



Travel Industry Update

October 16, 2020

Airports, Airlines to Lose Nearly \$523.5 Billion Globally in 2020

- The Airports Council International (ACI) World and the International Air Transport Association (Iata) on Tuesday reiterated a call to drop quarantine for travelers and rather use testing as a means to safely re-open borders.
- Data from ACI World and IATA showed that airports and airlines will lose \$104.5 billion and \$419 billion, respectively, totalling \$523.5 billion in 2020.
- "ACI and Iata are aligned in calling for urgent government action to introduce widespread and coordinated testing of passengers to enable quarantine requirements to be removed. Without this action, it is not an exaggeration that the industry is facing collapse," Luis Felipe de Oliveira, director-general of ACI World, said during a virtual press conference on Tuesday.
- "We need action quickly. Large parts of the global air network have been severely ruptured for well over a half year. Job losses - inside and outside the industry - mount with each day that borders are closed. And with each job lost the recovery and impact on the broader economy becomes even more difficult. Momentum is building in support of testing to re-open borders," Alexandre de Juniac, director-general and CEO of Iata, said during the conference.

Germany's Frankfurt Airport Reports Steep Passenger Decline

- German airport operator Fraport on Tuesday reported a 82.9-per-cent decline in passenger numbers at its Frankfurt base for the month of September, compared to last year.
- Some 1.15 million people travelled through Frankfurt airport last month - about 360,000 passengers fewer than in August, Fraport said in a statement.
- Cargo was less severely impacted. The tonnage passing through Frankfurt fell by 5.2 per cent to 162,558 tons compared to last year, Fraport said.

United Airlines posts \$1.8 billion net loss in pandemic slump, cuts cash burn

- United Airlines posted a \$1.8 billion net loss in the third quarter.
- United was able to further trim its cash burn but still lost about \$25 million a day in the quarter.
- Revenue in the period dropped 78% to \$2.49 billion from \$11.38 billion in the third quarter of 2019, roughly in line with Wall Street expectations, after the airline cut capacity 70% from last year.

U.S.-Canada border will remain closed until COVID-19 cases drop in U.S., says Canadian prime minister Justin Trudeau

- Prime Minister Justin Trudeau indicated he plans to keep Canada's borders closed as long as coronavirus cases remain elevated in the U.S.
- "We have committed to keeping Canadians safe and we keep extending the border closures because the States is not in a place where we would feel comfortable reopening those borders," the prime minister said Wednesday morning.
- "We will continue to make sure that Canadian safety is top of mind when we move forward. We see the cases in the United States and elsewhere around the world, and we need to continue to keep these border controls in place," he added.

This Color-coded Map Makes It Easy to Understand COVID-19 Travel Restrictions Across the EU

- The European Council announced Tuesday that the European Union will adopt a common color-coded map system to demonstrate its COVID-19 travel restrictions and coordinate travel accordingly as the pandemic continues to threaten its members.
- The new map, which will be based on a 14-day period and updated weekly by the European Centre for Disease Prevention and Control, will break down areas in red — for the highest risk — orange, and green, according to the Council, and recommend common rules for each by region, the European Council wrote.
- Red areas indicate more than 50 cases per 100,000 people and a positive test rate of 4 percent or higher, or more than 150 cases per 100,000 people. For an area to be considered green, it must have fewer than 25 cases per 100,000 people and a positive test rate of less than 4 percent.
- Currently, many EU countries are experiencing high COVID-19 case numbers and would be classified under red or orange, according to The Associated Press.
- "This new system will make things easier for citizens. I am glad that we found this solution together," EU Commission President Ursula von der Leyen told the AP.
- Map available [here](#).