icct

THE INTERNATIONAL COUNCIL ON CLEAN TRANSPORTATION

Premium air travel demand through the 2026 jet fuel price shock

Sola Zheng, Daniel Sitompul
International Council on Clean Transportation
November 2026

Summary

Governments are considering levies on premium air travel as a source of international climate finance, an effort led by the Global Solidarity Levies Task Force (GSLTF) coalition. A key objection to such levies is that they would suppress premium demand, impacting airline profitability and levy revenue stability. Demand elasticity of premium air travel, which is critical to determining the merit of the objection, has not been well studied. The 2026 global fuel-price shock offers a rare natural experiment: a large fare increase observed across carriers and regions.

This briefing investigates premium air travel demand on both scheduled flights and unscheduled private-jet flights through the 2026 fuel price shock. The analysis draws on OAG airfare and passenger booking data to examine year-on-year fuel cost passthrough and booking volume trends. Private jet weekly departures and quarterly charter pricing were also analyzed. We complement the main analysis with evidence on how premium demand responded to the United Kingdom's Air Passenger Duty (UK APD), drawn from HM Revenue & Customs (HMRC) statistics. The two sources are complementary: the 2026 shock is large and global but only a proxy for a levy, whereas the UK APD is an actual premium levy, if confined to one country and raised in modest steps.

Our main findings include:

- **The 2026 shock raised the cost of premium flying more than the proposed levy would.** Premium fares rose about 8.7% year on year (March to July) as the jet-fuel price rose 87% globally (80%–96% across regions); on medium- and long-haul routes, the average per-ticket increase (about US$243 and US$360 on a one-way premium ticket) far exceeded the Task Force's sample levy rates for those bands (US$175 and US$250).
- **Premium demand continued to grow as economy demand fell.** Business Class bookings rose about 5%, and premium demand expanded across nearly every route corridor and world region, while Economy Class bookings fell about 3%. Facing similar fare increases, the premium cabins proved consistently less price-sensitive than economy.

- **Private aviation was equally resilient to fuel price increases.** Global private-jet activity rose about 4% as the jet-fuel price roughly doubled, while published charter rates held flat.
- **An actual premium levy has not impeded premiumization.** Under the UK APD, the premium share of long-haul passengers rose from 20.0% to 22.4% over the past decade as the premium rate climbed about 72%; at the April 2025 rise, premium passengers still grew 3.4% under a 26% rate increase, private-jet passengers grew 17.5% as the private-jet rate rose about 89%, and total UK APD receipts rose about 12%, to £4.6 billion.

The evidence points to a few implications for the design of a premium air-travel levy. First and most importantly, a levy of the magnitude currently under discussion is unlikely to materially suppress premium demand, which proved resilient to a far larger cost increase. Second, the levy would fall on a concentrated, high-income segment: the top twelve origin markets account for approximately three-quarters of premium bookings. Lastly, premium demand proved resilient when facing price volatility, supporting a predictable revenue stream.

Introduction

The Global Solidarity Levies Task Force (GSLTF) was created to explore innovative levy instruments that could raise international climate finance across sectors. One of its options, a levy on premium air travel, gathered a coalition of eight founding countries[1] in June 2025.

Countries in the coalition would implement levies on premium air travel under their own national budget decision-making. To guide these decisions, the Task Force reviewed existing legislation and published a best-practice guidance (Global Solidarity Levies Task Force, 2025). The guidance suggests the introduction of a flat per-ticket charge on premium cabins that rises with cabin class and flight distance: a Business Class ticket would be levied at US$60 on short-haul routes, US$175 on medium-haul routes, and US$250 on long-haul routes, and a First Class ticket at US$100, US$300, and US$400 across the same bands. These rates are in line with existing premium-cabin levies, such as France's airline solidarity tax at €120 for long-haul premium tickets (Government of France, 2025), the United Kingdom's Air Passenger Duty (UK APD) at £244 for long-haul premium tickets (HM Revenue and Customs, 2025), and the Maldives' departure tax at US$120 for Business Class and US$240 for First Class (Maldives Inland Revenue Authority, 2024). Charter flights, treated as commercial, pay the same per-ticket charge, while non-commercial private-jet flights are subject to a fuel levy of US$0.84 per liter.

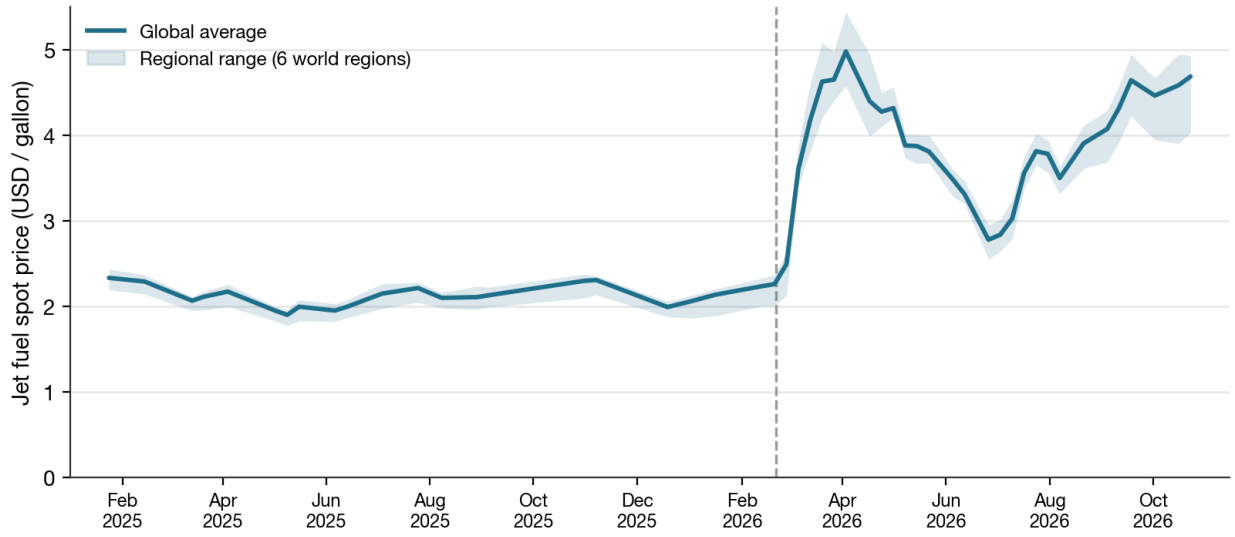
A central question for national governments considering such a levy is its demand impact: whether a ticket levy on premium cabins would reduce premium flying or be absorbed by consumer willingness-to-pay. The answer affects the industry's economic outcome and the coalition's revenue target in a material way. The price sensitivity of premium air travel, however, is not well studied. Estimates specific to premium cabins are scarce, and the most widely used, from CE Delft (2019), derive premium elasticities indirectly by adjusting Economy Class values. Evidence on how premium travelers respond to an actual charge is similarly thin; the main study of the UK APD (Seetaram et al., 2018) relied on a stated-preference survey rather than observed market data. Direct, empirical evidence of premium flying demand elasticity has been lacking, which is the gap this briefing attempts to fill.

---

[1] These were France, Kenya, Barbados, Spain, Somalia, Benin, Sierra Leone, and Antigua & Barbuda.

The 2026 jet fuel price shock provided an opportunity to observe how the premium air-travel market responds to a large increase in the cost of flying. Beginning in late February and intensifying through June, military conflict in the Persian Gulf and disruptions to traffic in the Strait of Hormuz caused jet fuel prices to increase substantially. From a 2025 baseline of roughly US$2 per gallon, the global average jet-fuel price climbed to a peak near US$5 per gallon, more than doubling (Figure 1; IATA, 2026). Across the March to July window used throughout this brief, jet fuel was about 87% higher year on year on a global basis, with regional increases ranging from about 80% to 96%.

Figure 1. Jet fuel price, 2025–2026 (weekly; global average and regional range)



The fuel price shock raised the operational cost of airlines, and by extension global airfare, on a scale far larger than the proposed premium flying levy. It thus provided empirical data to address a key question: whether premium demand contracts when the cost of flying rises. We analyzed the trends across four lines of evidence: fuel-cost passthrough onto premium cabin fare, premium cabin booking volumes, private jet departures and pricing, and the demand response to the UK APD.

Complementing the fuel shock analysis with UK APD trends is crucial because a fuel shock increases costs for airlines, whereas a ticket levy is directly borne by passengers. The shock was also temporary, while a levy would be permanent. The fuel shock addresses the main limitations of the UK APD evidence in turn: it is global rather than confined to one country, large rather than incremental, and concentrated in a single recent episode that can be observed from current market data on a granular level (rather than a long time series of historical data). Together, these lines of evidence test the central objection to a premium levy—that it would suppress demand—against what actually happens when the cost of premium air travel rises.

Methods

Fare and booking data were purchased for a common sample of 944 origin-destination (OD) combinations (1,888 directional route pairs), fixed before the analysis. Markets were selected above a premium-traffic floor of at least 13,000 First and Business passengers, a premium share of at least 10%, and at least 40,000 Economy Class passengers per year, based on ICCT's 2023 flight emissions inventory. To avoid over-representing short-haul traffic, intra-European and intra-U.S. markets were each capped at

70 OD combinations and Middle East markets at 72, with the freed capacity directed toward transatlantic and Global-South long-haul routes and 30 high-confidence connecting markets.

The analysis of premium cabin fare on scheduled flights used OAG Altus airfare data (OAG, 2026). Fare changes were computed for each route on a year-on-year basis, weighted by how often each fare was observed and aggregated across the same set of routes in both years. Cabins were grouped as Economy, Premium Economy, and Premium (First and Business combined). A full-pass-through benchmark was derived from the fuel increase: because jet fuel represents approximately 25% to 30% of airline operating cost (IATA, 2024), an 87% fuel increase implies a fare increase on the order of 22% to 26% if passed through in full. Airlines could pass a larger share of the fuel-cost increase through to premium cabins for yield-management reasons; we did not factor that into full-pass-through benchmarks, as the airline pricing strategies remain opaque, and this is part of what the fare analysis sets out to answer.

Fares were additionally decomposed into the base fare and the fuel surcharge. The fare result is robust to the lead time at which fares are observed: year-on-year premium fare change is stable across observation windows of roughly one to seven weeks before departure.

Premium cabin demand used the OAG Forward Looking MIDT booking sample (OAG, 2026), measured on a year-on-year basis by cabin from March to July. This dataset recorded bookings made through global distribution systems (GDS)—the reservation platforms used by travel agencies, online travel agents, and corporate booking tools—and therefore capture the indirect distribution channel more completely than direct sales on airline websites. The sample reflects a share of total market activity in 2025 and 2026. To minimize the effect of year-to-year shifts in the booking activity it captures, premium volumes and the premium-versus-economy ratio were reported as shares and year-on-year indices rather than absolute passenger counts.

Private (unscheduled) aviation drew from two sources. Flight activity was taken from WingX (2026), which records weekly private-jet departures worldwide, including chartering, fractional ownership, and owner-operated flights. Pricing was taken from Private Jet Card Comparisons (2026), which publishes hourly jet-card and on-demand charter rates by aircraft category; these are posted benchmark rates rather than transaction prices. Jet-fuel prices were from the Jet Fuel Price Monitor of the International Air Transport Association (IATA, 2026).

For UK APD, two analyses on different time horizons were carried out: a decade-long trend in long-haul premium and economy passengers against the rising premium rate, and a before-and-after comparison around the 1 April 2025 rate increase, which fell in a year with no fuel shock. Passenger counts were from HMRC Air Passenger Duty Bulletin chargeable-passenger figures by band and rate class (HMRC, 2026); the rate schedule is from gov.uk (HMRC, 2025). For the decade trend, long-haul is defined as Band B and Band C combined, to hold a consistent geographic scope across the reintroduction of Band C in April 2023.

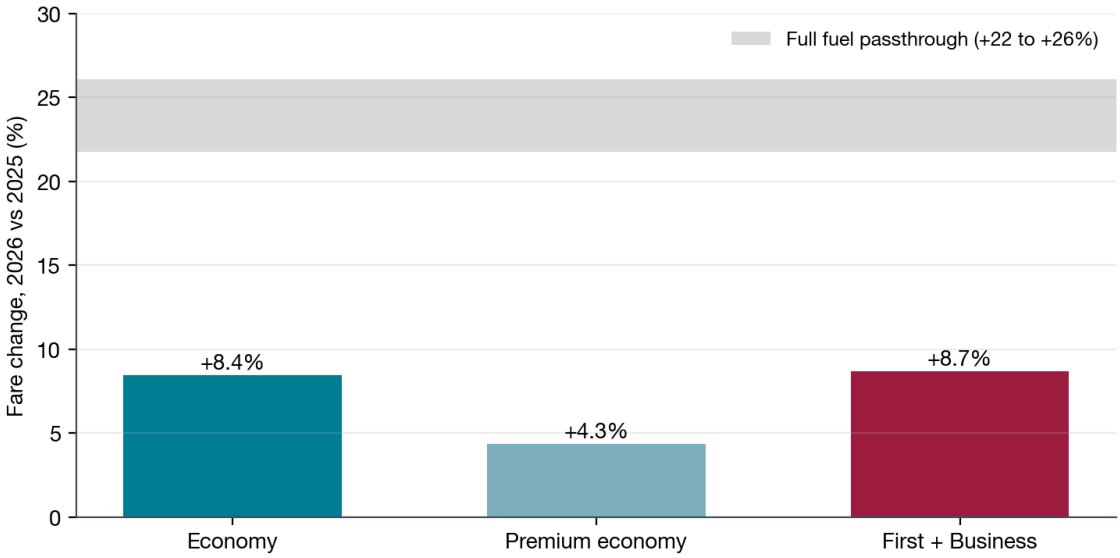
Results

Fuel cost passthrough to fares

We found that premium (First Class and Business Class) fares rose by approximately 8.7% year on year between March and July 2026, against an 87% increase in the jet-fuel price. Full pass-through of that fuel increase would imply a fare increase of 22%–26%, as fuel typically accounts for 25-30% of airline operating cost (IATA, 2024); the observed increase for premium-cabin fare was less than 9%. Economy

(+8.4%) and Premium Economy (+4.3%) fares showed comparably modest increases. Figure 2 presents the fare change for each cabin against the full-pass-through benchmark. Premium Economy saw the smallest total fare increase (+4.3%) but the largest surcharge increase (+22.8%), because its base fare stayed flat and the surcharge is only a small share of the fare (see Appendix).

Figure 2. Fare change by cabin, 2026 vs. 2025 (March to July), against the full-pass-through benchmark



Premium and economy fares rose below full pass-through across short-haul, medium-haul, and long-haul routes, but not by a uniform margin. Short-haul and long-haul fares rose by 7–8%, apart from long-haul economy at 3%. Medium-haul was the exception: economy fares rose about 16%, nearly reaching the benchmark, while premium fares rose about 13%.

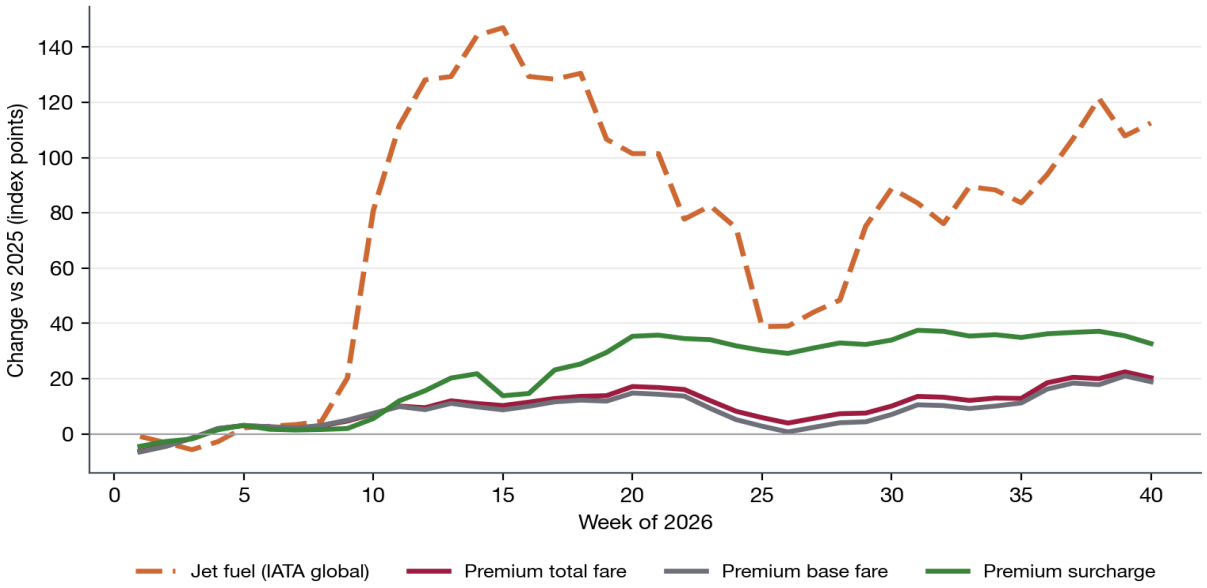
Table 1 sets GSLT's sample levy rates against each distance band's fare increases. Expressed as a share of the fare, the Business Class levy is much lower than the fare changes, about 9% of a medium-haul fare and 5% of a long-haul fare. On short-haul the levy is a larger share, about 13%, but only because short-haul fares are low in absolute terms.

Table 1. Fare change and sample levy rates by distance band, 2026 vs. 2025 (March to July)

Distance band	Premium fare change (US$)	Share of fare	GSLT Business levy (US$)	Share of fare	GSLT First levy (US$)	Share of fare
Short-haul (<1,500 km)	+$33	+7.2%	$60	13.0%	$100	21.7%
Medium-haul (1,500–5,500 km)	+$243	+13.0%	$175	9.3%	$300	16.0%
Long-haul (>5,500 km)	+$360	+7.5%	$250	5.2%	$400	8.3%

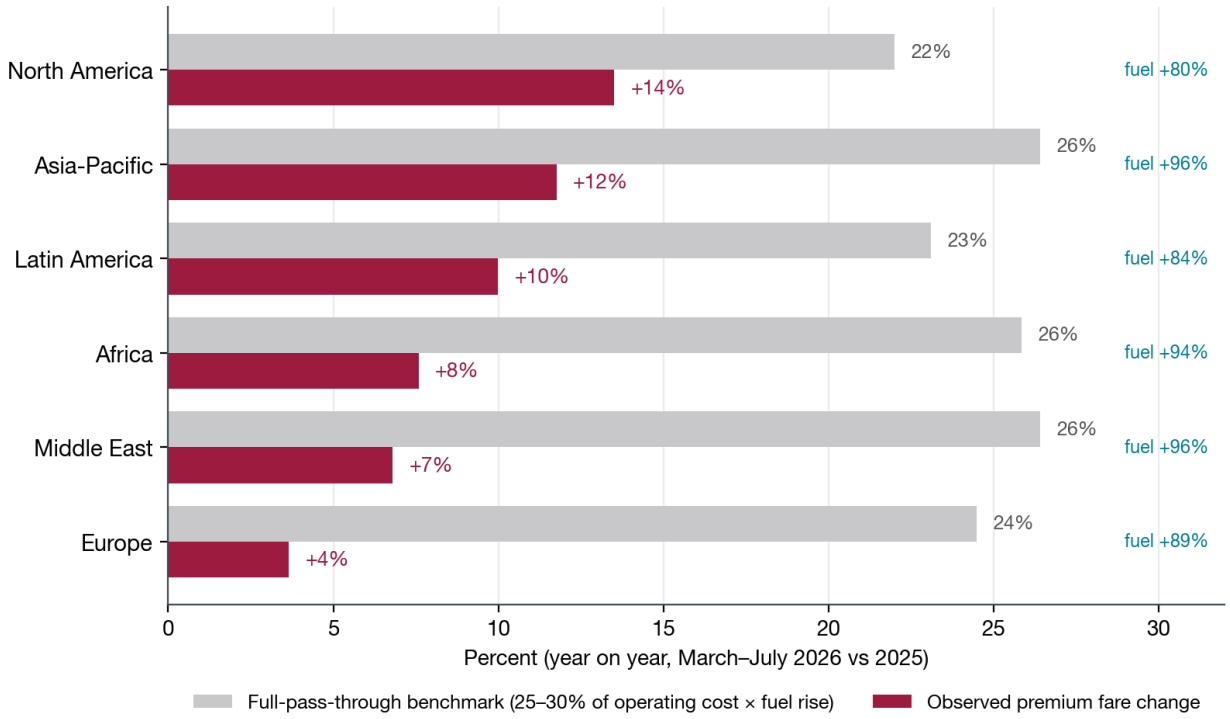
On a weekly basis, premium fares tracked only a small fraction of the jet fuel price spike. At the height of the shock, the jet-fuel price stood as much as 147 index points above its 2025 level, while premium total fares rose no more than about 20 points, and mostly around 10 points (Figure 3). The little movement that did occur came through the fuel surcharge, the posted cost-recovery component, while the base fare was held relatively flat. Because the surcharge is a small share of a premium ticket, passing on cost through it left the traveler's total fare largely unaffected.

Figure 3. Weekly change vs. 2025: jet fuel against premium total, base, and surcharge fares



The muted pass-through held across world regions (Figure 4). Premium fares rose least in Europe (about +4%) and the Middle East (+7%), and most in Asia-Pacific (+12%) and North America (+14%), with Africa (+8%) and Latin America (+10%) in between. The grey bars give each region's full-pass-through benchmark: the midpoint of the 25–30% share that fuel represents of operating cost (27.5%), applied to that region's own jet-fuel increase. Because fuel rose by different amounts across regions, this benchmark ranged from about 22% in North America—where fuel rose least (+80%)—to 26% in Asia-Pacific and the Middle East (+96%). Every region's fare change sat well below its benchmark: Europe passed through barely a sixth of the implied increase, and even North America, the steepest riser, came in roughly eight points under.

Figure 4. Premium fare change by departure region vs. the full-pass-through benchmarks

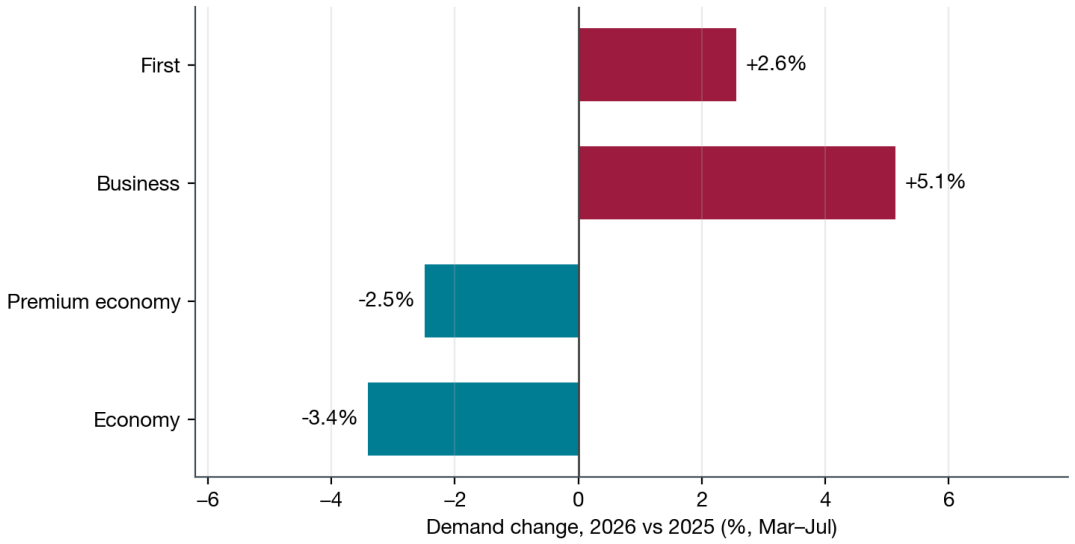


We could not determine from the fare data alone why premium fares rose least in Europe; the muted response likely reflects factors outside this analysis, including the greater use of fuel hedging by European carriers and competition on premium long-haul routes. U.S. carriers, which do not hedge jet fuel and were therefore more exposed to the price spike, showed the largest pass-through (Campbell & Pfeifer, 2026).

Premium demand on scheduled flights

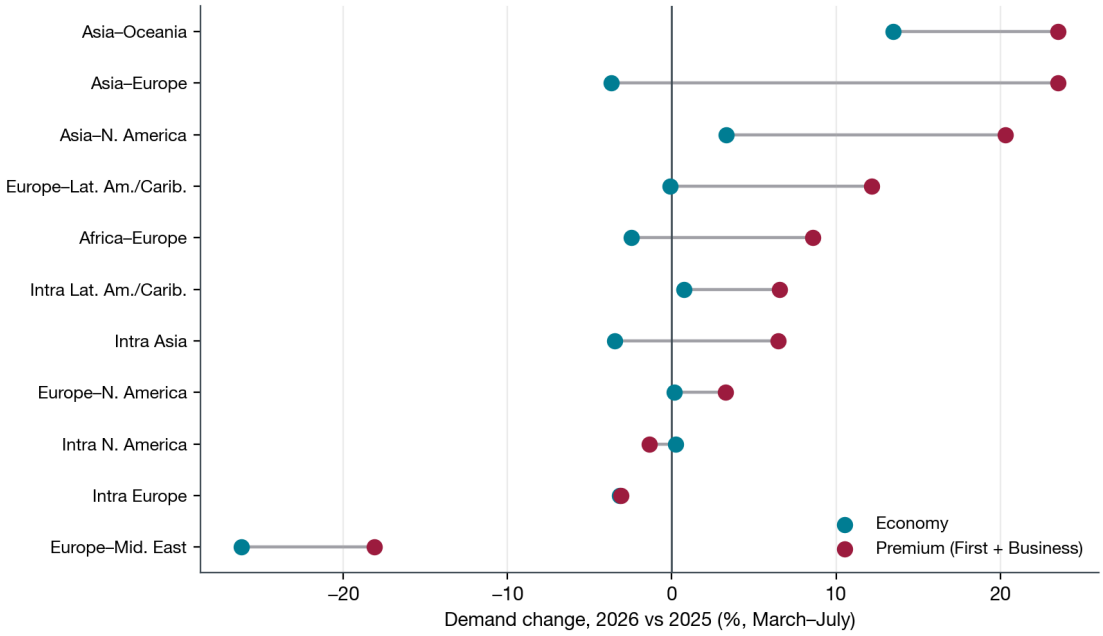
The demand response was smaller than the fare response, and it ran in opposite directions by cabin. We found that from March to July 2026, premium demand grew while economy demand fell: Business Class bookings rose by about 5.1% and First Class by 2.6%, against −2.5% for Premium Economy and −3.4% for Economy Class (Figure 5). The premium segment expanded through the shock even as economy demand softened.

Figure 5. Demand change by cabin, 2026 vs. 2025 (March to July)



This growth was broad-based across route corridors, and premium demand consistently outpaced economy. As shown in Figure 6, premium bookings rose on most major origin-destination corridors and sat above economy on nearly all of them. The largest gains were on long-haul routes linking Asia with Europe and North America (both above 20%), while the only material decline was on Europe–Middle East corridors (−18%), consistent with the location of the conflict.

Figure 6. Premium-cabin and economy-cabin demand change by origin-destination corridor, 2026 vs. 2025 (March to July)



Premium demand also proved more resilient than economy demand in every month, not just on average: the two cabins faced similar fare increases of roughly 7% to 13%, yet premium bookings held

flat to positive in all five months while economy bookings declined throughout (Table 2), indicating a demand base that is both less price-sensitive and more predictable.

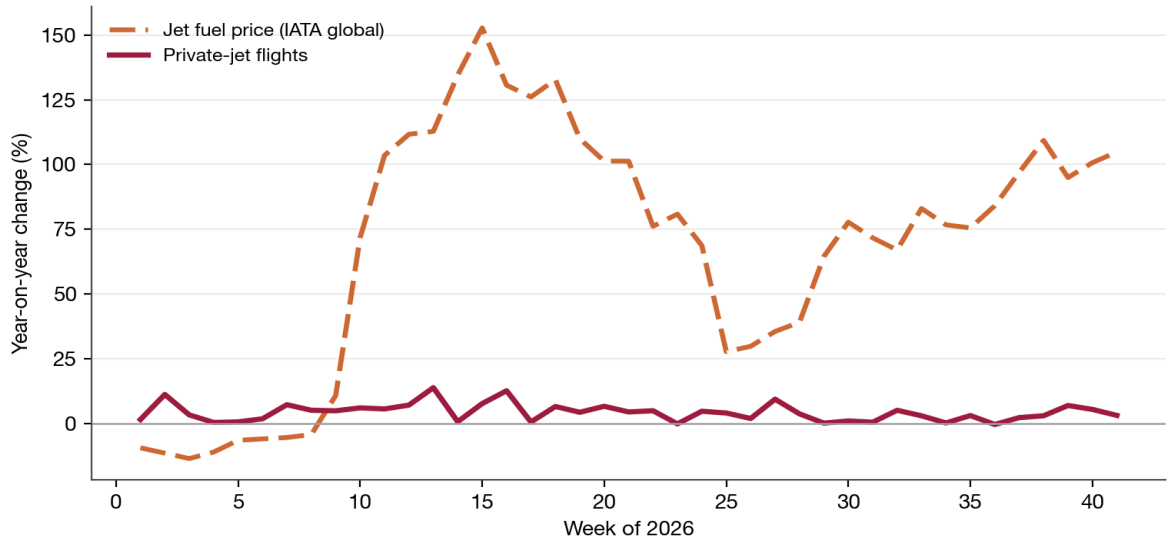
Table 2. Monthly year-on-year change in fare and demand, premium vs. economy, 2026 vs. 2025 (March to July)

	March	April	May	June	July	Range
Premium fare	+6.8%	+6.7%	+10.3%	+10.9%	+9.8%	+7% to +11%
Economy fare	+8.2%	+3.6%	+12.9%	+13.3%	+11.9%	+4% to +13%
Premium demand	+11.1%	+2.8%	−0.5%	−1.0%	+6.2%	−1% to +11%
Economy demand	−0.2%	−6.1%	−3.1%	−4.2%	−2.9%	−6% to 0%

Private jet demand and pricing

Private aviation, defined in this briefing as unscheduled flights, showed the same pattern. We found that global private-jet flight activity grew by approximately 4% year on year through 2026 as the jet-fuel price rose sharply (Figure 7). Even in the week of the sharpest year-on-year fuel increase (approximately +150%), private-jet activity remained about 8% higher than a year earlier.

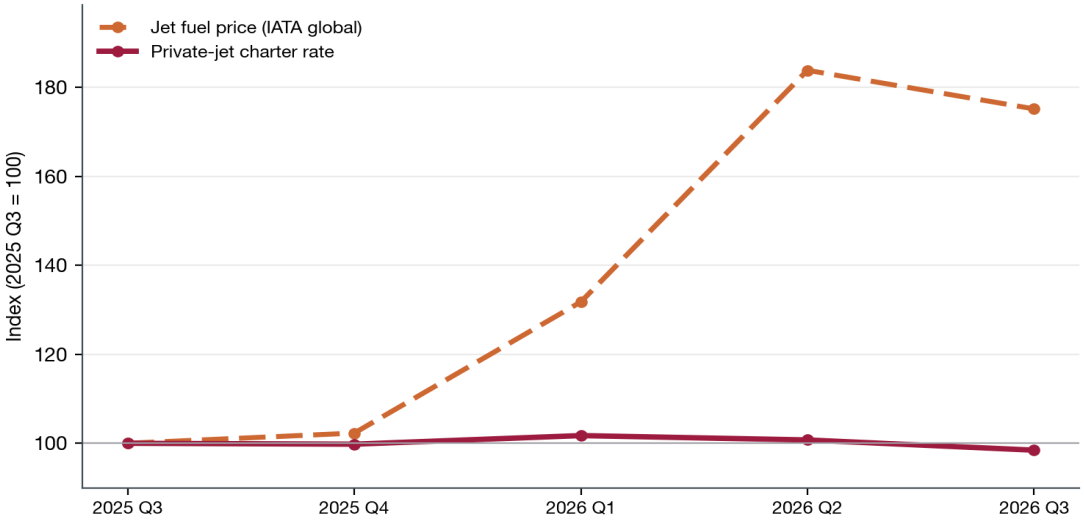
Figure 7. Private-jet flight activity vs. jet-fuel price, weekly year-on-year change, 2026



On the price side, published jet-card hourly rates were flat to slightly lower across 2026, down about 1.6% as the jet-fuel price rose by roughly 75% over the course of the year (Figure 8), consistent with the muted pass-through observed in scheduled fares. The fuel price increase approached but did not exceed the GSLT sample fuel levy rate of USD 0.84 per liter for non-commercial private flights. From March 2026 to July 2026, the jet-fuel price rose by about USD 0.45 per liter above its early-2026 level, and by about USD 0.72 per liter at the peak. The cost increases private operators absorbed during the shock were

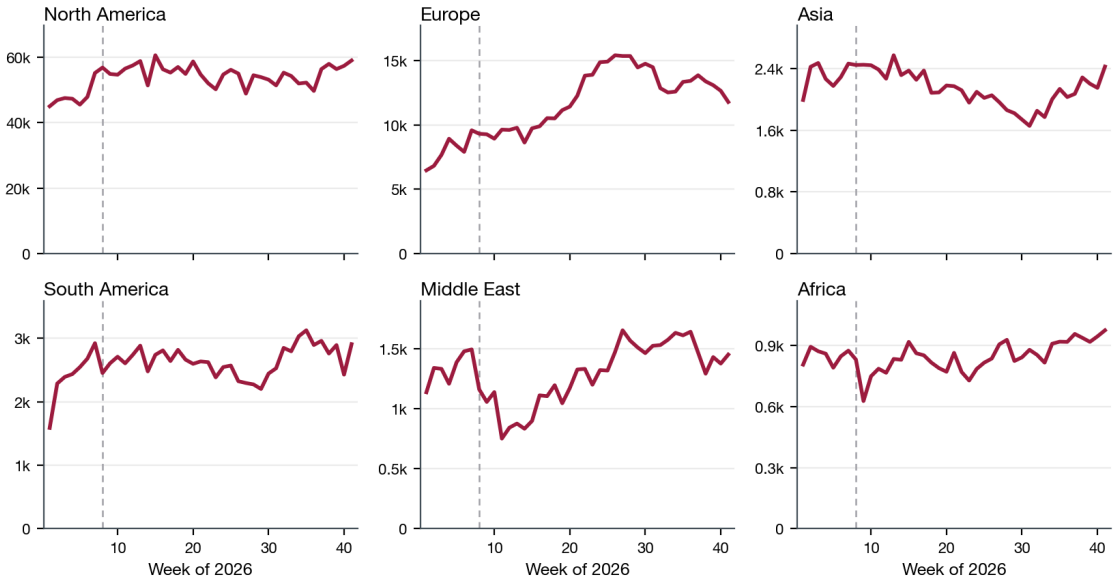
therefore of the same order as the levy itself, yet global private-jet activity still grew (Figure 7) and charter rates did not rise (Figure 8).

Figure 8. Private-jet charter rate vs. jet-fuel price, indexed (2025 Q3 = 100)



Departures held or grew through the shock in nearly every region. Each panel in Figure 9 uses its own vertical scale, and the dashed line marks the late-February onset of the shock. North America and Europe account for approximately 71% and 15% of global private-jet departures respectively, and activity in both continued to rise through the shock, from about 49,000 to about 58,000 departures per week in North America and from about 8,000 to about 13,000 in Europe between the start of the year and the fall. Asia, South America, and Africa, each under 4% of departures, showed no sustained decline. The Middle East was the only region to contract: departures there fell from about 1,300 per week before the shock to a trough near 800 per week by mid-March (week 11), coinciding with the Gulf conflict, and had recovered to about 1,400 per week, above the pre-shock level, by the fall.

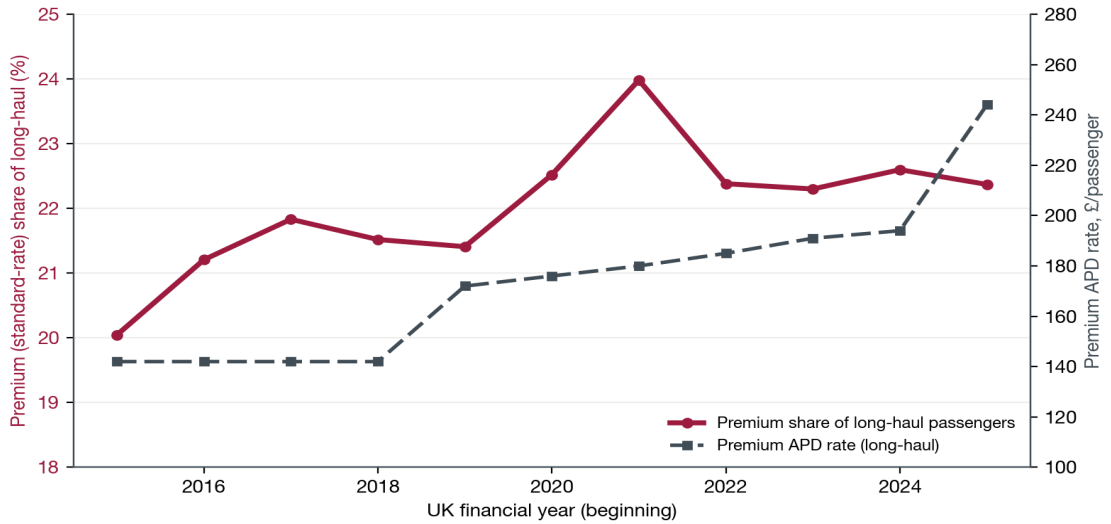
Figure 9. Weekly private-jet departures by world region, 2026



UK Air Passenger Duty

The fuel shock analysis showed how premium demand responded to a large but temporary rise in the cost of flying; the UK APD offered a complementary test, as an actual per-ticket charge on premium travel that has risen repeatedly over the past decade. Over the decade since APD's bands were last reformed, the long-haul premium (standard) rate rose by approximately 72%, from £142 to £244 per passenger. Premium demand grew over the same period, outpacing economy: long-haul premium passengers increased by approximately 36% between 2015 and 2025, against 19% for economy, so that the premium share of long-haul passengers rose from 20.0% to 22.4% (Figure 10; HMRC, 2026).

Figure 10. Premium share of long-haul passengers vs. the premium UK APD rate, UK financial years 2015–2025



This trend should be interpreted with caution. Over the same period, premium cabins grew faster than economy did for reasons unrelated to APD, notably the broader premiumization trend of air travel. The trend establishes that repeated APD increases did not halt premium growth, but it is not, on its own, a measure of price sensitivity.

A cleaner before-and-after comparison is available with the 1 April 2025 rate increase, where the premium rate rose by 26% and the private-jet rate rose about 89%. In the OAG booking sample, UK-origin premium demand showed no break at the increase: the UK premium share of bookings held, edging from 11.1% to 11.3%, and moved in step with the rest of the world. We found no evidence of travelers trading down out of premium cabins.

Official statistics corroborated this result and extended it to private aviation. Because the UK financial year begins on 1 April, the year boundary coincided with the rate change, which made HMRC's chargeable-passenger counts a clean before-and-after record. Across that boundary, chargeable passengers rose in every long-haul band, reduced (economy), standard (premium), and higher (private jet), even as the duty rose sharply (Table 3). Total APD receipts also climbed, by about 12% to £4.6 billion; the premium base expanded and raised more revenue as the charge increased.

Table 3. UK Air Passenger Duty across the 1 April 2025 rate rise

Long-haul band	Rate change (April 2025)	Year-on-year passenger volume change
Economy (reduced rate)	+16%	+4.8%
Premium (standard rate)	+26%	+3.4%
Private jet (higher rate)	+89%	+17.5%
All bands	--	+4.5%

Note: figures are for Band B (2,001–5,500 miles) and Band C (> 5,500 miles) combined; the 2025–26 year is provisional.

Discussion

The central objection to a premium air-travel levy is that it would suppress premium demand, reducing airline profitability and levy revenue at the same time. The impacts of the 2026 fuel price shock on passenger behavior suggest that those objections may not hold: across scheduled flights, private aviation, and flights subject to UK APD, premium demand did not decline when the cost of premium flying rose, and by most measures it increased modestly. Airlines described the same pattern during the shock: while fuel costs forced capacity cuts in some cases, Lufthansa's Carsten Spohr noted that "the more premium you are, the less it affects you," and IAG described premium demand as strong and resilient (Campbell and Pfeifer, 2026).

The demand evidence is central to this conclusion. Premium fares rose approximately 8.7% year on year during the shock, yet premium bookings increased between March and July 2026 while economy bookings declined, and premium demand exceeded economy demand in every month of the window even though the two cabins faced comparable fare increases. This contrast indicates that premium demand is less price-sensitive than economy demand, as premium travelers continued to fly while the more price-sensitive economy segment contracted. The fare increase that premium travelers absorbed on medium- and long-haul routes, approximately US$243 and US$360 per one-way premium ticket, was larger than GSLT sample levy rates for those bands (US$175 and US$250; Table 1), which places a charge of the proposed magnitude within the range of cost increases this market has recently absorbed without a reduction in premium volume.

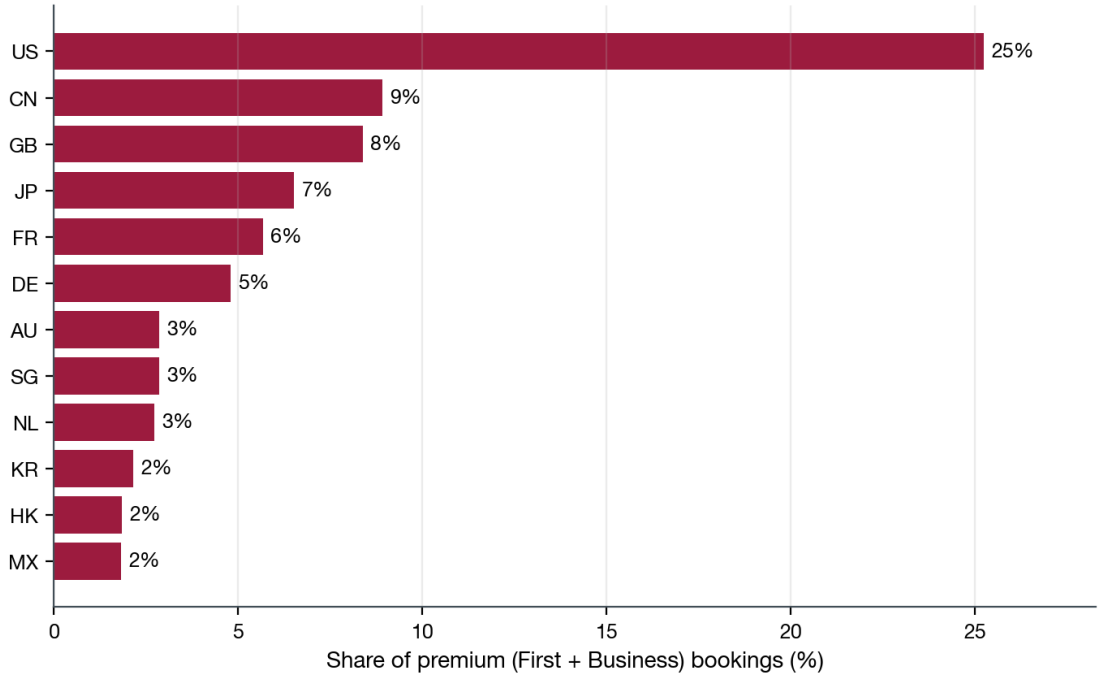
The UK APD provides the most direct evidence of premium-cabin demand response to the increased cost of flying, because it is an actual per-passenger charge. Over the past decade the premium share of long-haul passengers rose from 20.0% to 22.4% even as the premium rate increased by approximately 72%, indicating that the duty did not halt the broader premiumization of air travel. At the 1 April 2025 increase, the premium rate rose approximately 26% and the private-jet rate approximately 89%; across that boundary premium long-haul chargeable passengers rose 3.4%, private-jet passengers 17.5%, and total receipts rose approximately 12%. The premium base thus continued to expand as the charge increased, and the higher charge raised more revenue rather than less.

Prior work reaches a similar conclusion through a different method. Using a stated-preference survey, Seetaram et al. (2018) found travelers willing to pay higher APD for business-class and long-haul trips and found that demand becomes more price-sensitive at higher fares. A levy much larger than those studied here could therefore reduce premium demand by more than this evidence suggests.

In addition to demand-side evidence, it is important to note that the muted pass-through of fuel cost does not mean airlines would need to absorb a premium solidarity levy at the cost of their margins. Unlike a fuel cost, a ticket levy is collected from the passenger and impacts airline revenue primarily through demand, which has proved inelastic. The fuel price shock also did not dent premium revenue: carriers managed the economy-wide spike by trimming capacity, and the demand softening fell on the price-sensitive economy cabins (Economy −3.4%, Premium Economy −2.5%), while premium demand grew and premium fares held. And for UK APD, where the levy burden is differentiated by cabin, the risk for airline profits mainly lies in premium passengers downgrading to Economy Class and paying less, but our analysis showed that effect is rather modest (premium demand grew 3.4% while economy demand grew 4.8% after the April 2025 rate increase).

Three implications follow for the design of a premium air-travel levy. First, a levy of the magnitude currently under discussion is unlikely to materially suppress premium demand, which proved resilient to a larger and more volatile cost increase. Second, the levy would fall on a concentrated, high-income segment, as the top twelve origin markets account for approximately three-quarters of premium bookings (Figure 11). Finally, because premium demand proved resilient and relatively steady, a levy on premium tickets would rest on a predictable revenue base.

Figure 11. Premium demand concentration by origin market (share of First + Business bookings)



These results should be interpreted as directional rather than precise. The analysis is descriptive and based on a single, temporary shock, so the figures do not constitute a controlled elasticity estimate; a permanent levy could elicit a stronger demand response over time than a transient cost increase. The direction of the evidence is nonetheless consistent across scheduled flights, private jet, and three

decades of an operating premium duty, and indicates that higher charges on premium air travel have not materially reduced premium air travel.

References

Campbell, P., & Pfeifer, S. (2026, October 9). *Airlines sound the alarm as bleak winter looms.* Financial Times.

CE Delft. (2019). *Taxes in the field of aviation and their impact* (Report No. 7M16). European Commission, Directorate-General for Mobility and Transport. https://cedelft.eu/wp-content/uploads/sites/2/2021/03/CE_Delft_7M16_taxes_in_the_field_of_aviation_and_their_impact.pdf

HM Revenue & Customs. (2025). *Rates for Air Passenger Duty*. GOV.UK. https://www.gov.uk/guidance/rates-for-air-passenger-duty

HM Revenue & Customs. (2026). *Air Passenger Duty Bulletin* [Data set]. GOV.UK. https://www.gov.uk/government/statistics/air-passenger-duty-bulletin

Global Solidarity Levies Task Force. (2025). *Levies on premium flyers: A legal handbook*. https://solidaritylevies.org/levies-on-premium-flyers-legal-handbook/

Government of France. (2025). *Solidarity tax on airline tickets (tarif de solidarité sur les billets d'avion)*.

International Air Transport Association. (2024). *Fuel fact sheet*. https://www.iata.org/en/iata-repository/publications/economic-reports/fuel-fact-sheet/

International Air Transport Association. (2026). *Jet fuel price monitor* [Data set, licensed from S&P Global Commodity Insights]. https://www.iata.org/en/publications/economics/fuel-monitor/

Maldives Inland Revenue Authority. (2024). *Airport taxes and fees*. https://mira.gov.mv/

OAG Aviation Worldwide. (2026). Altus airfare price data and Forward Looking MIDT booking data [Data set].

Private Jet Card Comparisons. (2026). *Private jet card hourly charter rate data* [Data set].

Seetaram, N., Song, H., Ye, S., & Page, S. J. (2018). Estimating willingness to pay air passenger duty. *Annals of Tourism Research, 72*, 85–97. https://doi.org/10.1016/j.annals.2018.05.002

WingX. (2026). Global business aviation activity data [Data set].

Appendix

The cabin-level fare changes in Figure 2 can be decomposed into the base fare and the fuel surcharge (Table A1). Across cabins, most of the fare movement came through the surcharge, while base fares rose comparatively little; because the surcharge is a small share of a premium ticket, even large surcharge increases translated into modest changes in the total fare. Premium Economy is the clearest case: its surcharge rose the most of any cabin (+22.8%) while its total fare rose the least (+4.3%), because the surcharge is only about 15% of the fare and its base fare was essentially flat.

Table A1. Fare change decomposed into base fare and fuel surcharge, by cabin, 2026 vs. 2025 (March to July)

Cabin	Total fare change	Base fare change	Fuel surcharge change	Surcharge as share of fare
Economy	+8.4%	+7.8%	+10.8%	~22%
Premium Economy	+4.3%	+0.4%	+22.8%	~15%
Business	+6.7%	+6.2%	+12.2%	~11%
First	+22.2%	+21.3%	+19.5%	~9%

Note: First Class figures are shown for completeness but rest on a limited sample, which is why the briefing combines First and Business throughout.