COVID Impact on the Airline Industry and International Air Transport Association Travel Pass

Submitted by: IATA
COVID impact on the airline industry and IATA Travel Pass

APEC Capacity Building Workshop on Improving the Utilization of APEC Business Travel Card (ABTC)
14 September 2021
IATA in brief

➢ International Air Transport Association

➢ Some 290 passenger and cargo member airlines, representing 82% of global air traffic. 65 member airlines operate different business models from full service carriers

➢ Founded in Havana, Cuba in April 1945

➢ Head Office: Montreal, Canada

➢ Executive Office: Geneva, Switzerland

➢ Regional Offices: Madrid, Singapore, Beijing, Amman, Miami

Mission

➢ To represent, lead and serve the airline industry

Vision

➢ Working together to shape the future growth of a safe, secure and sustainable air transport industry that connects and enriches our world
The global air transport industry:

87.7 million
Jobs supported by aviation worldwide

$3.5 trillion
Aviation’s global economic impact (including direct, indirect, induced and tourism catalytic)

4.1% Global GDP supported by aviation

Source: IATA
### Every day in ...

<table>
<thead>
<tr>
<th>Year</th>
<th>Passengers (millions)</th>
<th>Flights</th>
<th>Value of Goods Carried (billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>12.4</td>
<td>106,600</td>
<td>$17.8</td>
</tr>
<tr>
<td>2020</td>
<td>4.9</td>
<td>44,900</td>
<td>$16</td>
</tr>
</tbody>
</table>

*Source: IATA*
International travel restrictions remain high
Most international air travel markets are at less than 40% of 2019 RPKs

International travel stringency index weighted by population

Source: IATA Economics analysis based on Oxford University data
International traffic in Asia Pacific worst performing

Growth in international air travel, RPKs by market

% change compared to same month in 2019

Source: IATA Monthly Statistics
Air connectivity in Asia Pacific has been seriously disrupted by COVID-19

Source: IATA Economics based on data provided under license by FlightRadar 24. All rights reserved
# Jobs and GDP at risk due to COVID-19

<table>
<thead>
<tr>
<th>Region</th>
<th>Employment supported by air transport at risk (Full Time Equivalents, millions)</th>
<th>GDP supported by air transport at risk (USD, billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASIA PACIFIC</td>
<td>22.9</td>
<td>462</td>
</tr>
<tr>
<td>EUROPE</td>
<td>7.6</td>
<td>555</td>
</tr>
<tr>
<td>NORTH AMERICA</td>
<td>4.3</td>
<td>535</td>
</tr>
<tr>
<td>AFRICA</td>
<td>3.9</td>
<td>32</td>
</tr>
<tr>
<td>LATIN AMERICA</td>
<td>4.5</td>
<td>110</td>
</tr>
<tr>
<td>MIDDLE EAST</td>
<td>1.8</td>
<td>115</td>
</tr>
<tr>
<td>WORLD</td>
<td>44.9</td>
<td>1,809</td>
</tr>
</tbody>
</table>

Source: IATA Economics using data from ATAG (2020).
Note: Economic impacts measure direct, indirect, induced and tourism catalytic impacts.
RPKs will recover to 2019 levels in 2023

Source: IATA Economics/Tourism Economics, July 2021 forecast update
Majority won’t travel if there’s a chance of quarantine

I will not travel if there is a chance I may be quarantined at my destination

- Agree strongly: 48%
- Agree somewhat: 37%
- Total: 85%

NB Numbers may not always add up due to rounding.
Q13. Do you agree strongly, agree somewhat, disagree somewhat or disagree strongly with the following statement?
Vaccination a key to re-opening travel

**Having been vaccinated will make me more likely to travel by air**
- Agree strongly: 38%
- Agree somewhat: 43%
- Total: 81%

**Testing before air travel is an acceptable alternative for people who are not vaccinated**
- Agree strongly: 36%
- Agree somewhat: 43%
- Total: 78%

**People who have been vaccinated should be able to travel by air freely**
- Agree strongly: 32%
- Agree somewhat: 43%
- Total: 75%

**It is morally wrong to restrict travel only to those who are vaccinated**
- Agree strongly: 26%
- Agree somewhat: 32%
- Total: 59%

NB Numbers may not always add up due to rounding.
Q22. Do you agree strongly, agree somewhat, disagree somewhat or disagree strongly with each of the following statements?
Majority would use an app for travel/health credentials

Q30B. If a mobile app could store your travel credentials for health (COVID-19 test or vaccination status), how likely would you be to use it?

- Very likely: 50%
- Somewhat likely: 39%
- Not too likely: 6%
- Not at all likely: 5%
Advocacy for Safely Reopening Borders

Engagement with Governments on 4 key areas:

- Gradual reopening of borders
- Based on health situation and vaccination

No border restrictions by 31 Dec 2021

- Testing in lieu of quarantine
- Crew Exemption

National Roadmap

Vaccination protocols

Easing of quarantine requirements for vaccinated travelers

Testing protocols

IATA Travel Pass

Acceptability of IATA Travel Pass Framework
Passenger processing and waiting times have increased +100% from pre-crisis levels during peak times — up to three hours. Yet travel volumes are only at 30% of pre-COVID-19 levels.
Without urgent improvement, process delays 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.
Travel Pass App

Passenger App to receive, manage & share biometric identity and health credentials

Lab Solutions

Receive test results as verifiable credential linked to identity

Timatic

Worldwide COVID rules and regulations
Passenger journey

1. Create digital ID
2. Add vaccine
3. Add flight and check travel requirements
4. Receive test result
5. OK to Travel verified against Timatic rule and share details with Airline / Border
6. Scan and share additional documents with airline
7. Show OK to Travel on screen for inspection if needed

Under developments:
- Receive directly from Lab
- Scan QR code
- Scan and share additional documents with airline
Scan test result or vaccine QR code

Scan certificate
Upload & Checks
Store in App
OK to Travel
Verification

* When necessary material is provided for electronic signature verification
High level data privacy and security

‘Decentralized Technology’ means there is no central database holding passenger identity

Rights
Passengers have the sole right share to their data
Users can delete their data anytime on their app

Compliance
Country regulations on access to passengers’ data will be respected (eg France & Germany)
Where we are today... Airlines

- Implementations in progress with 72 airlines
- 30+ airlines are in discussions with the Travel Pass team
Lab coverage is rapidly expanding
Government acceptance

Travel Pass must be accepted as a valid presentation of test/vaccine results upon arrival, in lieu of a physical copy of them.

IATA has been engaging economies across the world.

In Asia Pacific, Singapore has confirmed acceptance of the IATA Travel Pass for test results.
Three dominant COVID-19 certificates

**European Union Digital Covid Certificates (EU DCC)**
In active use by all 27 EU member economies and six other European economies since 1 July 2021. Saudi Arabia, Chinese Taipei and many other economies are assessing using the EU DCC specification.
EU DCC can be digested by IATA Travel Pass; given its wide adoption and relatively easy implementation, it is preferred by IATA.

**ICAO – Visible Digital Seal for non-constrained environments (VDS-NC)**
A digitally signed barcode for proof of health, which leverages the existing ICAO public key infrastructure; it aims to enable rapid implementation and global interoperability;
The technical specifications are available on the [ICAO website](https://www.icao.int).

**Smart Health Card**
An open technology standard developed by the technology industry in active use in North America.
IATA Backs European Digital Covid Certificate as Global Standard

Geneva - The International Air Transport Association (IATA) commended the European Commission for its leadership and speed in delivering the EU Digital COVID Certificate (DCC) and urged states to make it their global standard for digital vaccine certificates.

“The DCC was delivered in record time to help facilitate the reopening of EU states to travel. 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,” said Conrad Clifford, IATA’s Deputy Director General.

The EU DCC meets several key criteria which have been identified as important if a digital vaccination certificate is to be effective:

- **Format:** the DCC has the flexibility to be used in both paper and digital format
Support needed from APEC member economies

• Reach out to IATA for any assistance needed in developing national vaccine certificate QR code

• Accept IATA Travel Pass as a valid presentation of test/vaccination proof in lieu of a paper copy

• Develop **national standard for digital test certificates** with a QR code, if not yet considered

• **Share with IATA** technical specifications and samples of QR code once available

• Support **digitalized and paperless process** for checking health documents
IATA Travel Pass

Questions

Youn Kim
kimy@iata.org