COVID-19
Aviation Recovery & Restart

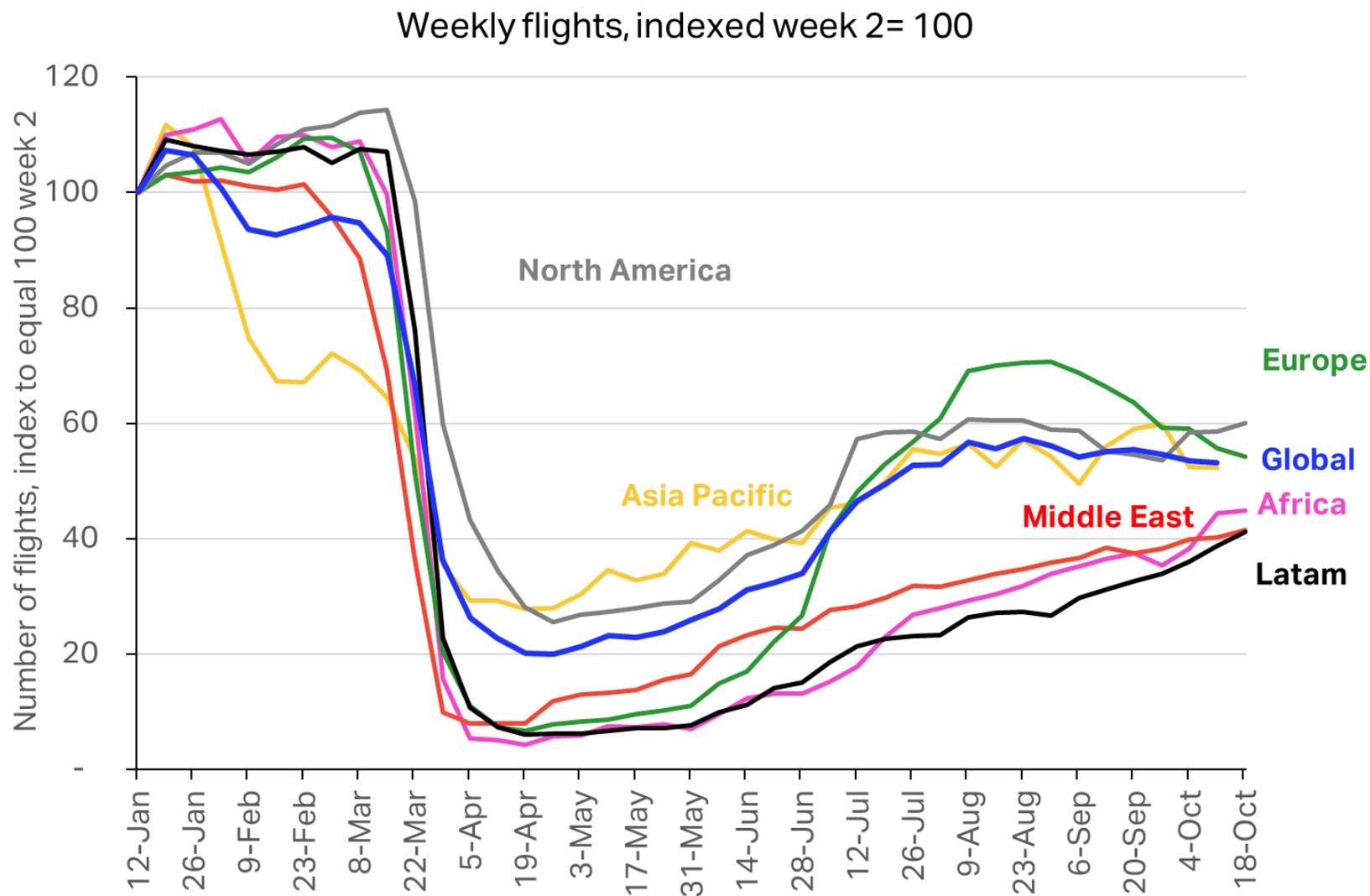## Peter Cerdá
Regional Vice President

The Americas

Worldwide flights 47% lower on week Oct.18 relative to week 2
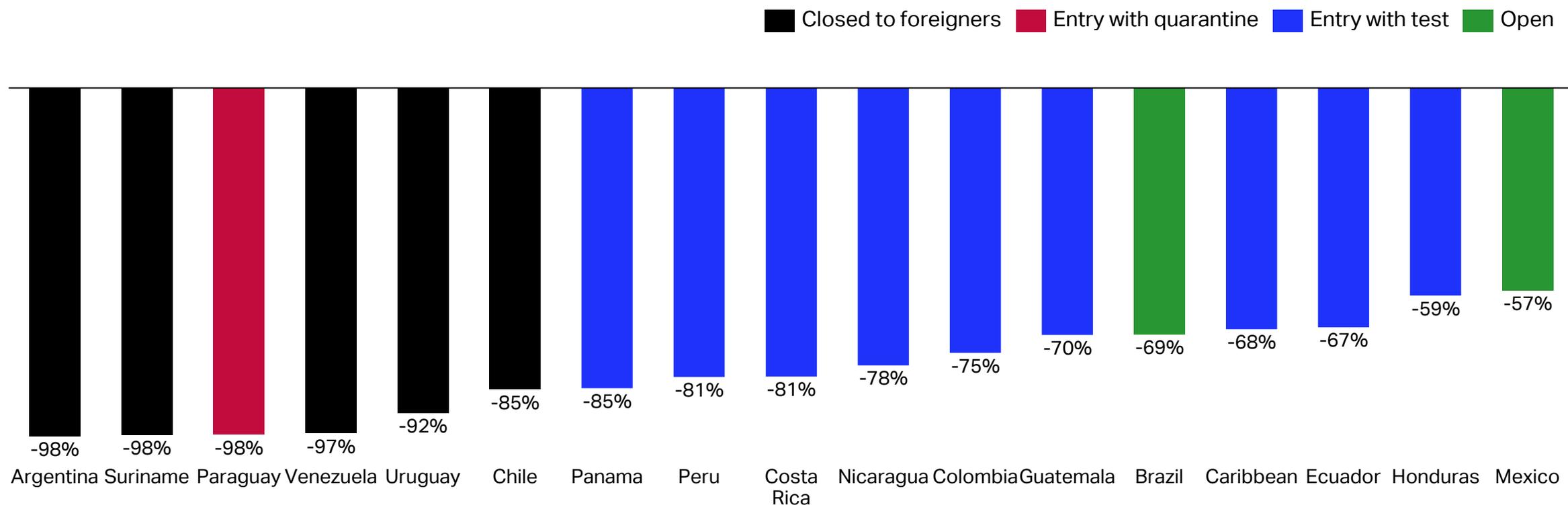
Weekly flights, indexed week 2= 100

Lowest point reached end April- flights reduced by 80%

North America

Europe

Asia Pacific

Global

Middle East

Africa

Latam

Number of flights, index to equal 100 week 2

Recovery of air travel demand highly dependent on travel restrictions

YoY changes in net bookings, 1-15 Oct 2020 vs. 2019

Legend: ■ Closed to foreigners ■ Entry with quarantine ■ Entry with test ■ Open

Country	Value
Argentina	-98%
Suriname	-98%
Paraguay	-98%
Venezuela	-97%
Uruguay	-92%
Chile	-85%
Panama	-85%
Peru	-81%
Costa Rica	-81%
Nicaragua	-78%
Colombia	-75%
Guatemala	-70%
Brazil	-69%
Caribbean	-68%
Ecuador	-67%
Honduras	-59%
Mexico	-57%

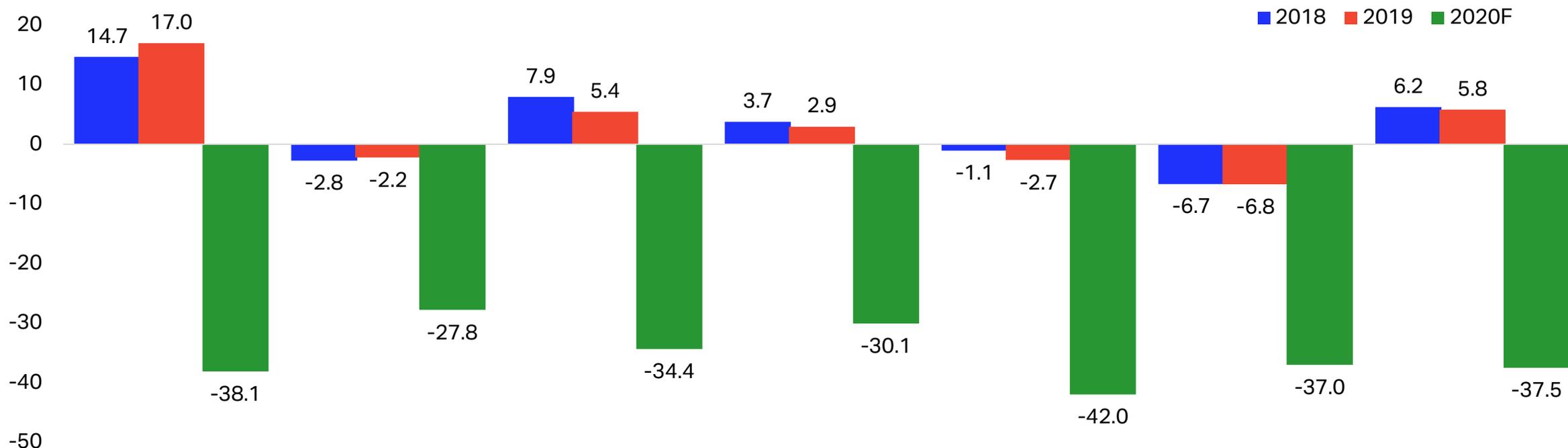IATA Economics analysis based on DDS ticketing data

Per passenger (net) losses show regional variation

Profit / Loss per passenger (US$)

Legend: 2018 (blue), 2019 (red), 2020F (green)

Region	2018	2019	2020F
Nth America	14.7	17.0	-38.1
Latin America & Caribbean	-2.8	-2.2	-27.8
Europe	7.9	5.4	-34.4
Asia Pacific	3.7	2.9	-30.1
Africa	-1.1	-2.7	-42.0
Middle East	-6.7	-6.8	-37.0
Industry	6.2	5.8	-37.5

- Nth America → Loss of **$23.1B**
- Latin America & Caribbean → Loss of **$4.0B**
- Europe → Loss of **$21.5B**
- Asia Pacific → Loss of **$29.0B**
- Africa → Loss of **$2.0B**
- Middle East → Loss of **$4.8B**

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International RPKs will lag domestic air travel markets

Global domestic and international RPKs, indexed 2019=100

Domestic RPKs

International RPKs

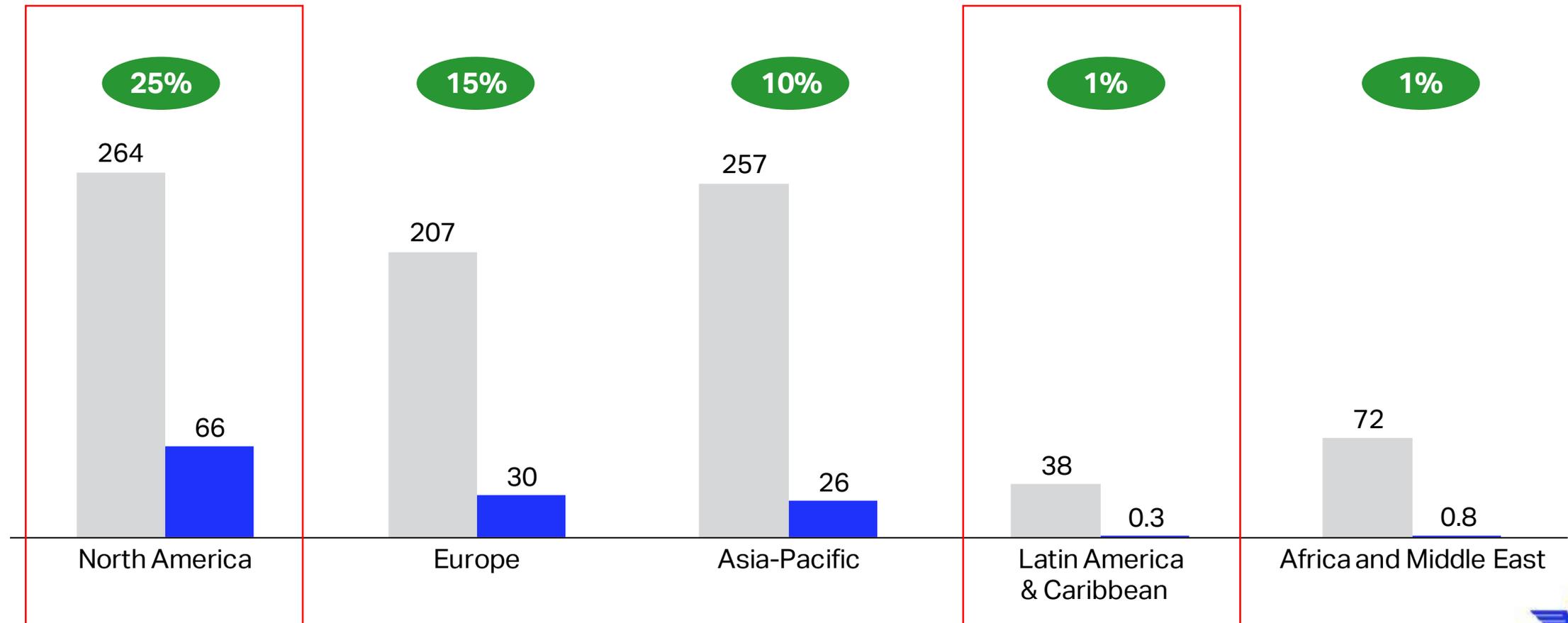International air travel may not recover 2019 levels until 2024
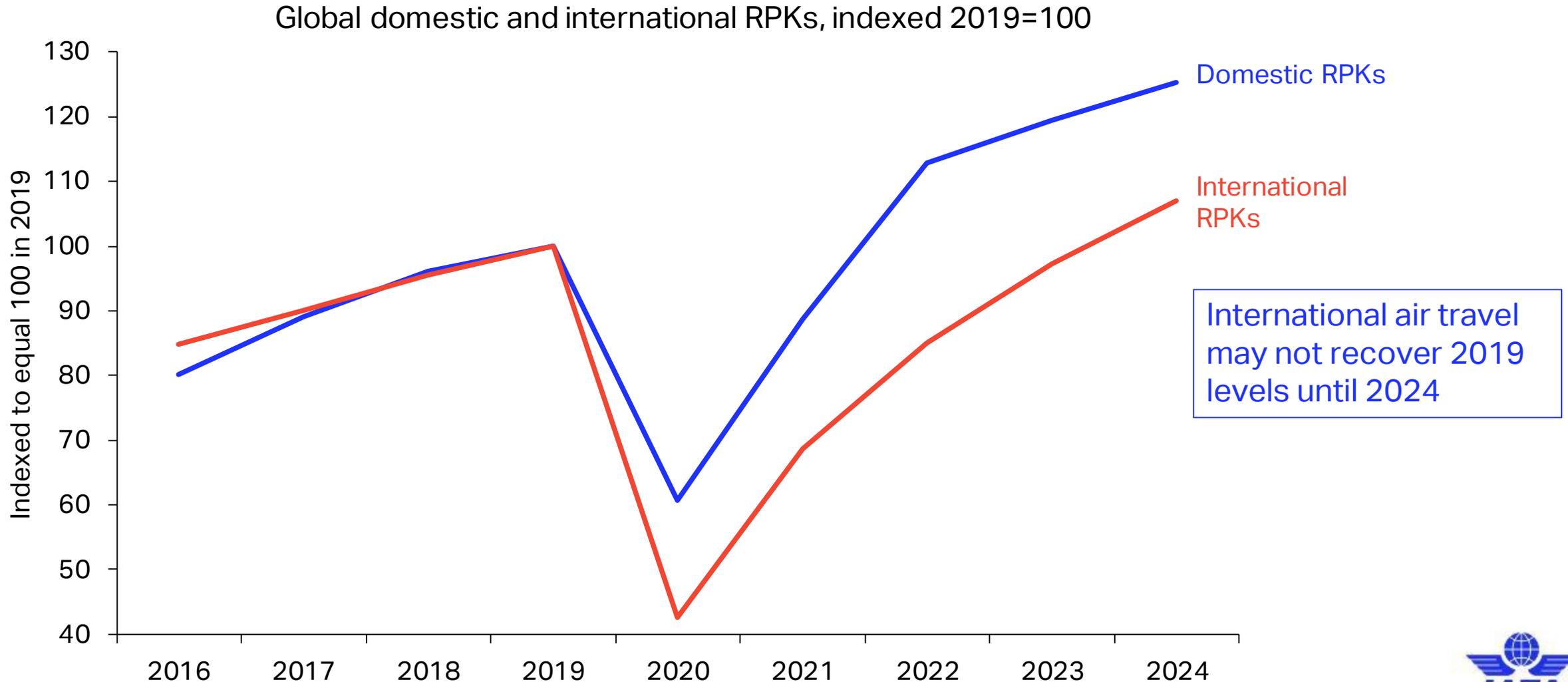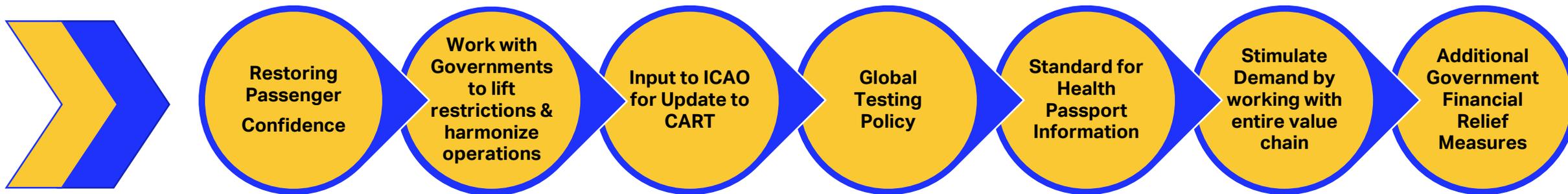
$160bn aid from governments globally
Latin America & Caribbean aid is only 1% of airlines' 2019 operating revenues

Total amount of government aid vs. airline revenues to/from/within region in 2019 (USD bn)

Legend:
- 2019 revenues (grey)
- Financial relief (blue)

Region	2019 revenues	Financial relief	Percentage
North America	264	66	25%
Europe	207	30	15%
Asia-Pacific	257	26	10%
Latin America & Caribbean	38	0.3	1%
Africa and Middle East	72	0.8	1%

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Industry Key Priorities

- Restoring Passenger Confidence
- Work with Governments to lift restrictions & harmonize operations
- Input to ICAO for Update to CART
- Global Testing Policy
- Standard for Health Passport Information
- Stimulate Demand by working with entire value chain
- Additional Government Financial Relief Measures

1.2 billion passengers
have travelled since the start of 2020, with

44 cases
reported of confirmed, probable or potential transmission associated with a flight

= 1 in 27 million

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Systematic **COVID-19 testing** is an <u>alternative</u> to quarantine

Testing criteria will need to be:
Pre-departure and for all passengers

within 20 minutes
Fast
Results should be delivered quickly, ideally within 20 minutes.

<1%
Accurate
High accuracy is essential with low levels of both false negatives and false positive results.

$$$
Affordable
Cost should not be a barrier to travel. New tests are <$10.

>100s per hour
Scalable
Testing capacities of several 100s of tests per hour are needed to meet demand.

Easy to use
To allow non-specialist operators and avoid needing expensive equipment.

+

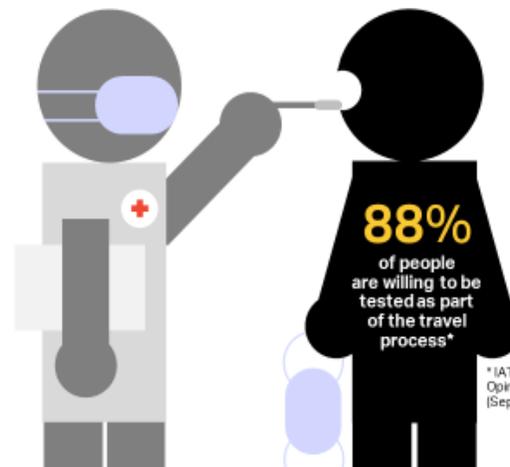**Putting that successfully into action will require:**

Global standards
Developed to integrate testing into the travel process, including the protocols for large scale testing.

88%
of people are willing to be tested as part of the travel process*

Prioritization
Make air travel testing one of the top priorities, <u>after</u> medical personnel and urgent needs have been met.

* IATA Public Opinion Survey (September)

Urgent need for harmonized restart & protocols

Adherence to ICAO Protocols

Governments need to cooperate with each other to reopen borders

Air Transport to support region's economic recovery

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Thank you

Q&A

Peter Cerdá

Regional Vice President, The Americas

cerdap@iata.org

www.iata.org