

Middle East Media Briefing COVID-19

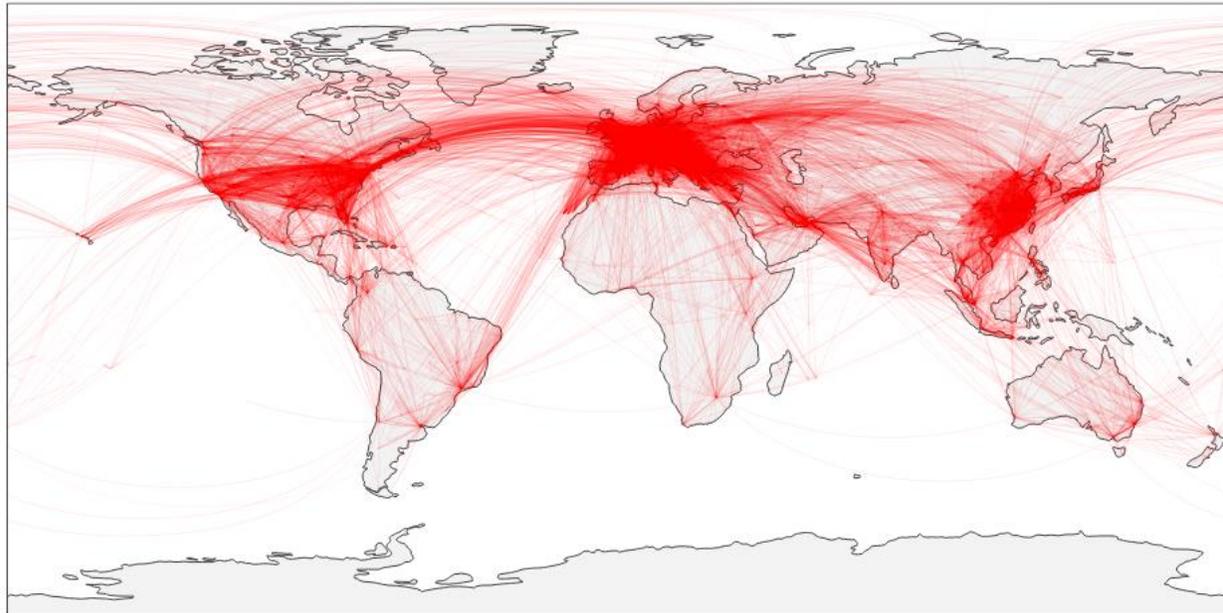
29th July 2020

Muhammad Ali Albakri

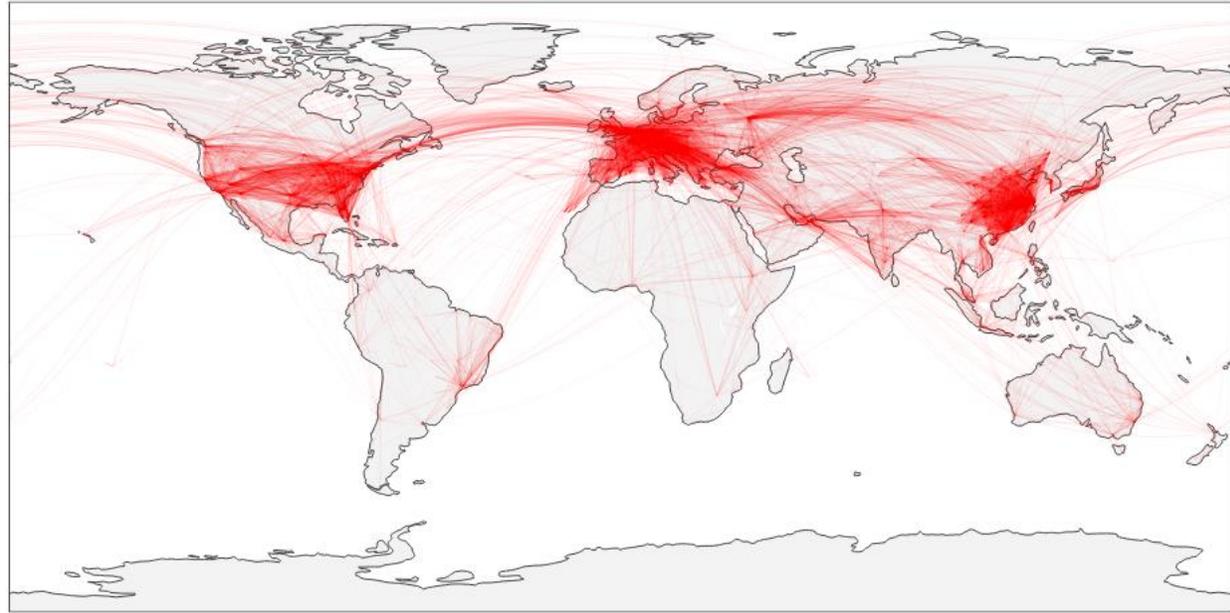
IATA Regional Vice President
for Africa & the Middle East



COVID-19 has seriously disrupted air connectivity globally



5 July 2019

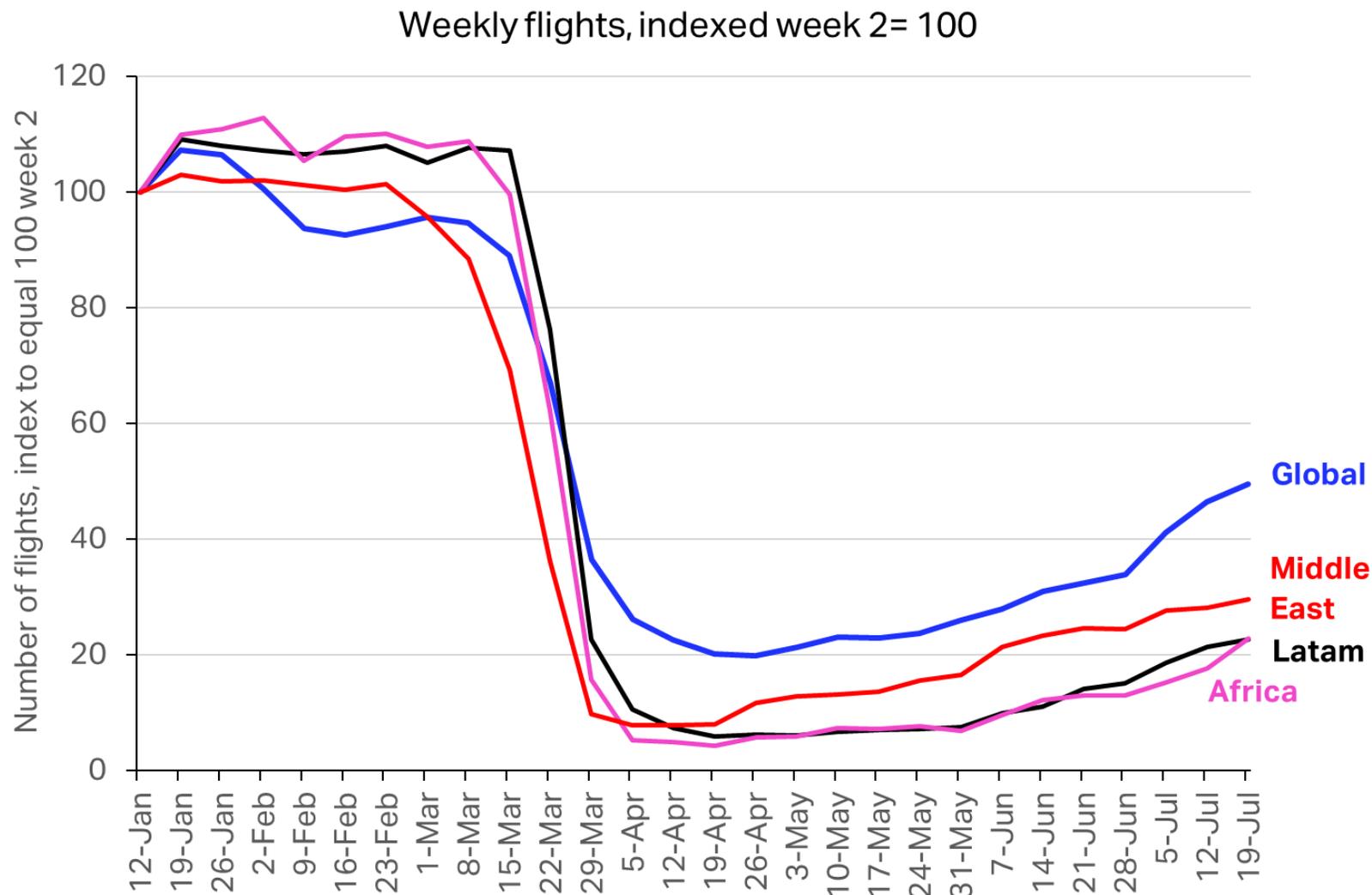


3 July 2020



Worldwide flights are 50% lower in July relative to early January

Lowest point reached end April- flights reduced by 80%

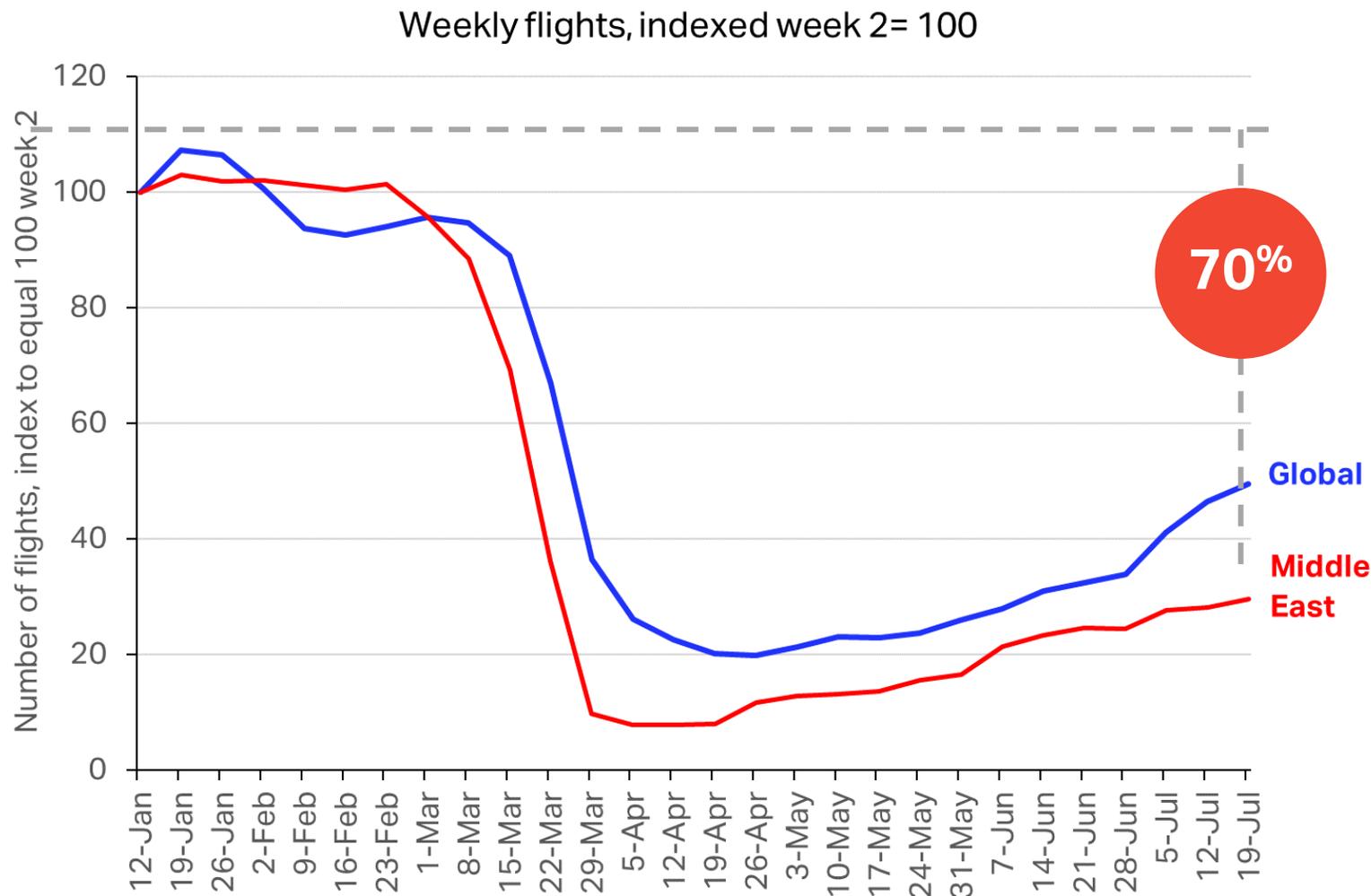


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ME flights 70% lower in late July relative to early January

Lowest point reached beginning of April- flights reduced by 92%

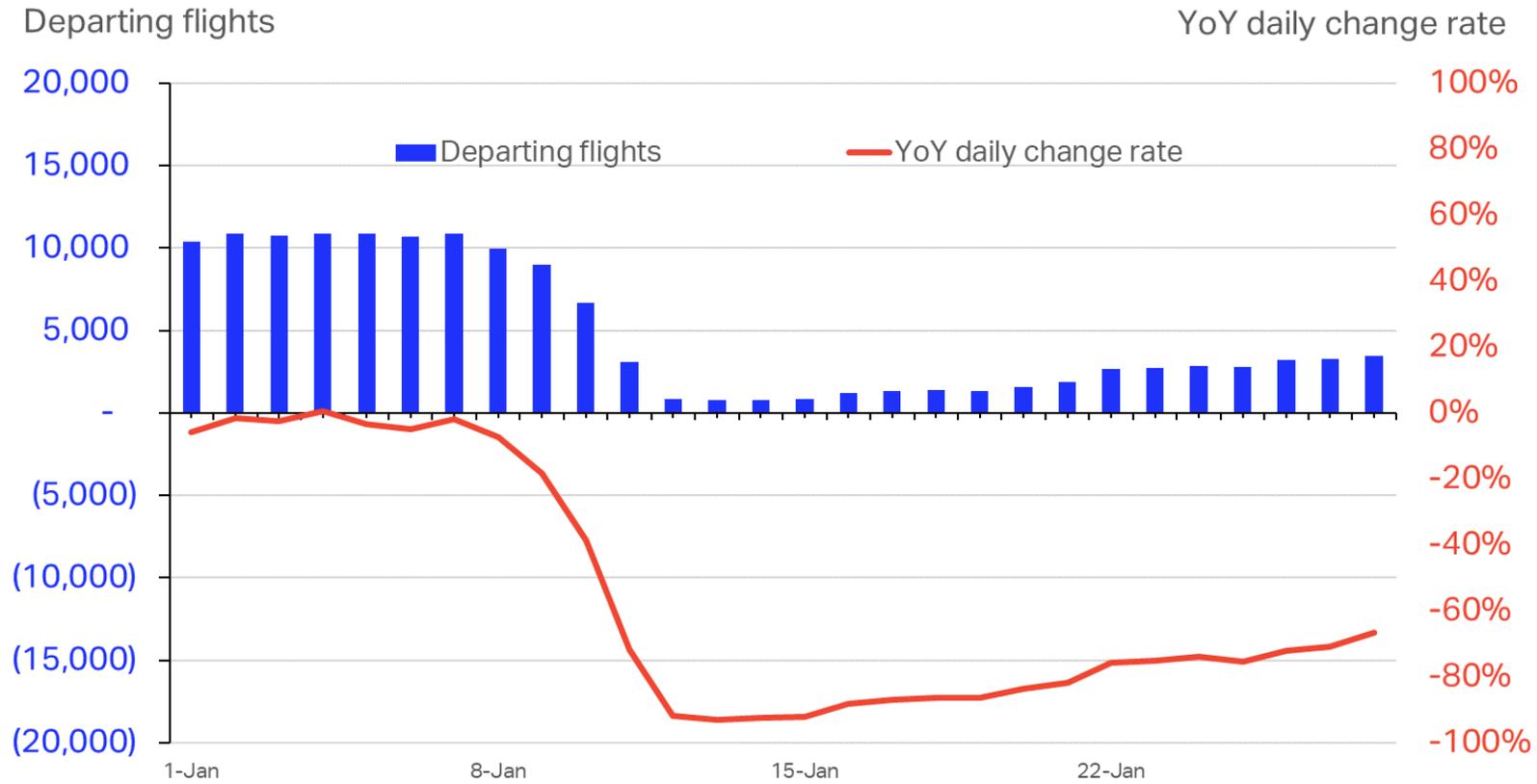


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Middle East: weekly departing flights and yoy % change

Middle East-to-Middle East departing flights, Jan-July 2020



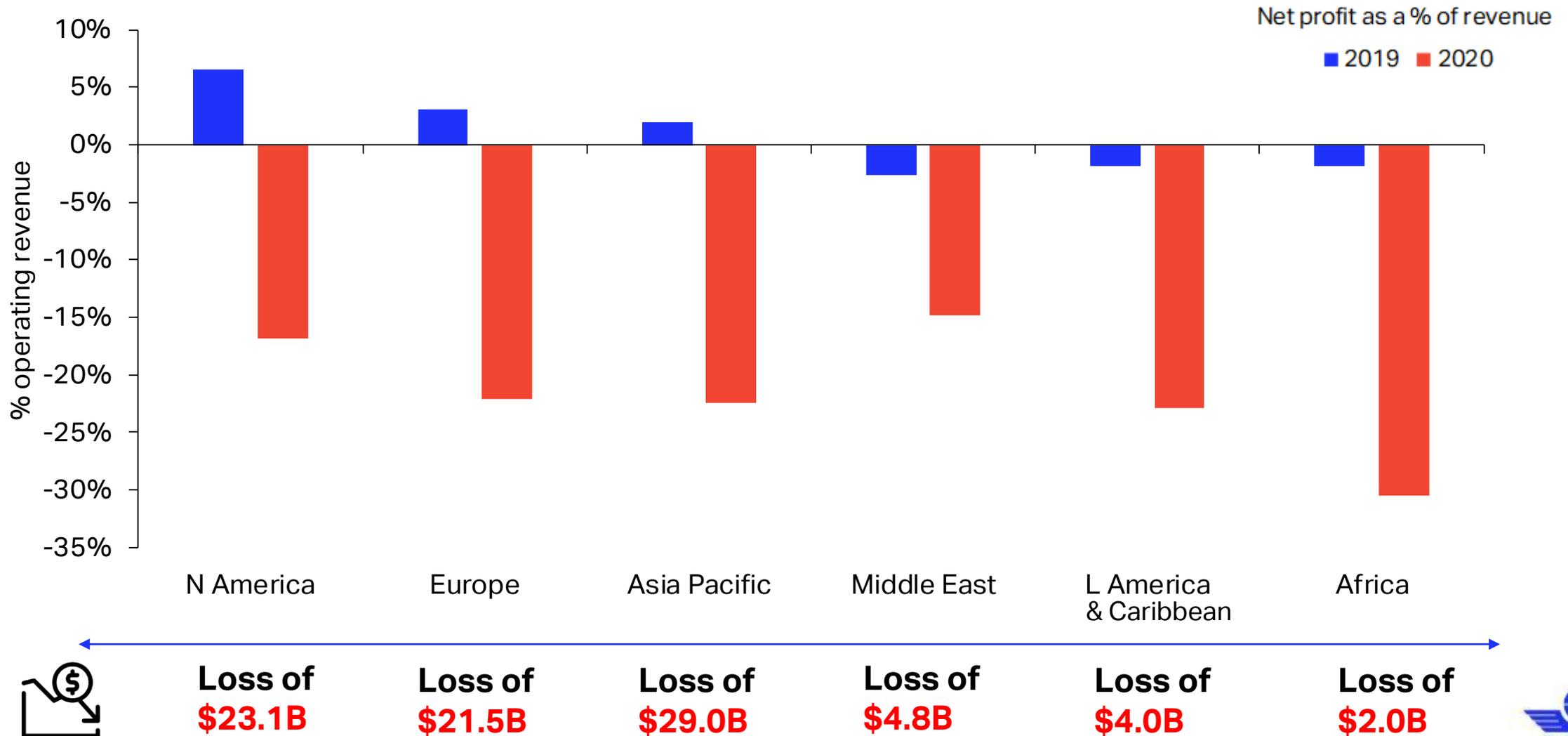
COVID-19 Effect on Aviation in the Middle East

Middle East Region	Airline Revenues	Passenger Numbers
GCC	- 56%	- 54%
Levant	- 58%	- 56%

- **Airlines in the Middle East will loose USD \$37 for every passenger they carry in 2020**

Profit margins devastated in all regions this year

Net losses of 15-30% of revenues as some costs unavoidable



Updated IATA 5-year forecast – Middle East

2020

- Passenger demand (RPKs) down **almost 60%** compared with the same period a year ago
- Passenger numbers are currently forecast to fall by around **56% this year** – or more than **113 million** passenger journeys.
- Demand is expected to recover gradually and will not reach the level of 2019 until **2024**, a year later than we anticipated in our April forecast update.

2025

- Over the period to 2025, growth in the number of passengers is expected to average **1.6% per year**. This represents a weaker performance compared with the pre-Covid period, and it is slower than the global average (2.8%). The growth would result in an additional **21million passenger journeys** in 2025 compared with 2019.
- The near-term outlook remains highly uncertain. The risks remain firmly to the **downside** over the next five years, although it is possible that the industry recovery will be quicker than our baseline suggests.
- We have developed two scenarios which incorporate such considerations and suggest average annual growth could be between **-0.5% and 2.4% per year**.
- Over the longer term, the **fundamental drivers** for air transport demand remain favourable for the Middle East

Call to Action to Governments across the Region - Harmonize the restart of aviation across the region -



1

COVID-19 testing

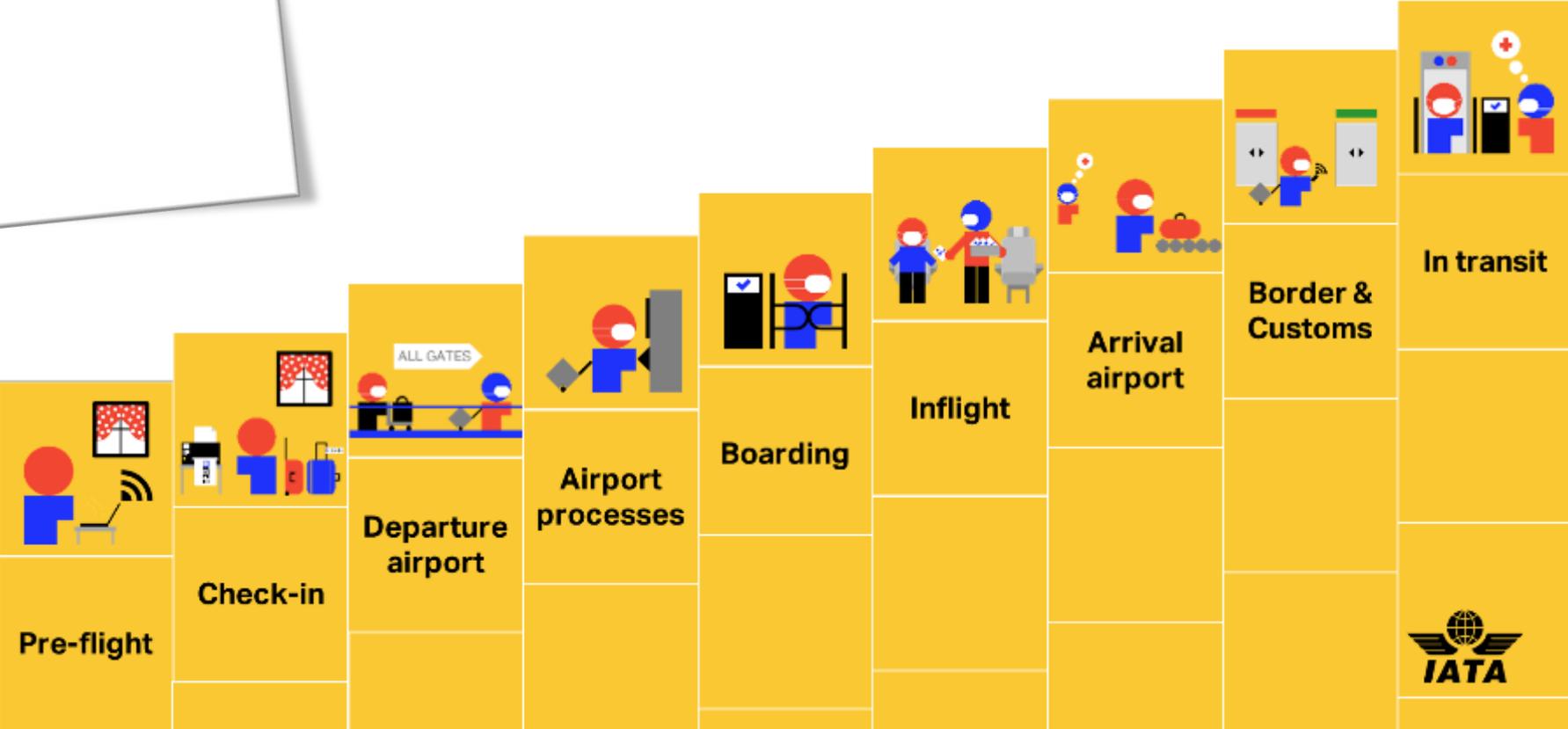
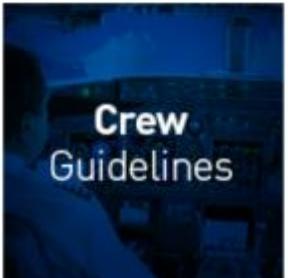
2

Quarantine

3

Contact Tracing and Health Data

The importance of a harmonized restart process by implementing ICAO's CART Guidelines



COVID-19 testing should be:

- Accurate, fast and scalable
- Cost-effective and not add a barrier to travel. As agreed by governments in the World Health Organization's International Health Regulations, there should be no charge for mandatory testing and voluntary testing charged at cost-price
- Carried out prior to travel to keep people who test positive completely out of the travel system
- And the results should be transmitted to and recognized by the arrival state

Critical that AME Governments Implement Alternatives to Quarantine

Government-imposed quarantine measures in 28 countries across the Middle East.

With 80% of passengers unwilling to travel when quarantine is required the impact is that countries remain lockdown even if borders are open



Contact Tracing

- Reliable contact tracing is essential to stop the further spread of COVID-19. Rapid identification and isolation of contacts contains the risk without large-scale economic or social disruption.
- The collection of self-declared passenger health data is a transaction that must occur solely between passengers and authorities, even more so during health outbreaks. Airlines should not be responsible for collecting this data.
- This is the safest, most robust and efficient solution for passengers to provide necessary data to authorities during the COVID-19 crisis and in the future



The question of the Middle Seat

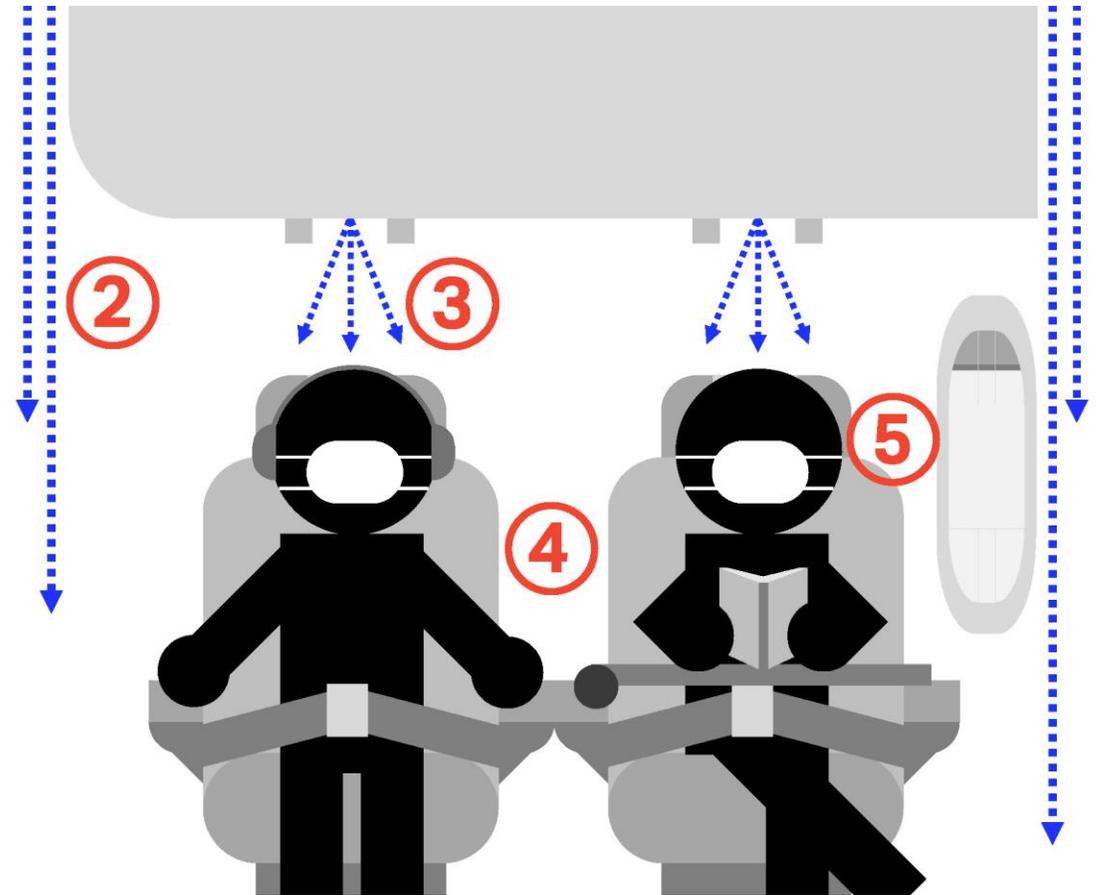
Sitting next to someone on a plane is **low risk**. Why?

It's unlikely an infected passenger will even get to sit next to you

- ① Government health screening and departure biosafety measures minimize this.

Virus-carrying droplets are unlikely to reach you:

- ② Cabin air flows downwards and is fully renewed with fresh air every 2-3 minutes.
- ③ Personal overhead ventilation can strengthen downward air flow.
- ④ All passengers face forwards, not at each other.



Benefits of a waiver vs no alleviation W20

For Airports

- Significantly facilitates earlier, more accurate schedules which enables better airport planning and management
- Reduced airport capacity impact on slot base does not require regulatory intervention or bilateral considerations in terms of market access issues
- Prevents loss of airline presence through lost slots ~ maintains integrity of the route network once full demand recovers

For Coordinators

- Legal certainty and less complexity and work overload closer to season start
- Reduces monitoring usage when airport capacity is changeable and impacts slot holdings
- Increased efficiency & consistency through reduced requests for justifying non use of slots

For Passengers

- Improves reliability and allows for schedules to be published which are more accurate
- Retains airline choice at airports and reliability of schedules through recovery and post crisis
- Ensures continuity of services for the benefit of the travelling public, cargo and economy at large

Questions

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