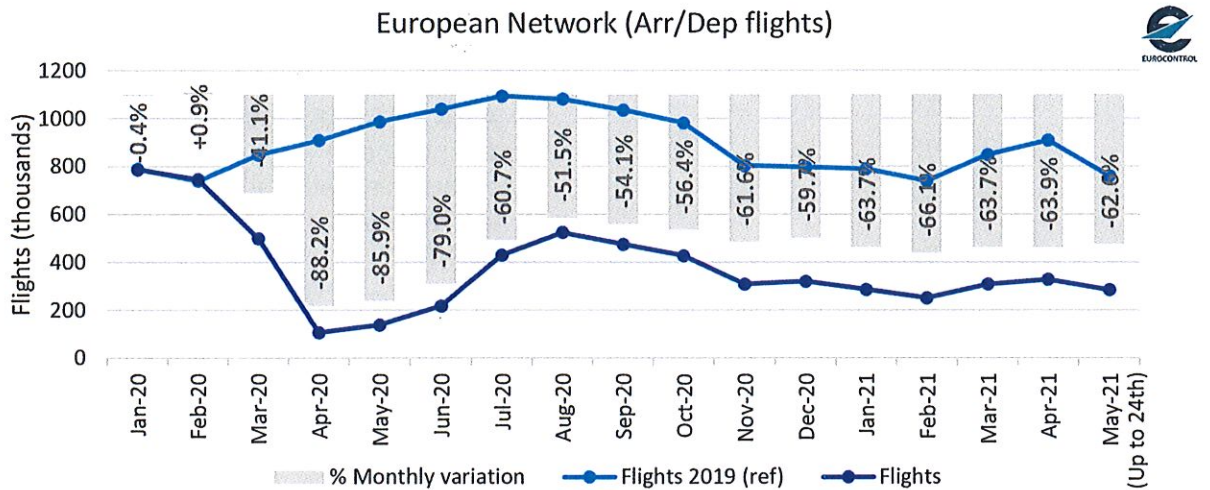
 Traffic	
ARMATS (1/1 - 24/5 2021 vs 2019)	
8.0 thousand	
Flights (incl. overflights)	↓ -66.9% vs. 2019
55	
Average flights per day	
 Sustainability	
Armenia (Jan-Apr 2021 vs 2019)	
0.05 M (tonnes)	
CO ₂ generated	↓ -32.6% vs. 2019
 En-route charges	
Armenia (Jan-Apr 2021 vs 2019)	
0.7 M€	
En-route charges billed	↓ -67.6% vs. 2019

SUPPORTING EUROPEAN AVIATION

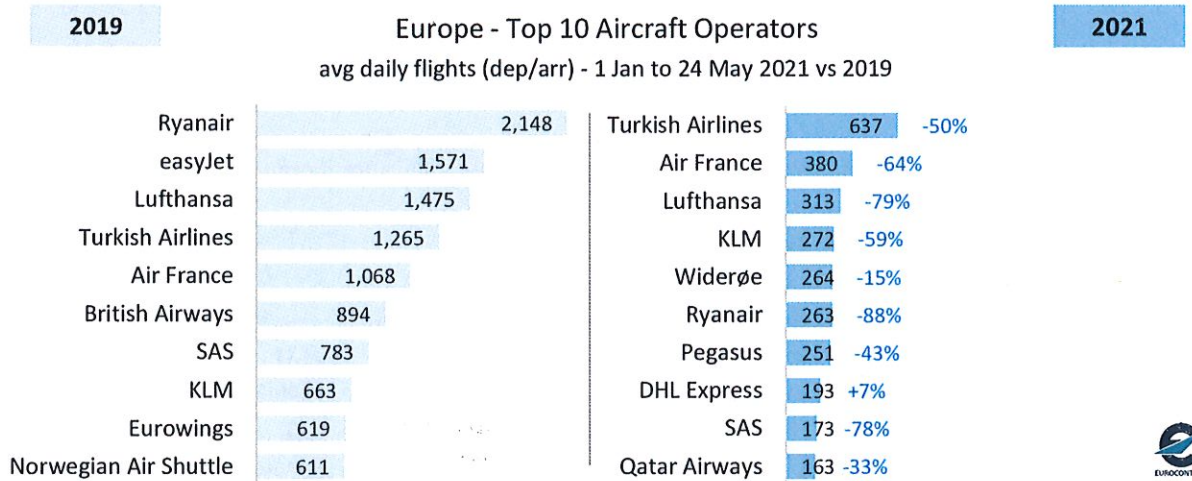
Member States: Albania, Armenia, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Moldova, Monaco, Montenegro, Netherlands, North Macedonia, Norway, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom.

Comprehensive Agreement States: Israel, Morocco.





The top 10 aircraft operators in terms of average daily flights (departures/arrivals) for the network during the period, compared to 2019, can be seen below.



The following figure presents the top 10 country pairs in terms of average daily flights (departures/arrivals) during the period, with the 2019 comparison.

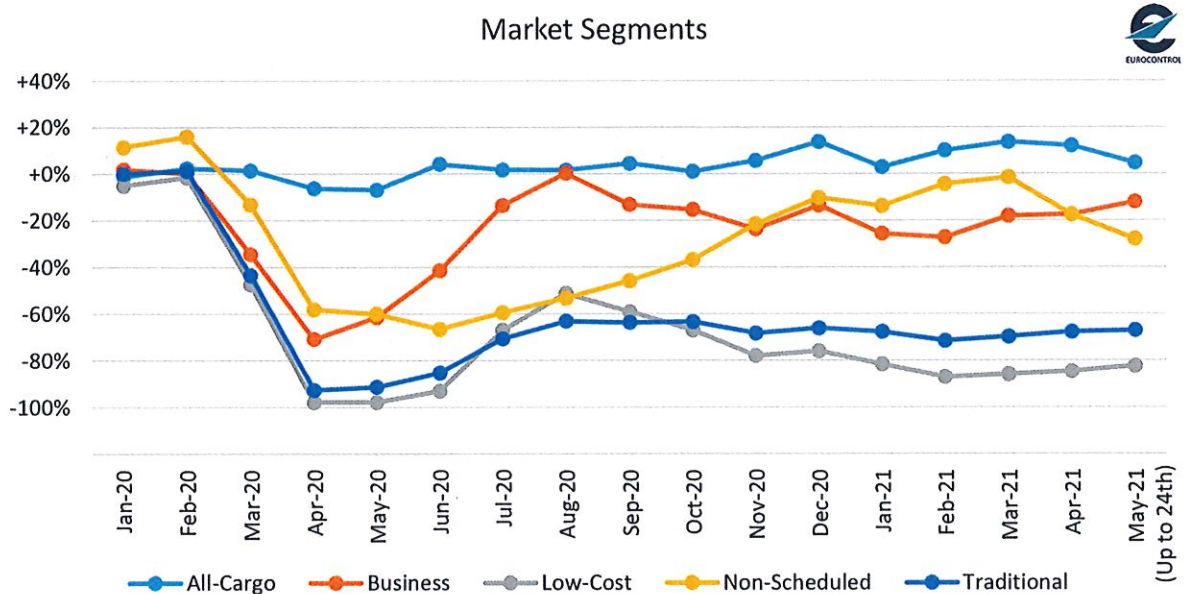


Looking at airports, the following table presents the top 20 airports for the European Network.

AVERAGE NUMBER OF DAILY MOVEMENTS (ARR+DEP)					
Airport	1/1 - 24/5 2021	% change vs 2019	Airport	1/1 - 24/5 2021	% change vs 2019
Istanbul (IGA + Ataturk)	621	-54%	Milan Malpensa	189	-74%
Paris CdG	463	-66%	Munich	181	-75%
Frankfurt	462	-65%	Zürich	181	-74%
Schiphol	460	-64%	Paris Orly	180	-73%
Madrid-Barajas	376	-68%	Leipzig Halle	179	-72%
Istanbul SG	345	-69%	Rome Fiumicino	176	-71%
Heathrow	328	-70%	Brussels	173	-71%
Athens	213	-76%	Vienna	170	-71%
Oslo	202	-75%	Cologne-Bonn	165	-72%
Barcelona	198	-73%	Palma de Mallorca	164	-72%

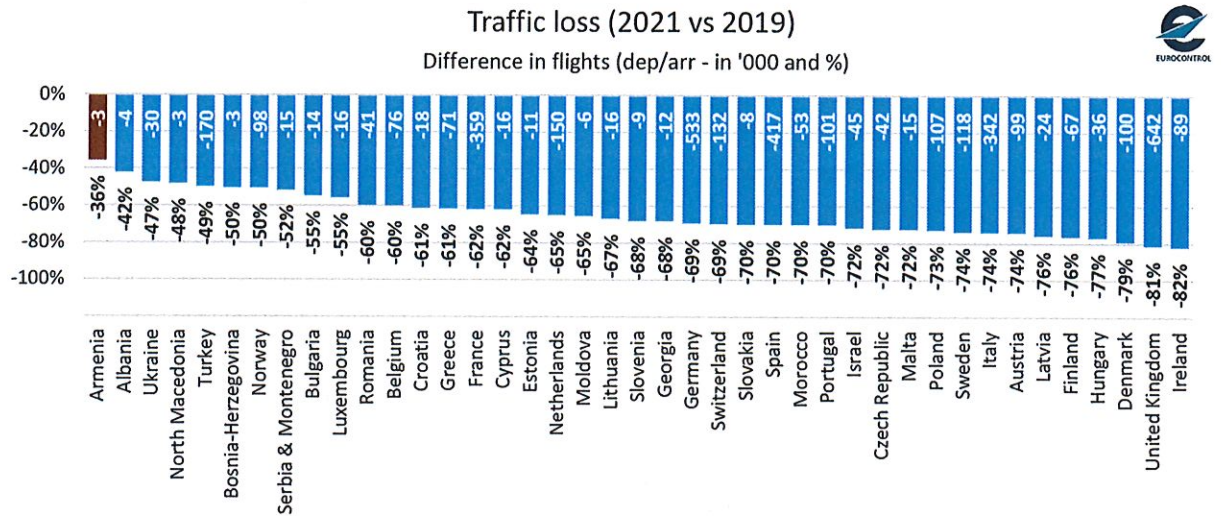
All-cargo remains a very strong market segment as a result of the loss of capacity in passenger aircraft. In general, the low-cost segment has run a lower level than traditional aircraft operators – until the demand is there (as a result of the easing of travel restrictions) at which point low-cost carriers add flights to meet the demand. Overall, all aircraft operators have dramatically increased their ability to react rapidly to changing circumstances.

MARKET SEGMENT VARIATION (Week 18-24 May 2021 vs 2019)		
Market Segment	Total Flights (Week 18-24 May 2021)	% change vs same week of 2019
All-Cargo	6,863	+10%
Business	14,223	-7%
Low-Cost	14,476	-79%
Non-Scheduled	6,650	-30%
Traditional	41,297	-65%



Part 2 - Focus on Armenia

For the period 1 January - 24 May 2021, traffic loss for Armenia was on average 36% or some 3k flights lower (arrivals and departures only) when compared to the same period in 2019.



If we consider also overflights, there were on average 55 IFR daily flights controlled by ARMATS, 66.9% lower than in 2019 (the corresponding decrease for the network as a whole was 64.0%).

The following tables present the situation at ACC level and for the main airport in Armenia.

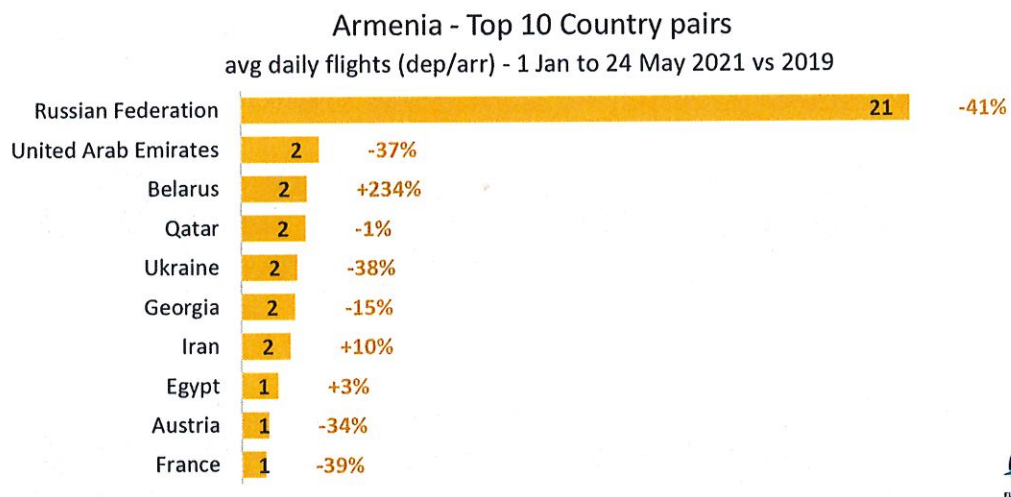
AVERAGE NUMBER OF DAILY FLIGHTS - ACC (including overflights)		
ACC	1/1 - 24/5 2021	% change vs 2019
Yerevan ACC	48	-68.8%

AVERAGE NUMBER OF DAILY MOVEMENTS (Arrivals + departures)		
Airport	1/1 - 24/5 2021	% change vs 2019
Yerevan	34	-38.7%

The top 10 aircraft operators for flights to/from Armenia in the period 1 January - 24 May 2021 compared to the same period of 2019 can be seen in the graph below.



Looking at this another way, for flights to/from/within Armenia, the top 10 countries are shown below:



Part 3 - Sustainability

The appetite for dialogue and knowledge exchange on aviation decarbonisation remains strong as the sector works to build back better sustainably. Our recent stakeholder forums on sustainability have seen audiences of up 4,800 viewers. One of them covered EUROCONTROL MUAC's work in partnership with DLR on contrail prevention: the first of its kind in the world, the trial investigates the operational feasibility of contrail prevention by ATC to reduce aviation's non-CO₂ climate impact.

EUROCONTROL continues to support European aviation stakeholders in their efforts to increase sustainability. In our recent Think Paper "Flying the perfect green flight" we have looked at every aspect of a flight to identify the main opportunities to improve aviation sustainability. 24 EEA States, Switzerland and the UK and more than 500 aircraft operators use the EUROCONTROL facilities to implement the requirements for EU ETS and CORSIA and we support States with our ICAO-approved environmental tools such as IMPACT – for noise and emissions modelling and Open-ALAQS for airport local air quality studies.

At ECAC level, in the scope of the EASA-EUROCONTROL work programme, EUROCONTROL is co-chairing with NATS and MUAC the ATM/ANS Environmental Transparency Working Group which aims to develop

proposals on how ATM/ANS providers can increase environmental transparency and demonstrate their efforts to support the industry in reducing negative environmental impacts.

Regarding emissions, we have estimated the CO₂ emissions for the entire flight of an aircraft taking off from your country. This excludes overflights and arrivals from outside your country. On this basis, the CO₂ emissions for Armenia in January - April 2021 amounted to 45,399 tonnes, 32.6% less than in the same period of 2019 (for context, the number of flights responsible for these emissions decreased by 38.0%).

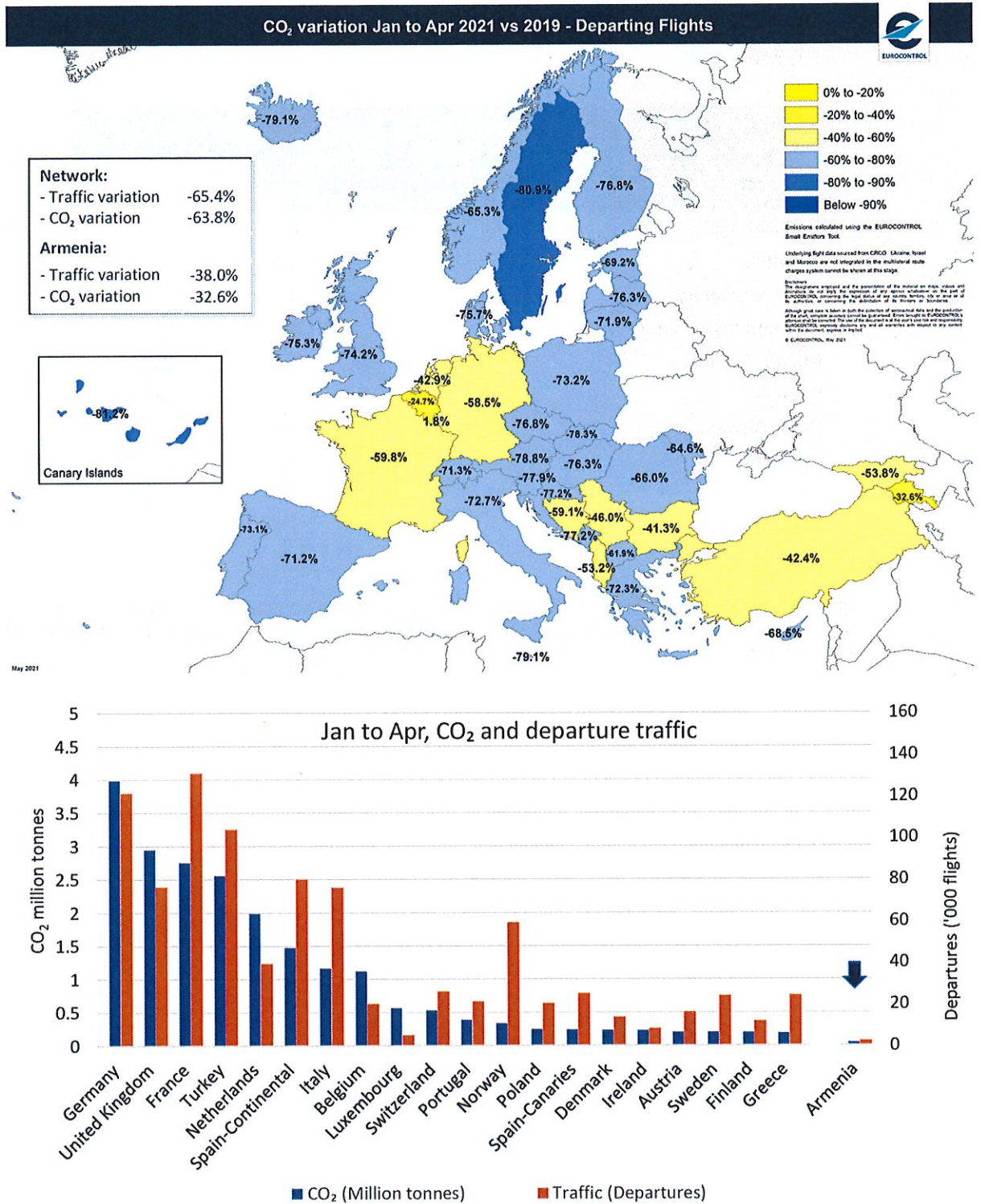
The top 10 aircraft operators in terms of CO₂ emissions in Armenia in January-April 2021, compared to 2019, can be seen below.

CO ₂ EMISSIONS Jan-Apr 2021 (vs 2019) [For the entire flight of an aircraft taking off from Armenia]		
Top 10 aircraft operators	Thousand tonnes	% change vs 2019
Ural Airlines	4.5	+8.6%
Aeroflot	4.2	-70.6%
Russian Military	4.1	+522.0%
Aircompany Armenia	3.7	+212.3%
Norwind Airlines	3.5	-35.5%
Belavia	2.6	+351.8%
Qatar Airways	2.4	-4.0%
flydubai	2.1	-23.6%
Ikar	1.7	-
Siberia Airlines	1.7	-64.4%

Note that these CO₂ emissions data are directly linked to the number of departures and the length of the routes. This is not an aircraft operator fuel efficiency list, it simply gives the CO₂ emissions share of the 10 biggest contributors.

The results of the analysis of estimated CO₂ emissions by departing country can be seen below. The variation between states resulted from a range of factors, including how much COVID-19 has affected that country's flights, the size and age of aircraft, how far they are flying and the mix of market segments.

The map shows the emissions variation and the chart shows emissions for flights taking off from airports in your country, compared to those of the countries with the highest emissions in January-April 2021.



Part 4 - En-Route charges

For the EUROCONTROL route charges area, the total amount billed to airspace users in January - April 2021 was 746 M€, which represents a decrease of 67.3%, or 1.5 B€ less than in the same period of 2019.

On behalf of Armenia, EUROCONTROL billed aircraft operators 0.7M€ for route charges in January - April 2021. This amount is 68% lower than in the same period of 2019 and represents 0.09% of total route charges billed by EUROCONTROL.

ROUTE CHARGES Jan-Apr 2021 (% vs 2019)					
En-route Charging zone	Jan-21	Feb-21	Mar-21	Apr-21	Total (Y2D)
Armenia	-75%	-71%	-70%	-50%	-68%

The top 10 aircraft operators (in terms of route charges amounts) billed on behalf of Armenia in January - April 2021 can be found in the following table:

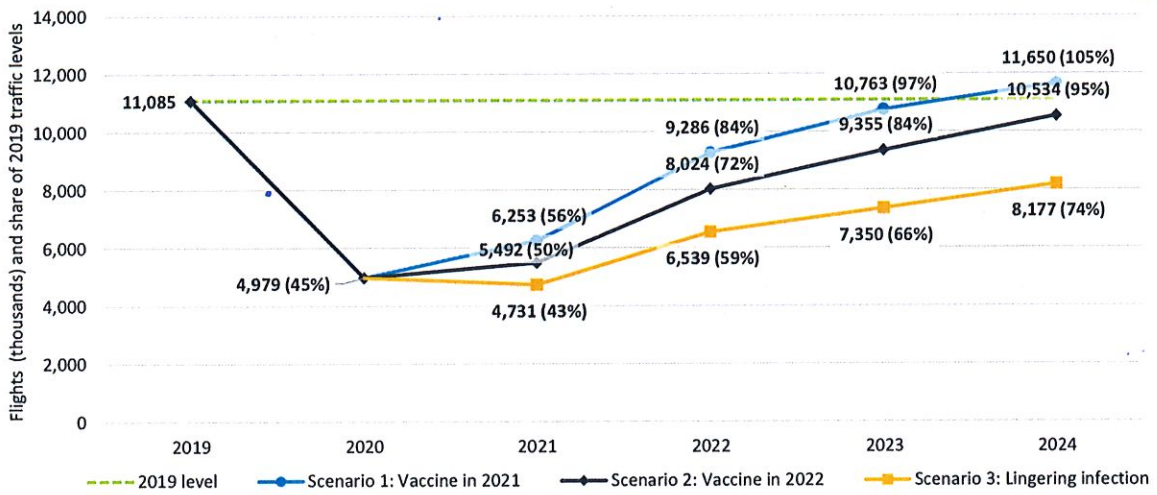
ROUTE CHARGES Jan-Apr 2021	
Top 10 aircraft operators	M€
Qatar Airways	0.11
Emirates	0.09
Ural Airlines	0.04
flydubai	0.04
Aircompany Armenia	0.04
Cargolux	0.03
Russian Military	0.02
Cathay Pacific	0.02
Norwind Airlines	0.02
Aeroflot	0.02

Part 5 - Traffic forecast (May 2021)

Last week, on 21 May, we published a revised EUROCONTROL STATFOR Network forecast covering the period 2021 up to 2024 and considering three possible scenarios, the most likely of which is Scenario 2, based on widespread vaccination across Europe and the coordinated easing of travel restraints being reached by Q1 2022, with more long-haul flows starting to return. More information can be found here www.eurocontrol.int/covid19.

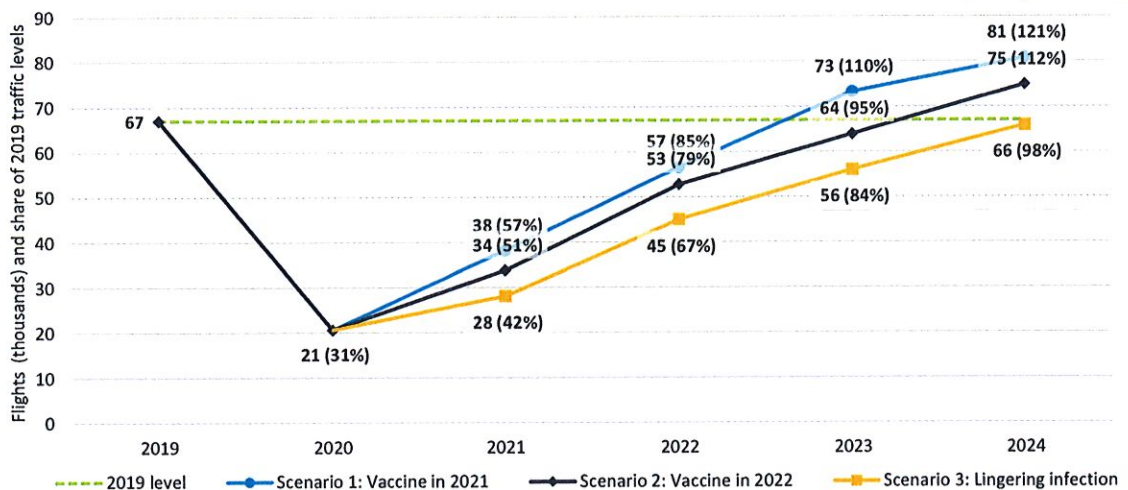
For Scenario 2, 2024 traffic recovers to 95% of the 2019 figure. However, in the event of patchy vaccine uptake and/or renewed outbreaks of new virus strains, traffic might take much longer to recover, with only 74% of the 2019 figure being reached in 2024 (Scenario 3).

Forecast for the Network (2021-2024)



At a country-level, the traffic growth foreseen in Armenia under Scenario 2 is +64% in 2021 compared to 2020 (Scenario 1: +85%, Scenario 3: +36%). By 2024, according to Scenario 2, the traffic would reach 112% of 2019 traffic levels (Scenario 1: 121%, Scenario 3: 98%).

Forecast for Armenia (2021-2024)



EUROCONTROL will continue to provide vital support during this critical period. Aviation is an essential part of Europe's economic recovery in the months ahead. I am very grateful for your continued support and be assured that EUROCONTROL is ready to assist you particularly during these difficult times.

Please feel free to share this information in briefings for your staff and stakeholders. If you have any queries, need any more information, or if you can suggest any improvements, please contact me.

To conclude, I hope that this letter has provided you with relevant information on your situation during this crisis as well as information on our activities to support European Aviation. On a personal note, I hope your family, friends and you are continuing keeping well. It's not easy, but we will prevail.

Yours sincerely,


Eamonn BRENNAN
Director General



