IATA ANNUAL GENERAL MEETING

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Host airline

jetBlue

77th AGM and World Air Transport Summit
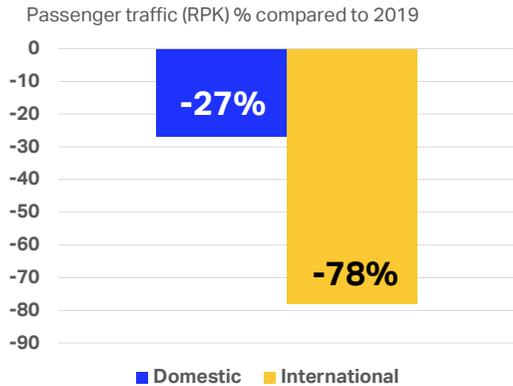Boston USA 3–5 October 2021

Restarting Global Travel

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The state of international travel is still weak

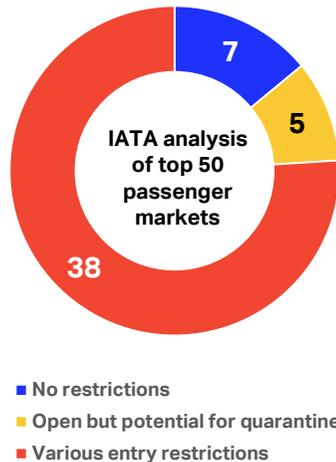Passenger traffic (RPK) % compared to 2019

Forecast

- Domestic travel will rebound to 73% of 2019 levels this year
- International markets in 2021 will recover to just 22% of 2019 demand

The state of recovery in international travel markets is still weak. A comparison of domestic and international recovery shows that while we forecast domestic travel will rebound to 73% of 2019 levels this year, international markets in 2021 will recover to just 22% of 2019 demand.

The difference illustrates the impact of travel restrictions. It is clear international travel remains in a period of deep crisis.

Unharmonized border measures

IATA analysis of top 50 passenger markets

- 7 — No restrictions
- 5 — Open but potential for quarantine
- 38 — Various entry restrictions

■ No restrictions
■ Open but potential for quarantine
■ Various entry restrictions

- Lack of harmonized border measures, restrictions and procedures is a major cause of the failure to restart travel
- Analysis of 50 largest air travel markets shows significant variations in border entry requirements:

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The lack of harmonized border measures, restrictions and procedures is a major cause of the failure to restart travel.

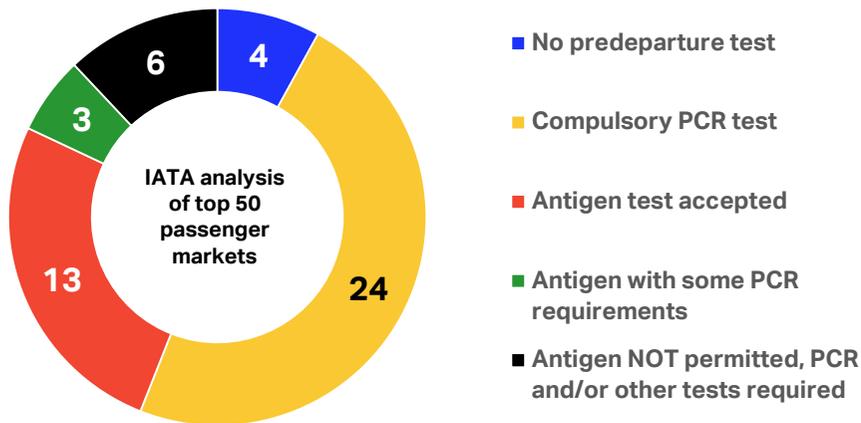The IATA passenger survey confirms that confusion over measures is a disincentive to travel:

- 70% thought the rules and the accompanying paperwork were a challenge to understand
- 67% saw arranging testing as a hassle
- 89% agreed governments must standardize vaccinations/testing certifications

And it's no wonder when you look at the data. Analyzing the entry restrictions of the top 50 air travel markets, we see 7 states have no restrictions, 5 have no entry restrictions - but you might still have to quarantine.

Meanwhile 38 have restrictions of bewildering variety. To take just a few examples:

- Even in the 12 states with supposedly no restrictions, 5 of them still have quarantine in some circumstances.
- Out of the 38 states where restrictions are still in place, 24 differentiate based on some form of country risk categorization, but there is little consistency in the risk categorization. The same country may appear on one State's green list, another State's amber list, and yet another State's red list.
- 20 foresee exemptions for some or all vaccinated pax. Some of these are fairly broad exemptions (especially in Europe and North America). But some have very limited exemptions, for instance Thailand (only for Phuket and Ko Samui); Philippines (only for pax vaccinated in PH which rules out most foreigners); Singapore (facilitated travel for vaccinated pax from Germany and Brunei only)
- Out of the 20 states that foresee exemptions for some or all vaccinated pax, only 6 (possibly 8, we are still awaiting clarification from the US and UK) will allow entry to unvaccinated minors accompanied by vaccinated adults
- Nine states do not recognize the full WHO list of vaccines

Testing requirements are similarly confused:

- No predeparture test
- Compulsory PCR test
- Antigen test accepted
- Antigen with some PCR requirements
- Antigen NOT permitted, PCR and/or other tests required

IATA analysis of top 50 passenger markets

The rules for testing are similarly confusing. Our analysis of the 50 largest markets revealed:

- Out of 46 states that require pre-departure testing for all or some passengers, 24 only accept PCR tests.
- 16 allow rapid antigen tests.
    - Out of these 16, there are 3 that accept antigen tests as a general rule but will still require PCR tests from certain groups of passengers (e.g. arrivals from high-risk countries)
- The 6 remaining states do not allow antigen, but do allow a broader range of diagnostic tests in addition to PCR (NAAT, etc.)

- Additionally, 33 states exempt minors from testing, but with no consistency on age, and

- 20 states provide exemptions from testing for recovered COVID-19 travelers, but with different conditions, including how to prove prior infection.

Airport processing times are also affected

Pandemic caused airport processing times to increase dramatically
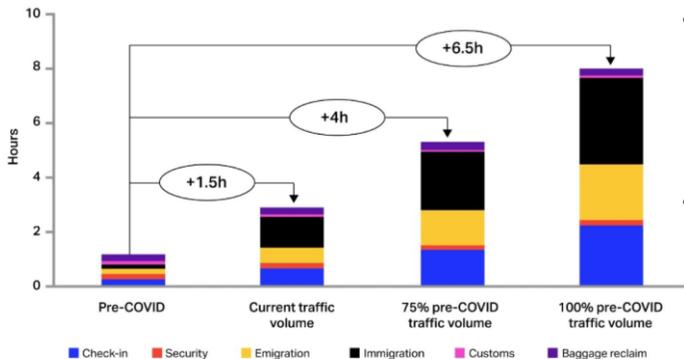
- The pre-COVID average of 1.5 hrs spent at the airport at either end of the journey has doubled at peak times
- Unless process efficiency improves, the average time could increase to 8 hrs, bringing travel to a standstill.

It is clear that the rules are a total mess. And this not only makes it difficult for passengers to fly, it also impacts on passengers during their journey. The plethora of rules is adding to processing times through airports, putting strain on staff and infrastructure.

IATA research from the first half of 2021 demonstrated that pre-COVID-19, passengers spent about an average 1.5 hours in travel processes for every journey (check-in, security, border control, customs, and baggage claim). But that this had ballooned to 3.0 hours during peak time with travel volumes then at only about 30% of pre-COVID-19 levels. The greatest increases are at check-in and border control (emigration and immigration) where travel health credentials are being checked mainly as paper documents. Our modeling suggests that, without process improvements, the time spent in airport processes could reach 5.5 hours per trip at 75% pre-COVID-19 traffic levels, and 8.0 hours per trip at 100% pre-COVID-19 traffic levels.

This research is backed up by recent Eurocontrol data which revealed that during the pandemic, departure delays due to 'immigration, customs and health' have jumped from next to nothing to account for 10-20% of all primary delay.

If these issues are not resolved, then airport delays will become intolerable and travel process will become logjammed. This situation cannot continue. Governments claim to be following the science, but the science cannot possibly justify such a wide variety of models.

Our position is clear. Governments should follow a risk-based model that permits the opening of borders and restoration of connectivity by allowing vaccinated passengers to travel without restriction, and for those unable to be vaccinated, a simple pre-departure negative antigen test should be sufficient.

It is essential governments align their procedures….and digital solutions are key

- One of the key elements to enable a successful restart is a digital covid vaccination certificate
- The European Union DCC has been successfully introduced and the EU has also agreed a number of reciprocal agreements with other states to recognize similar vaccine certificates
- In the absence of another workable global standard, we believe states should use the EU DCC as a model.
- Other additional digital solutions are also proving valuable. An example is the IATA Travel Pass.

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Only by aligning procedures can we hope to return to pre-COVID traffic levels and with the efficiency and convenience we all desire. Digital solutions are an essential part of that process.

Digital COVID-19 vaccine certificates are one of the core foundations to enable international travel. For example, the EU Digital Covid Certificate (DCC) was developed in record time and is implemented in 27 EU states. A system of mutual recognition with other similar digital certificates is in place. In the absence of a single global standard for digital vaccine certificates, it should serve as a blueprint for other nations looking to implement digital vaccination certificates to help facilitate travel and its associated economic benefits.

The EU DCC meets several key criteria which have been identified as important if a digital vaccination certificate is to be effective, including the flexibility to be used in both paper and digital format, and the use of a QR code. The gateway the EU has built to authenticate information is also highly flexible.

Digital certificates are not the only digital tools to help facilitate restart. Now I would like to hand over to my colleague Alan Murray-Hayden who has led the development and roll out of the IATA Travel Pass, a key digital tool to enable passengers and governments to travel and reopen borders successfully. Alan will update us on the latest developments in this program.

Chaos…

- Thanks Conrad
- Many of you will be familiar with scenes like this
- COVID has taken the fun out of flying
- And today we are only at 44% of pre COVID traffic
- Digital solutions are essential for a scalable restart
- Not only to avoid queuing but to help with understanding travel requirements, managing test and vaccine certs and reducing the amount of paper needed to travel

This is why IATA developed IATA Travel Pass. A one-stop-shop for passengers to manage their test and vaccine certificates safely and securely.
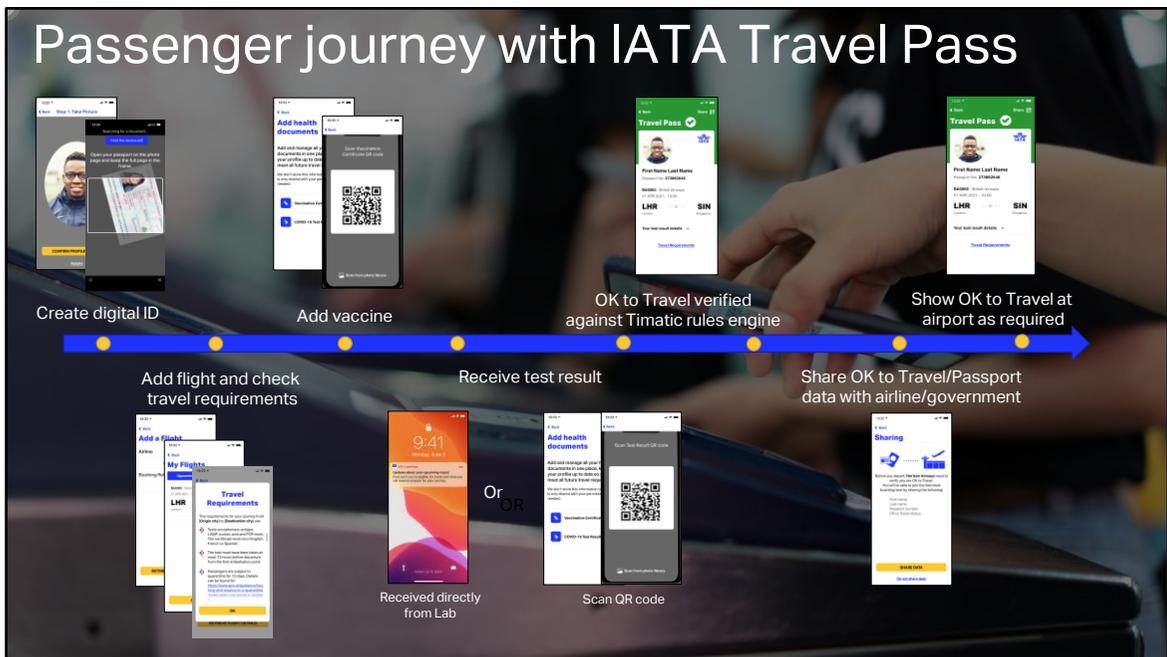
There have been a proliferation of digital health apps

But what we have seen is wide disparity in the technology and functioning of these apps.

IATA Travel Pass has been developed specifically to meet the needs of the aviation industry, with the following design principals:

- **Security and privacy** – the highest standards of data security and privacy for passengers. No central database. All data is stored on the user's own phone. And passengers have full control over their own data on their phone and can choose to share it with airlines and other parties.
- **Accuracy** – IATA Travel Pass is powered by Timatic. Timatic is a well-established global travel rules and regulations database supported by an extensive sourcing network. Currently in Timatic 200 regulation updates on COVID requirements are being made per day.
- **Verifiable** - IATA Travel Pass enables travelers to create a digital identity derived from a government issued ID document such as a passport. This is based on global standards developed by the International Civil Aviation Organization (ICAO) which match biometric passport data and to images taken by the passenger user their phone's camera.
- **Link with travel processes current and future** – such as contactless travel

Passenger journey with IATA Travel Pass

Create digital ID — Add vaccine — OK to Travel verified against Timatic rules engine — Show OK to Travel at airport as required

Add flight and check travel requirements — Receive test result — Share OK to Travel/Passport data with airline/government

Or OR

Received directly from Lab — Scan QR code

- IATA Travel Pass offers a safe and secure way for travelers to verify their vaccine status, pre-departure test results, and entry requirements, and share these effortlessly with health officials and airlines prior to departure.

- This will avoid queuing and congestion for document checks—to the benefit of travelers, airlines, airports and governments

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Vaccine certificates from
74 countries
85% of global traffic
will be able to be managed by Travel Pass by the end November

- IATA Travel Pass can receive and verify a range of COVID-19 test results and digital vaccines certificates.
- Currently vaccine certificates from 52 countries across the world can be scanned into the app representing 56% of global international traffic.
- This will increase to 74 countries, representing 85% of global traffic by the end of November.

Trials: 76 Airlines – 286 Routes

- Today we have 76 airlines trialing or committed to trialing the app across 286 routes covering all continents of the world.

- Today we are delighted to announce that Etihad Airways, Royal Jordanian, Jazeera Airways and Qatar Airways to implement IATA Travel Pass in a phased rollout across the across the airlines' networks.

- The follows a pioneering announcement by Emirates that it will be rolling out Travel Pass across its network.