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Emirates' international and government affairs newsletter



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EMIRATES AND AMERICAN AEROSPACE

A partnership extending 40 years

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Emirates launched new daily services to Madagascar on 3 September 2024

Emirates and American aerospace: 40 years of partnership

As we prepare to celebrate Emirates’ 40th anniversary, we reflect on past performance and future aspirations. After Emirates began operations in October 1985, including with a leased Boeing 737, we are now among the largest airlines in the world. This story of positive and steady, organic growth would not be possible but for some key partners. Among them are the aerospace industry and skilled workers of the United States.

During the last 40 years, our partnerships with Boeing, GE Aerospace, and other American aerospace companies have flourished in ways few might have foreseen.

Emirates has operated the Boeing 727, 747 freighters, and, most notably, the 777. In fact, Emirates has operated every variant of the 777 that Boeing has produced since its rollout in 1995. Today, Emirates’ 140 Boeing 777s are the workhorse of its fleet, making it the largest operator of this aircraft type in the world. The 777 is a testament to the skill of a broad spectrum of American workers, from the assembly line to engineers and designers.

Of course, no company can build such airplanes alone.

140 in service	253 on order
120 Boeing 777-300ER	205 Boeing 777X
10 Boeing 777-200LR	35 Boeing 787
10 Boeing 777F	13 Boeing 777F

Once delivered, our 777X will be powered exclusively by GE Aerospace’s GE9X engines - of which we have 460 on order. In addition, Emirates has 35 787s on order. We have now received two of the 65 Airbus A350s, which also contain US-manufactured components - such as the composite centre fuselage section, wing front spar and fixed leading edge.

We look forward to receiving all these aircraft to support our growth plans, maintain a modern efficient fleet, and deliver the best flying experience to passengers. In doing so, we take great satisfaction in continuing our vital partnership while contributing to the prosperity of American workers, communities, and companies for decades to come.

In this context, it is also worth highlighting Dubai’s location at a geographical crossroad. One-third of the world’s population lives within four hours of flying time, while two-thirds live within eight hours. This partnership unlocked Dubai’s potential and has been a catalyst in its growth and transformation into a centre of commerce and trade, and a preeminent travel destination on the global stage. The Boeing 777 has been key to this story. Its cutting-edge combination of range capability, passenger and cargo capacity, and speed allow passengers to efficiently reach the furthest corners of six continents non-stop from Dubai as well as destinations closer to home.

Importantly, the economic benefits of this growth flow in both directions. In 2023, the US had an US\$18.2 billion trade surplus with the UAE, with the UAE being the top destination for US exports in the Middle East and North Africa, of which Emirates’ purchases of aerospace products comprise a significant part. According to the US Department of Commerce, aerospace consistently generates the highest trade balances and second-highest level of exports among US manufacturing industries after chemicals. These exports create and sustain high-skill manufacturing jobs throughout the US including in Alabama, Kansas, Kentucky, Indiana, Massachusetts, Michigan, Mississippi, New Hampshire, North Carolina, Ohio, South Carolina, Texas, Vermont and Washington. These jobs include machinists, assembly, cabin installation, mechanics, engineers of various disciplines, and many others.

The partnership between Emirates and the US aerospace industry is part of a bigger picture and a bigger story that transcends aviation. ■



Another key American partner is GE Aerospace, the world’s largest manufacturer of aircraft engines. GE Aerospace builds some of the world’s most advanced jet engines, and they power every one of our 777s. These engines highlight American leadership in high-skill manufacturing.

In addition to Boeing and GE Aerospace, we rely on an array of other American aerospace companies such as Honeywell and RTX for components and services. In fact, Emirates’ fleet of 118 Airbus aircraft also contains substantial US-manufactured content. On average, an Emirates A380 aircraft consists of 20% American-made parts.

As Emirates looks ahead towards the next 40 years, US aerospace and American workers will keep playing a crucial role. Most notably, we made historic and unrivalled commitments to Boeing for its forthcoming 777X aircraft to serve as our flagship. Emirates’ orders total over US\$111.7 billion for 255 aircraft (estimated list prices).

Boeing clearly faces significant challenges that are delaying the 777X and other programs. Emirates has expressed itself candidly about these delays and the resulting burdens. Boeing’s recovery and restoration as one of the world’s top aerospace firms is vital to the entire industry. The global aviation industry needs a successful Boeing.

Emirates' pre-pandemic capacity to Australia is now fully reinstated

On 28 October 2024 Emirates relaunched its daily service between Adelaide and Dubai with a Boeing 777-200LR. This reinstatement will allow more than 220,400 passengers per year to travel between Dubai and Adelaide, reflecting our commitment to South Australia and facilitating growing travel demand to and from the region.



Emirates first launched flights to Australia in 1996, and in the ensuing three decades has consistently supported Australian tourism, trade and FDI. 2024 was another pivotal year for our operations to Australia. In addition to the resumption of the Adelaide service, the Premium Economy offering was doubled on flights to Melbourne, the second Brisbane service was upgraded to an Airbus A380, and a second daily service was introduced to Perth from 1 December. This marks the reinstatement of Emirates' pre-pandemic network, with 77 weekly frequencies to Brisbane, Perth, Sydney, Melbourne and now Adelaide. Emirates will also introduce a third non-stop service between Dubai and Melbourne from 30 March 2025 with a newly retrofitted four-class Boeing 777-300ER, which will replace the existing service via Singapore.

Emirates launched its Adelaide service in 2012 and carried more than 165,000 passengers between Dubai and Adelaide in 2019, before suspending the service in March 2020 due to the COVID-19 outbreak.

Emirates' return will have a significant impact on South Australia's economy and tourism industry. The tourism expenditure of daily direct Emirates flights is estimated by the South Australian Tourism Commission to generate more than A\$62 million per year and create more than 315 full-time equivalent tourism-related jobs for South Australians.



The Adelaide service will provide travellers from across Emirates' global network with easy access to South Australia. South Australians will also benefit from seamless connectivity via Dubai to more than 140 destinations on Emirates' network.

Emirates SkyCargo will further strengthen trade links between South Australia and the wider world including key markets across the Middle East, Europe and the US. Each daily flight will offer 14 tonnes of cargo capacity, totalling 196 tonnes weekly between Dubai and Adelaide. Key anticipated exports from Australia range from seafood, meat products, and fruits and vegetables, to general cargo consisting of pharmaceuticals, machinery parts, retail garments and electronics. The value of freight exports is estimated to be A\$98 million per year, bringing the total estimated economic contribution generated by Emirates' flights to Adelaide to A\$160 million.

This additional cargo capacity comes at an opportune time following the signing of the Australia-UAE Comprehensive Economic Partnership Agreement (CEPA) on 6 November 2024, which will boost trade and investment between both countries. The air connectivity provided by Emirates' wide-body operations will play a key role in delivering the critical air links needed to fully realise the benefits of the CEPA, by facilitating both passenger and freight services between the two countries. ■



"The reinstatement of direct daily Emirates flights into Adelaide is expected to generate more than A\$62 million in tourism expenditure alone – a major boost to our state's visitor economy. It is exciting that South Australia will once again feature in Emirates' global marketing programs, getting more eyes around the world on South Australia and helping drive an increase in visitors to our state."

– Zoe Bettison
South Australian Minister for
Tourism and Multicultural Affairs

Key recommendations from the Draghi Report

The EU has acknowledged that its competitiveness has declined on the global stage in recent years, but Mario Draghi wants to turn the tide. The former Italian Prime Minister and President of the European Central Bank in September 2024 released a report, in which he outlines some of the ills of the European economy and potential cures to bridge the growing gap between Europe and major economic powers like the US and China - including for the aviation industry.

Draghi's recommendations are long overdue and a welcome call to action. A thriving aviation sector is in everyone's interest. With 28 points served across 17 EU Member States, Emirates has had a longstanding commitment to serving the European market and providing air connectivity across continents for European consumers and exporters. Of the 80 logical destinations Emirates serves beyond Dubai, many are not served by any of the EU's legacy carriers.



This air connectivity is a competitiveness enabler for the EU and provides a unique window to the rest of the world for travellers and businesses from the continent. Draghi's recommendations are timely and sensitive to inform and guide policymakers to ensure EU traveller and connectivity benefits going forward:

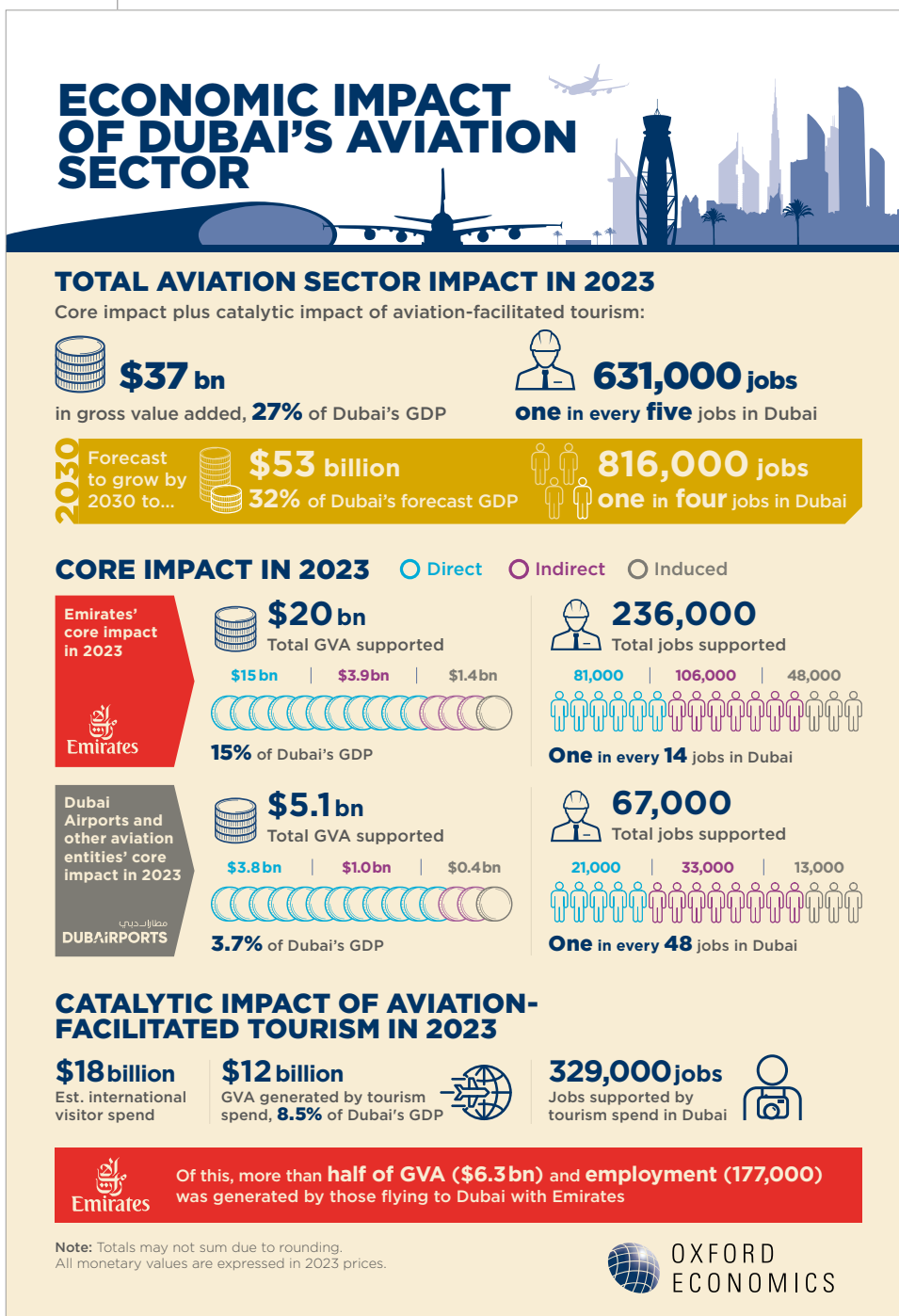
- **Simplify and harmonise regulation across the EU to create a coherent single market:**
 Draghi's recommendation to harmonise regulations across EU Member States is both required and important. Currently, operating across different European jurisdictions can be complex and burdensome due to fragmented regulations. A more streamlined regulatory framework would reduce administrative barriers. This simplification offers Emirates the possibility to better serve its European destinations, optimise its route schedules and improve efficiency of operations.
- **Create sustainability synergies to strengthen green transition:**
 One of the most encouraging aspects of Draghi's report is the focus on sustainable aviation technologies, particularly sustainable aviation fuels (SAFs) and cleaner aircraft. Emirates has already made significant strides towards sustainability. Draghi rightfully says that with Europe's push for greener aviation, non-EU airlines can leverage their existing expertise in this area, opening the door to greater partnerships with European airlines.
- **Modernise infrastructure to reduce delays and provide a better passenger experience:**
 Draghi's focus on modernising airports and air traffic management systems is a priority for Europe's aviation ecosystem. For Emirates, this would mean faster turnaround times, fewer delays, and most importantly, a better quality of service overall for passengers across the globe flying into and out of Europe. Improved infrastructure will also enhance the reliability and capacity of European airports, making Europe a more attractive hub for global connectivity.

All in all, the Draghi report outlines a future where non-EU airlines can thrive alongside their European counterparts. The focus on sustainability, regulatory harmonisation and infrastructure upgrades presents non-EU carriers with the opportunity to expand, innovate, and offer better services in the European market, to the overall benefit of Europe's travelling public. ■

Oxford Economics report on the impact of aviation in Dubai

Emirates Group and Dubai Airports recently released an economic impact study that reaffirms the central role aviation plays in Dubai's economy, by quantifying its contributions and forecasting the sector's upwards trajectory, based on financial and passenger growth projections for the sector.

The study, compiled by global research firm Oxford Economics, includes an assessment of direct economic activity generated by the aviation sector; indirect activity generated through the sector's supply chain, and induced activity supported through wage-funded consumption by the local aviation workforce. The study also assesses the catalytic impact of tourism spending facilitated by the aviation sector in Dubai. ■



"Dubai's aviation sector has been a core pillar of our city's economic growth strategy to date, and it will continue to play a key role in the D33 Economic Agenda. Supported by strong air connectivity, Dubai has a prominent presence on the global stage for trade, investments, tourism, and is a leading player in aviation and logistics. Our ambitious plans for Al Maktoum International airport, and our ongoing investments to expand capacity at Dubai International, will unlock further economic opportunities by supporting the projected demand for air transport."

- His Highness Sheikh Ahmed bin Saeed Al Maktoum
Chairman and Chief Executive, Emirates Airline & Group, and Chairman of Dubai Airports

Read the full report 'The Economic Impact of Aviation in Dubai' and related material here: <https://www.emirates.com/ae/english/about-us/financial-transparency/dubai-approach/>

Non-CO₂ emissions reporting – how realistic is it?

From this year, aircraft operators will begin monitoring and reporting the effects of non-CO₂ emissions – including contrails – on flights within the European Union (EU).

The EU's Climate Change Committee endorsed the new rules on 29 August 2024, bringing non-CO₂ emissions into the EU Emissions Trading System (ETS) Monitoring and Reporting Regulation.

While the high level of interest in the topic is positive and timely, any actions taken to address non-CO₂ emissions need to be based on rigorous understanding of the problem, so as not to introduce unintended consequences.

On the surface, reporting these effects would appear to be a good idea. It has been reported that contrails and contrail-induced clouds potentially generate up to twice the climate warming of CO₂.

But considering what is required, the rules do not actually imply monitoring, but instead just the modelling of emissions effects. This distinction is very important, but has been blurred in a lot of the commentary and debate on the issue.

In addition, while it is hard to calculate the global climate effect of non-CO₂ emissions, it is even harder to attribute a specific climate effect to an individual flight.

Calculating CO₂ emissions from jet fuel combustion is straightforward, as there is a direct relationship between the two: for EU ETS purposes, one tonne of jet fuel produces 3.16 tonnes of CO₂.

Contrails, however, are much more complex – they are not simply emissions, but essentially ice crystal clouds that result from the interactions between water vapour and particles in the jet exhaust and in the surrounding air, at the right temperature and humidity. Their occurrence depends on fine-grained meteorological details, while their climate effect depends on, among other things, the time of day, as well as how long they last. Contrails during the daytime can even be cooling.

To prepare their reports on non-CO₂ effects, aircraft operators will need to enter their flight details into a model provided by the European Commission. This will connect with weather models and produce estimates of the associated non-CO₂ climate effects.

Although the European Commission has identified the models that will be used, they have not to date indicated whether or how aircraft operators' modelled results would be validated. Furthermore, the default fuel quality factors the regulation uses are for the absolute worst-case scenario, and practically never encountered in reality – this would misleadingly make emissions look worse than they actually are.

If the results of this monitoring/modelling and reporting process are to be used in the future to set climate policy and regulations, the assumptions lying within the model and the uncertainties in the results must be made transparent. Presenting scientifically-unvalidated conclusions as fact could result in faulty policy and regulatory decisions and wrongly inform related debates.

Scientific understanding of aviation's non-CO₂ emissions continues to evolve, and was presented by leading researchers at the timely International Civil Aviation Organisation (ICAO) Non-CO₂ Symposium in Montreal, Canada in September 2024. ■

¹ See for instance Lee *et al*, 2021, The contribution of global aviation to anthropogenic climate forcing for 2000 to 2018, <https://www.sciencedirect.com/science/article/pii/S1352231020305689>



However, this dramatic climate warming scenario is laden with uncertainty. Looking more closely at the research¹, the range of contrail-caused warming could be anywhere between half to three times that of CO₂ at the global level.

Advocates of the new rule argue that these non-CO₂ emissions should be addressed – the consensus is that there is an overall warming effect (even if the actual amount is unknown), so the monitoring and reporting rules should be put in place immediately.

They said it best...



“Reinstating Emirates flights to Adelaide has been a key priority for the State Government. Emirates once again flying daily direct into Adelaide will further drive South Australia’s economic growth – set to deliver an estimated A\$160 million in tourism expenditure and freight exports and create more than 315 full-time tourism-related jobs for South Australians. The Emirates service has been very much missed by South Australians – recommencing daily flights will make Adelaide easier to reach from key long-haul markets and make doing business with our state easier.”

– **Hon Peter Malinauskas**,
Premier of South Australia



“More than 30 years after reunification, it is unacceptable that 172 long-haul flights depart from West German airports every day, while in the whole of East Germany there are only three that are handled via Berlin-Brandenburg Airport. This means that the region is almost completely cut off from intercontinental air traffic. This cannot be allowed to happen.”

– **Kai Wegner**,
Governing Mayor of Berlin



“We appreciate Emirates’ continued interest in connecting the German capital city with the world. The Berlin-Brandenburg airport serves the Metropolitan Region and much of East Germany, one of the most dynamic regions in Europe. Our goal is to expand the existing long-haul network and I am glad to see Emirates as a partner in this endeavour.”

– **Franziska Giffey**,
Mayor of Berlin and Senator for Economic Affairs, Energy and Public Enterprises

“Air connectivity is one of the fundamental pillars of European integration and cohesion, and indeed the future of our EU Single Market depends very much on the resilience and effective decarbonisation of our transport systems. By highlighting the far reaching economic and social benefits linked to our European airport network, the study by ACI EUROPE confirms this - and also makes it crystal clear that we need to ensure both EU and national policies effectively support and enable aviation’s green growth trajectory.”

– **Enrico Letta**, President, Jacques Delors Institute, and former Prime Minister of Italy, referring to ‘The Economic and Social Impact of European Airports and Air Connectivity’ report by SEO Amsterdam Economics

“It is undeniable that, behind good intentions, there may be a risk of green protectionism, of non-transparent, discriminatory measures that are not necessary to achieve legitimate objectives, which end up distorting international competition.”

– **Tatiana Prazeres**, Secretary of Foreign Trade, Brazilian Ministry of Development, Industry, Trade and Services

“The US should embrace its history as a leader in the creation of the modern global trading system. . . That system has been good for the US and the world – maintaining peace and stability and creating economic opportunity.”

– **Frederick W. Smith**, Founder and Executive Chairman, FedEx Corporation

“The federal states of Berlin, Brandenburg, Hamburg, Mecklenburg-Western Pomerania, Lower Saxony, North Rhine-Westphalia, Rhineland-Palatinate, Saarland, Saxony-Anhalt and Schleswig-Holstein emphasise that the Federal Government urgently needs to reduce regulatory hurdles as part of adjustments to the existing air traffic agreements, so that aviation companies can serve German airports without being forced to terminate another destination. The aim is to meet the high demand for additional long-haul connections.”

– Declaration adopted by 10 of the 16 German federal states during the **December 2024 Prime Minister Conference** held in Berlin

The frozen food supply chain - reimagined

Emirates recently became the first airline to join the 'Move to -15°C Coalition' - a global coalition of industry partners which has been growing since its launch during COP28 in Dubai.



The coalition aims to redefine frozen food temperature standards and lower energy consumption in the frozen food supply chain, including in air cargo. Academic research suggests that a three-degree change in temperature from -18°C to -15°C could have

significant environmental impacts – such as saving 17.7 million metric tonnes of CO₂, creating energy savings of around 25 terawatt-hours (TWh) and cutting supply chain costs by at least 5% - 7% – without compromising on food quality and safety. The coalition will explore the real-world application of this research through data sharing, suggested operational revisions, collaborating with members and stakeholders – as well as engaging with policymakers and regulators to educate and advocate. Even though frozen foods represent a small percentage of cargo carried, Emirates' cool chain infrastructure and global network can help provide key insights and expertise when reimagining the frozen food supply chain along with other industry stakeholders. ■

"Ambitious climate action across the complex frozen food supply chain – which includes food production, ports, shipping, road, rail and air freight, cold storage and retail – can only happen through cross-sector collaboration. By joining the Coalition, Emirates is demonstrating that change is possible through industries joining forces." – Thomas Eskesen, Chairman, the Move to -15°C Coalition

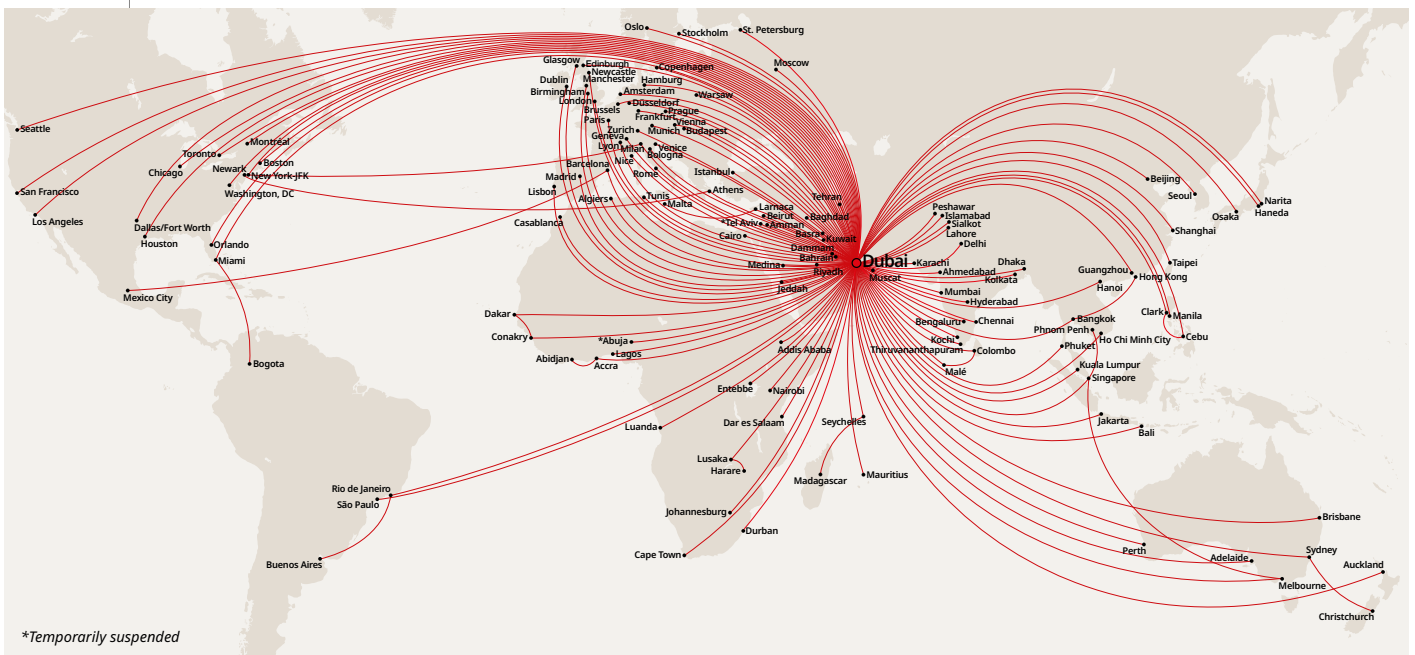
Fast Facts

Revenue*	US\$33 billion
Profit*	US\$4.7 billion
Fuel costs*	US\$9.3 billion
Employees*	63,466
Departures*	179,624
Passengers*	51.9 million
Cargo (tonnes)*	2.2 million

Seat factor*	79.9%
Average fleet age*	121 months
Average daily flights*	492
Aircraft in service	258
Aircraft on order	316
Destinations	147
New destinations	Bogotá, Antananarivo

*FY2023-24 (airline)

Emirates' Route Map



Contact us at iga@emirates.com and for more information about Emirates visit www.emirates.com