

Redefining Competitiveness of Air Transport in the Americas

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Impact of COVID-19 on Air Connectivity in the Americas

North America

Air connectivity before COVID 19

5,450
city pairs

Apr 2019

Air connectivity decimated
by COVID 19

3,490
city pairs

Apr 2020



Latin America & Caribbean

Air connectivity gaps even
before COVID 19

1,780
city pairs

Apr 2019

Air connectivity decimated
by COVID 19

680
city pairs

Apr 2020

Air connectivity coming back
but less frequencies

1,415
city pairs

Dec 2020

This map illustrates the partial recovery of air connectivity in Latin America and the Caribbean by December 2020. While the network of red lines has grown from the near-collapse in April 2020, it is still less dense than the pre-COVID-19 period. The text '1,415 city pairs' is shown in a yellow circle, and 'Dec 2020' is in a yellow box at the bottom.

Impact on Jobs and GDP in the Americas

North America

2019: Pre-COVID



8.8 Million

Jobs supported by air transport



US\$1.1 trillion

GDP supported by air transport

-49%



-50%

2020: COVID Impact



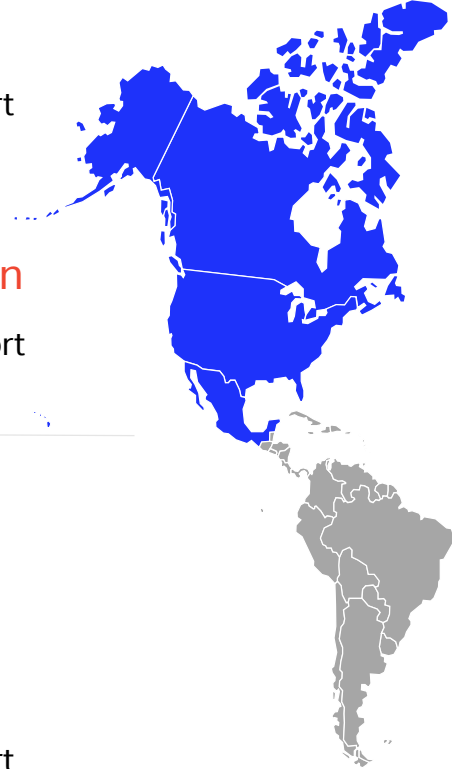
4.5 Million

Jobs supported by air transport



US\$553 billion

GDP supported by air transport



Latin America & Caribbean

2019: Pre-COVID



7.6 Million

Jobs supported by air transport



US\$187 billion

GDP supported by air transport

-52%



-50%

2020: COVID Impact



3.7 Million

Jobs supported by air transport

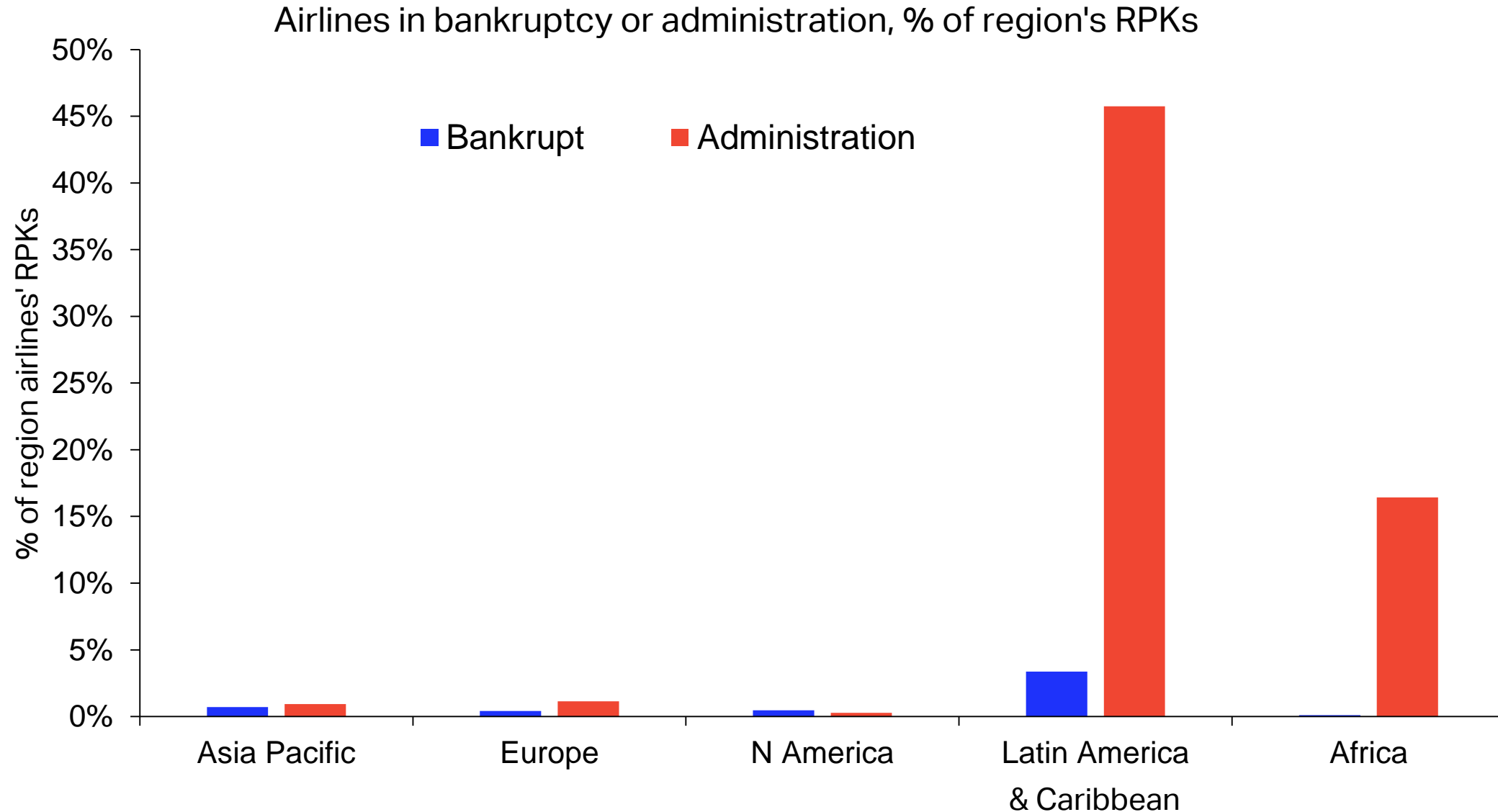


US\$93 billion

GDP supported by air transport

Airline failures in 2020 very unevenly spread

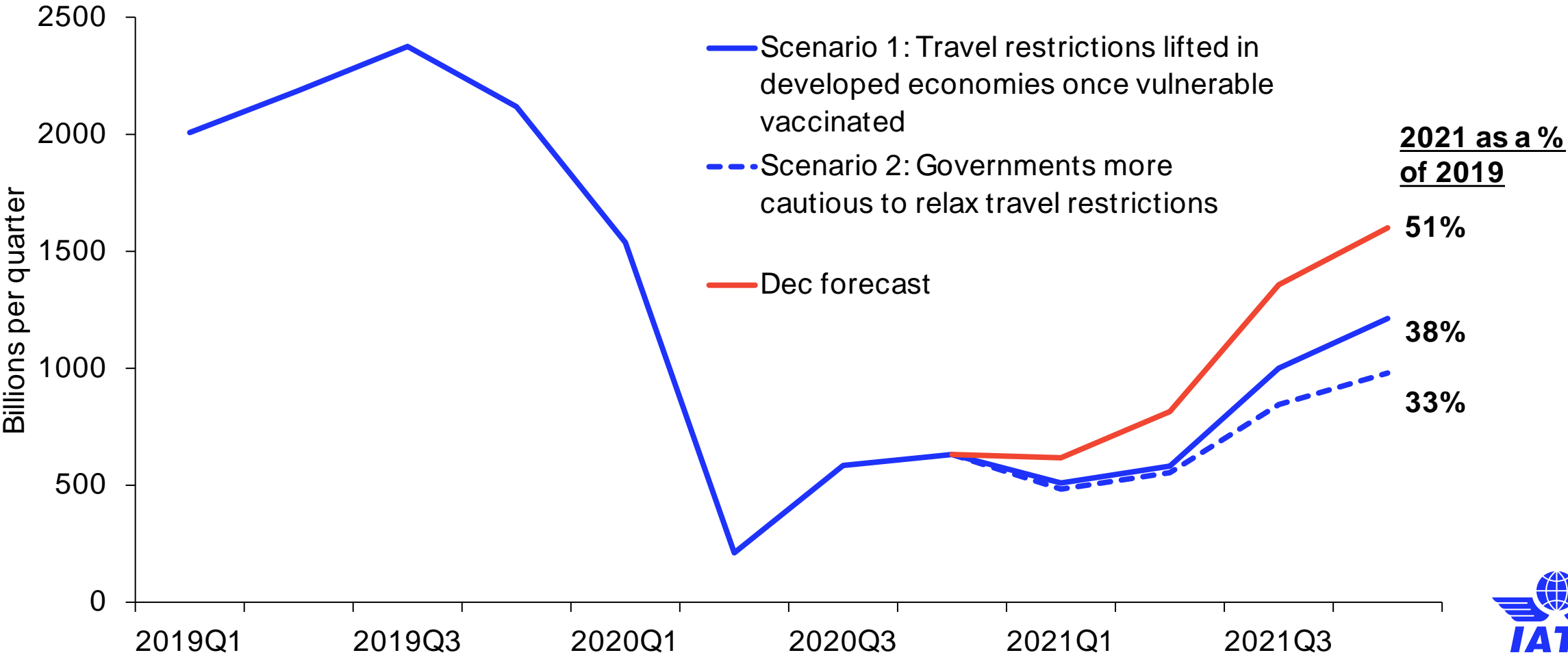
Government aid preventing some failures where provided



2021 H1 will be weaker than expected in December

There is also a risk to H2 from policy response to new virus variants

Global RPKs, billions per quarter



On-going COVID-19 Response

Short-Term: COVID Response

- **Systematic testing** and adequate contact tracing is required to keep borders open with no quarantines in place
- **Biosafety measures** coupled with testing remain effective to reduce risk of importation of virus
- **Standardized global approach to health credentials:** [IATA Travel Pass](#) – intergovernmental recognition of test and vaccine certificates
- **Financial relief** by States to ensure viability of the operation despite airlines continuous cash burn, including access to credit lines, routes incentives and travel vouches.
- **Country vaccination roll-out plans** and consideration of aviation workers as essential



Urgent need to make air transport more competitive in Latin America and the Caribbean



Conditions of 2019 are unacceptable

INFRASTRUCTURE



- Capacity Constraints
- Airspace Optimization
- Slots
- **Invest in Aging Infrastructure**

COMPETITIVENESS



- Cash Cow Industry
- Taxes & Charges
- Lack of Transparency
- **Need to Decrease Taxes**

REGULATORY FRAMEWORK



- Politically Motivated
- Passenger Rights
- Harmonized Policies
- **Follow Global Best Practices**

ENVIRONMENTAL SUSTAINABILITY



- Lead Development of Sustainable Aviation Fuels (SAFs) and fuel R&D
- **Invest in new technologies**



Thank you

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