









# Urgent Appeal to International Community to Support African Travel and Tourism Sector

06 May 2020, Geneva - Five international air transport and tourism bodies have launched an appeal to international financial institutions, country development partners and international donors to support Africa's Travel & Tourism sector which employs some 24.6 million people on the African continent. Without urgent funding, the COVID-19 crisis could see a collapse of the sector in Africa, taking with it millions of jobs. The sector contributes \$169 billion to Africa's economy combined, representing 7.1% of the continent's GDP.

The request is being made by the International Air Transport Association (IATA), the UN World Tourism Organization (UNWTO), the World Travel & Tourism Council (WTTC), the African Airlines Association (AFRAA) and the Airlines Association of Southern Africa (AASA).

These organizations are jointly calling on international financial institutions, country development partners and international donors to support the African Travel & Tourism sector through these tough times by providing:

- \$10 billion in relief to support the Travel & Tourism industry and help protect the livelihoods of those it supports directly and indirectly;
- Access to as much grant-type financing and cash flow assistance as possible to inject liquidity and provide targeted support to severely impacted countries;
- Financial measures that can help minimize disruptions to much-needed credit and liquidity for businesses. This includes the deferral of existing financial obligations or loan repayments; and,
- Ensuring that all funds flow down immediately to save the businesses that need them
  urgently, with minimal application processes and without impediment from normal
  lending considerations such as creditworthiness.

Some African governments are trying to provide targeted and temporary support for hard-hit sectors such as Travel & Tourism. However, many countries lack the necessary resources to help the industry and these livelihoods through this crisis.

The situation is now critical. Airlines, hotels, guesthouses, lodges, restaurants, meeting venues and related businesses face mounting losses. Typically, Travel & Tourism comprises 80% of small and medium enterprises (SMEs). To preserve cash, many have already begun laying off or placing staff on unpaid leave.

"The impact of the COVID-19 outbreak is being felt across the whole Travel & Tourism value chain. The sector is particularly exposed with millions of livelihoods across the world, especially within vulnerable communities, supported by the sector. International financial support is key to ensuring that Travel & Tourism can lead to wider economic and social recovery in these communities," said UNWTO Secretary-General, Zurab Pololikashvili.

"Airlines are at the core of the Travel & Tourism value chain that has created quality jobs for 24.6 million people in Africa. Their livelihoods are at risk. Containing the pandemic is the top priority. But without a lifeline of funding to keep the Travel & Tourism sector alive, the economic devastation of COVID-19 could take Africa's development back a decade or more. Financial relief today is a critical investment in Africa's post-pandemic future for millions of Africans," said IATA's Director-General and CEO, Alexandre de Juniac.

"The Travel & Tourism sector is in a fight for survival, with over 100 million jobs losses globally and nearly eight million in Africa alone due to the COVID-19 crisis. Travel & Tourism is the backbone of many economies across Africa and its collapse will lead to hundreds of millions of livelihoods being impacted and enormous financial pressure for years to come. Now, more than ever, it is vital that governments work together on a global coordinated approach towards a swift recovery and ongoing support for Travel & Tourism. It is critical that the most vulnerable communities receive international help. The speed and strength with which the international community comes together and responds through international financial institutions, country development partners and international donors will be paramount to provide support to the many millions of people whose livelihoods are heavily dependent on our sector," added Gloria Guevara, WTTC President & CEO.

"Air transport and tourism industries are among the worst impacted by the COVID-19 pandemic. Air transport is critical for the economic development and integration of the African continent. As such, support to the airline industry will aid in a faster economic recovery. An

end of operations by African airlines would trigger a host of serious financial consequences, while replacing the air service provided by the airlines would be a challenging and costly process. Urgent, immediate and consistent measures need to be taken for the survival and rebound of the industry," said AFRAA Secretary-General, Abdérahmane Berthé.

"The impact of COVID-19 in Africa continues to be brutal. Air travel and tourism have essentially shut down. Now, more than ever, international countries need to come together to help those communities that are most vulnerable. The survival of our industry and its allied sectors has serious ramifications for Africa's entire air transport system," said AASA CEO, Chris Zweigenthal.

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### Notes for editors:

- IATA (International Air Transport Association) represents some 290 airlines comprising 82% of global air traffic.
- You can follow us at <a href="https://twitter.com/iata">https://twitter.com/iata</a> for announcements, policy positions, and other useful industry information.

# **WTTC**

For further information, please visit wttc.org For media enquiries, please contact Paul Charles / Michael Johnson / Claire Simpson at The PC Agency via wttc@pc.agency or +44 207 768 0001

# **About AFRAA**

The African Airlines Association, also known by its acronym AFRAA, is a trade association of airlines from the member states of the African Union (AU). Founded in Accra, Ghana, in April 1968, and headquartered in Nairobi, Kenya, AFRAA's mission is to promote, serve African Airlines and champion Africa's aviation industry.

The Association envisions a sustainable, interconnected and affordable Air Transport industry in Africa where African Airlines become key players and drivers to African economic development. AFRAA membership of 45 airlines cuts across the entire continent and includes all the major intercontinental

African operators. The Association members represent over 85% of total international traffic carried by African airlines. Follow us on <u>Facebook</u>, <u>LinkedIn</u>, <u>Twitter</u> and <u>YouTube</u>.

### **About AASA**

AASA's members include all of the domestic airlines in South Africa, most airlines in the SADC region and the Indian Ocean islands, many of the region's major airports, ground handling companies, aircraft and engine manufacturers, fuel suppliers and air navigation service providers.