

## Airports Council International - Latin America & Caribbean (ACI-LAC) urges governments to take urgent measures to support the industry in the face of the COVID-19 crisis

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The governments of Latin America, the Caribbean and the world are taking unprecedented steps to control the spread of COVID-19. These include restricting public movements, closing borders, and even implementing quarantine restrictions across entire nations. Airports Council International Latin America and the Caribbean (ACI-LAC) recognizes the need for governments to impose such severe restrictions to protect the public interest, although, as a result, the aviation, travel and tourism industries face their greatest crisis in history.

As a consequence of the severe travel restrictions, air traffic is disappearing at many airports in the region. This situation is negatively affecting airport revenues and their financial sustainability is seriously threatened. The economic impact at many airports and across the aviation industry will be devastating. Despite this, airports must remain operational to handle flights for medical supplies, emergencies and air cargo.

The dramatic drop in traffic and the increase in airport expenses related to the implementation of sanitary measures have caused and will continue to cause an economic imbalance for airport operators. This situation requires immediate attention by the States, so that they implement efficient compensatory measures in accordance with the provisions of the concession contracts, to allow for the economic recovery of airport operators. This, in turn, can allow airports to help stimulate the recovery of other stakeholders in the air transport industry.

In consideration of the above, ACI-LAC recommends that relief measures should be explored to support the industry as a primary generator of economic and social value in the region and worldwide. In particular we urge regional governments to consider the following measures:

- 1. Provide economic, financial and fiscal relief measures to the airport and wider aviation industry Airports and air transport are crucial for the socio-economic functioning of the Latin American and Caribbean nations. We urge governments to consider immediate economic, financial and fiscal relief measures to support the industry at this critical time and to help it recover and develop.
- Waive concession fees for airports Where applicable, regional governments are
  urged to relax conditions of payment of the concession fees companies must pay for
  the operation of airports. Concession fees can represent a significant cost for airport
  operators.



- 3. <u>Delay infrastructure investment requirements</u> Provide temporary relief in the requirement to develop infrastructure, particularly in order to comply with level of service obligations or projects which are not immediately required by the industry.
- 4. <u>Temporary relief from compliance with quality of service obligations</u> Airports are experiencing unprecedented operational circumstances which are putting undue pressure on operators. Consequently, regulators should relax quality of service obligations until operations return to normal.
- 5. Support the suspension of the 80/20 slot rule for a limited period for severely affected markets, in consultation with airport operators, airlines and slot coordinators.

Despite these circumstances, airports are taking proactive and decisive measures to support the actions of governments across the region. Airports in Latin America and the Caribbean are critical infrastructures that ensure the operability of air transport which provides vital supplies to cities, regions and nations.

ACI-LAC makes itself available to governments and other stakeholders to evaluate and coordinate actions to protect the wellbeing of the population and to support the economic and social sustainability of our nations.

## **About ACI-LAC**

ACI-LAC is a regional office of Airports Council International, the only global trade representative of the world's airports. ACI-LAC represents more than 270 airports in 34 countries and territories. Members manage 95% of commercial air traffic in Latin American and the Caribbean.