

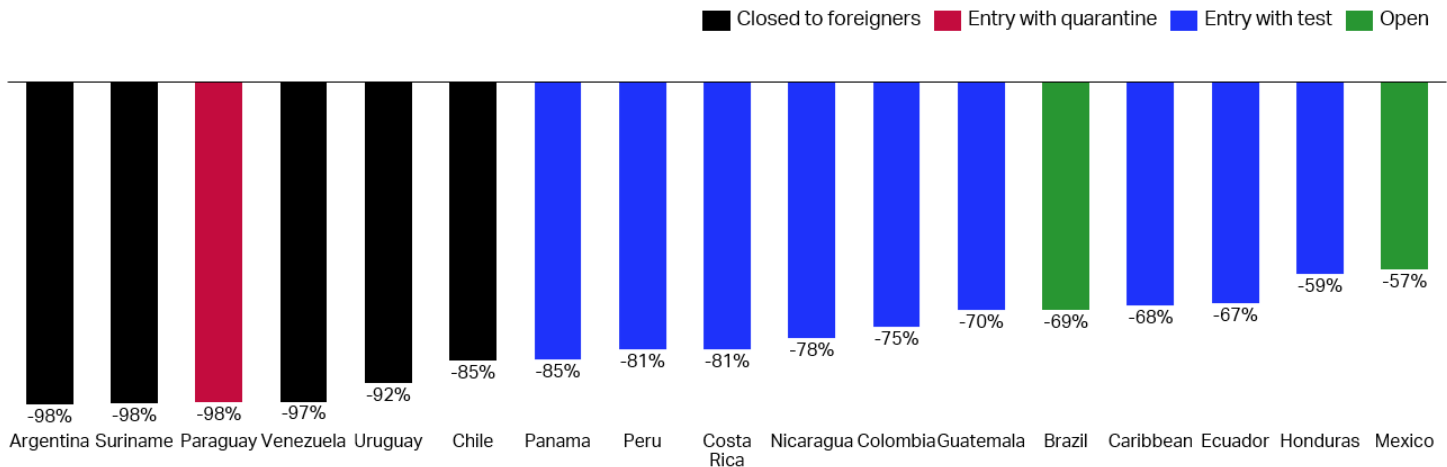


IATA Economics' Chart of the Week

6 November 2020

Latin America shows entry with testing can boost travel

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



Source: IATA Economics based on data from DDS and Timatic

- As European countries are introducing lockdowns for the second time and North America is already seeing its third wave of COVID-19 infections, many Latin American countries have just reopened their borders after the first wave of lockdowns lasting about half a year. This week's chart shows a snapshot of demand recovery in these countries in the first half of October.
- Flight bookings were minimal in countries that remained closed to foreigners (black bars) but also in Paraguay (red bar) that imposed a quarantine requirement on inbound travellers at the time. In contrast, countries that allowed entry subject to negative COVID-19 tests (blue bars) saw a more significant recovery in bookings: between -59% and -85% year-on-year. Some of them – Ecuador, Honduras and the Caribbean region as a whole – had a better year-on-year performance than Brazil, which has largely kept its borders open throughout the pandemic.
- This experience seems to suggest that passengers have more willingness to fly with COVID-19 testing requirements than with quarantine requirements. IATA has been advocating for governments to ease quarantine requirements and replace them with the testing of passengers. While testing can also achieve the public health objective of excluding potentially asymptomatic COVID-positive travellers, it does not eliminate demand to the same extent as quarantines do.
- Latin American countries typically accepted PCR tests at the beginning of October. These tests are both more costly and more time consuming than rapid antigen tests that have become more easily available recently. We expect that the acceptance of antigen tests could further boost passenger demand in these and other countries.

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