Forecasting by its very nature includes inherent uncertainties, especially due to the volatility of longer-term drivers of air traffic such as GDP, shifts in Government policy towards aviation, fuel/fare prices, political instability etc. However, within this context, RDC Aviation adopts industry standard methodologies for the basis of its forecasts (such as multiple regression analysis against a range of demand drivers) whist providing detail in the short-term to support the foundations for longer-term growth (including accurate operating cost modelling techniques).

In terms of best practice, this is the typical approach as described in the ACI Airport Traffic Forecasting Manual (last updated June 2011). An earlier report (entitled Aviation Demand Forecasting – a Survey of Methodologies conducted by the US Transportation Research Board in August 2002), which provided the modelling approaches for forecasting adopted by various aviation consultancies again showed this approach towards long-term forecasting to be a typical industry approach.

RDC Aviation has access to extensive, and unique, databases and software tools to assist in both short and long term forecasting. The skills and approaches adopted by RDC towards forecasting result in accuracy, not only in the short term, but also in the long term.

A look at longer-term forecasts conducted by RDC shows good accuracy. For example, in 2004, RDC Aviation completed a traffic forecasting project for Bergamo - Orio Al Serio Airport in Italy. Over the 8 years between 2005 and 2012, the base case forecast closely matched the actual outturn and well within the low and high scenario limits (see below). In total, the airport handled 53.9m passengers between 2005 and 2012, versus the RDC Aviation forecast of 53.4m – a variation of -1.1%.

The Ports of Jersey
The Case for Incorporation