

IATA calls on governments to reopen borders and sustain airline relief measures

The International Air Transport Association (IATA) is calling on governments to work together to urgently find ways to re-establish global connectivity by reopening borders and to continue with relief measures to sustain airlines during the Covid-19 crisis.



Image source: [Gallo/Getty](#)

IATA's call reflects deep industry frustration as government policies such as closed borders, travel restrictions and quarantines continue to annihilate travel demand.

"Protecting their citizens must be the top priority of governments. But too many governments are fighting a global pandemic in isolation with a view that closing borders is the only solution. It's time for governments to work together to implement measures that will enable economic and social life to resume, while controlling the spread of the virus," said Alexandre de Juniac, IATA's Director General and CEO.

Specifically, IATA calls for governments to grasp the seriousness of the crisis facing the airline industry and its consequences for their citizens; and IATA urges governments to focus their attention on these key issues:

Reopening borders

The world remains largely closed to travel despite the availability of global protocols to enable the safe re-start of aviation (Take-off guidance) developed by governments through the leadership of the International Civil Aviation Organization (ICAO) with the support of the World Health Organization (WHO). This guidance covers all aspects of the passenger journey and recommends sanitary measures to keep travelers safe and reduce the risk of importing infection.

"Airlines have been largely grounded for a half-year. And the situation is not improving. In fact, in many cases it is going in the wrong direction. We see governments replacing border closures with quarantine for air travelers. Neither will restore travel or jobs. Worse, governments are changing the entry requirements with little notice to travelers or coordination with their trading partners. This uncertainty destroys demand. Ten percent of the global economy is sustained by travel and tourism; governments need to do better to re-start it," said de Juniac.

The prerequisite to open borders is the ICAO Take-off guidance. Additionally, IATA is proposing travel bubbles to mitigate risks between specific markets and foresees a much wider and strategic use of Covid-19 testing as technology improves accuracy, speed and scalability.

"No government wants to import Covid-19. Equally, no government should want to see the economic hardships and associated health impacts of mass unemployment. Successfully getting through this crisis requires careful risk-management with effective measures. If government policies focus on enabling a safe re-start, aviation is well-prepared to deliver. Risk-management is a well-developed discipline that airlines rely on to keep travel safe and secure," said de Juniac.

IATA proposes a three-point action plan for governments to safely reopen borders as follows:

1. Implement the ICAO Take-off guidance universally.
2. Build on the solid work of ICAO Council's Aviation Recovery Task Force (CART) by developing an agreed common framework for states to use in coordinating the safe reopening of their borders to aviation.
3. Develop Covid-19 testing measures that will enable the reopening of borders by reducing the risk of Covid-19 importation to what is acceptable to public health authorities with accuracy, speed and scalability that also meet the exacting requirements for incorporation into the travel process.

"As a participant in the ICAO CART, IATA will work with governments, medical experts and testing manufacturers to accelerate proposals specifically focused on using Covid-19 testing to re-build confidence, reopen borders, re-start aviation, re-charge demand and restore jobs. There is much at stake and no time to lose," said de Juniac.

Relief measures

With the exception of some domestic markets there is little evidence of an early industry recovery. Airlines continue to lose billions of dollars and are facing difficult decisions to resize their operations and workforce for the future.

"Many airlines will not have the financial means to survive an indefinite shutdown that, for many, already exceeds a half-year. In these extraordinary times, governments will need to continue with financial and other relief measures to the greatest extent possible. It's a solid investment in the recovery because each airline job saved supports 24 in the broader economy. And a functioning airline industry will be a critical enabler for economies to regain their full power," said de Juniac.

IATA urges governments to focus relief measures in two areas:

- **Financial relief:** Facing an industry loss of \$84.3bn this year, a 50% cut in revenues and high fixed costs for aircraft and labor, the financial viability of many airlines is in question. Government relief has been a critical lifeline. But what relief has been given is quickly running out. Government measures to provide additional financial buffers against failure will be critical, and these must not increase already ballooning debt levels.

- **Regulatory relief:** The most urgent regulatory relief is a global waiver on the use-it-or-lose-it 80-20 slot rule. The severe uncertainty in the market means that airlines need the flexibility to adjust schedules to meet demand without the pressure of being penalized for not using allocated slots. Airlines cannot afford to fly empty planes when market demand drops. Similarly, they cannot pass up revenue when opportunities open up.

Many governments, including China, Brazil, Mexico, Singapore, Australia and New Zealand have granted waivers for the winter 2020 season (October 2020-March 2021) recognizing the severe constraints on planning schedules during this period of extreme disruption. Unfortunately, the European Commission (EC), which many governments look to for leadership on air transport policies, is under-estimating the severity of the crisis and dragging its feet:

- The EC has stated that traffic will be restored to between 75% and 85% of February 2020 levels (pre-COVID-19 in most markets) for the winter season. This is far more optimistic than industry scenarios.

- Moreover, the EC believes that granting a waiver in mid-October will give a sufficient window for airlines and airports to plan for what is already the most challenging time in aviation history. Given the extraordinary circumstances, over the last several weeks both airports and airlines have been calling for the governments to provide clarity as early as possible. Together with independent slot coordinators they have jointly agreed conditions to allow the EC to progress swiftly.

"The European Commission's delay in granting a full-season waiver of the 80-20 slot rule for the Northern Hemisphere winter season is bad for everyone. Airlines and airports will scramble while consumer uncertainty will only increase. As the Commission returns from its summer activities, granting a full-season waiver should be at the top of the aviation priority list," said de Juniac.

Global leadership

"Governments have cooperated to set the guidelines for a safe re-start of aviation. But they have not cooperated to actually make a re-start happen. That's why 90% of international flying has stopped. The demand is there. When borders open without quarantine, people fly. But there is too much uncertainty in how governments are managing the situation for passengers to re-build the confidence to travel.

"In fact, what is killing aviation is the fact that governments are not managing the risks of opening borders. Instead, they are keeping global mobility effectively in lockdown. And if this continues, the damage to global connectivity could become irreparable which will generate its own severe consequences for economies and public health.

"The global protocols for safely re-starting aviation are agreed and no industry is as experienced in successfully implementing global safety programs as aviation. But we need governments to take on the leadership to manage risks and adopt a mindset of not being defeated by this virus. Then, with testing, technology, science and determination we can reopen borders and get the world moving again," said de Juniac.

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