



DIRECTORS GENERAL OF CIVIL AVIATION-MIDDLE EAST REGION

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Agenda Item 3: Global and Regional Developments

AIRPORTS OF THE MIDDLE EAST PRAISE NATIONAL GOVERNMENTS FOR EFFECTIVE SUPPORT OF THE AVIATION SECTOR IN THE REGION DURING THE PANDEMIC AND IN THE RECOVERY PERIOD

(Presented by Airports Council International (ACI))

SUMMARY

This paper recognizes the effective handling of the COVID-19 pandemic and the associated crisis in air transportation by the national governments of the Middle East and expresses gratitude for the support provided to the sector including airports. Airports of the Middle East acknowledge that government support was indispensable to the fast recovery of traffic in the region and are looking forward to further cooperating with the government authorities.

1. INTRODUCTION

1.1 The COVID-19 pandemic wreaked financial devastation across the global aviation ecosystem including airports. With traffic collapsed practically overnight and revenues declined drastically, airport operators could not match such hits with commensurate decreases in operating and capital expenses due to the specifics of transport economics and capital-intensive nature of the airport business. The COVID-19 crisis led to significant imbalances in terms of profitability, liquidity, solvency, risks and other parameters of airport economics, as well as notable changes in personnel, capital expenditure and several other key determinants of the airport business.

1.2 While many airport operators in the Middle East benefited from State support such as wage subsidies, grants or other cash injections, a significant proportion of airports in other regions did not benefit to the same extent from their respective national governments and were forced to cope with the crisis through their own means. The government support provided to airport operators in the Middle East allowed for additional support and assistance to their users and partners by alleviating rental and concession payments and providing incentives to airlines. This, in turn, facilitated fast recovery of aviation in the region. By the end of the year 2022, airports in the Middle East are expecting to recover over 80% of pre-COVID traffic volumes – the highest percentage of all other regions. Airports of the Middle East recognize the crucial role national governments played in handling the pandemic, pursuing an efficient vaccination campaign, adopting a risk-based and pragmatic approach to administrative travel restrictions and providing high level of financial and other support to airport operators.

2. HANDLING THE PANDEMIC: EFFICIENT VACCINATION CAMPAIGN

2.1 Since multiple vaccines for COVID-19 became available at the end of 2020, countries across the world have struggled to ensure that their populations have access to sufficient quantities of the vaccines. Global vaccination efforts have been stymied by economic and logistical challenges. Moreover, in some countries, the efficacy of vaccination campaigns is being undermined by hesitancy among the public and disinformation about the risks of vaccination.

2.2 The Middle East region and GCC countries in particular have established themselves as leaders of vaccination against COVID-19. As of September 2022, most GCC countries boast vaccination rates exceeding 90 percent ensuring collective immunity against the disease.

3. OPENING BORDERS: PRAGMATIC AND RISK-BASED APPROACH

3.1 It is important to recognize that the national governments in the Middle East established a clear and logical relationship between vaccination against the COVID-19 infection and borders reopening. Consistent with the recommendations provided by ACI Asia-Pacific, Governments of the Middle East opted for a pragmatic and risk-based approach to re-open borders as part of an effort to facilitate international air travel. Combination of domestic vaccination efforts and reliance on testing ensured smooth and consistent recovery of traffic in the region.

3.2 ACI Asia-Pacific also acknowledges the support of the Middle East governments of the ICAO High-level Conference on COVID-19 (HLCC) in October 2021, where Ministers committed to ensuring sustained operations and the provision of essential air services while safeguarding fair competition, as well as taking effective measures to safely restore international connectivity and support the revival of the global economy. This resulted in a Ministerial Declaration which was endorsed by the entire aviation industry. A key component of this was a multilayer risk management strategy for international civil aviation, which is adaptable, proportionate, non-discriminatory and guided by scientific evidence. It was also agreed that practices should be harmonized to the greatest extent possible, for air travel purposes, using commonly accepted epidemiological criteria, testing requirements and vaccination.

3.3 Under the current circumstances, a restrictions-free model, largely applied in the Middle East States, should be considered by all countries in the region. The approach implies no testing for vaccinated passengers. A harmonized restrictions-free approach in the entire region would be an important milestone in the recovery period and will give a positive impulse to air traffic.

4. GOVERNMENT SUPPORT PROVIDED TO AIRPORTS: APPRECIATION BY THE INDUSTRY

4.1 As the industry is re-emerging from the COVID-19 crisis, regional disparities became apparent in the pace of rebuilding traffic. In many parts of the world, airports had to cut their payrolls to stay financially afloat and resort to leaving behind thousands of aviation professionals. With the pandemic subsiding and traffic gradually returning, the global airport industry is currently facing a manpower capacity crunch with significant post-pandemic staff shortages. Due to government support, airports of the Middle East managed to largely circumvent the problem of manpower shortage, largely retained their existing personnel and were able to jumpstart operations as soon as it was required. Additionally, airports of the Middle East and the major hubs in particular started their reopening as soon as it became practical, which resulted in a much shorter idling period for its airport workforce as compared to other regions.

4.2 Airports of the Middle East also recognize the support of their national governments in pursuing much-needed capital expenditure projects. Several airports in the region continued construction and development during the pandemic, seizing the unique opportunity to re-emerge from the pandemic with upgraded and expanded infrastructure. Airports of the Middle East also praise Governments for their support of these capital expenditure projects.

5. ACTION BY THE MEETING

5.1 The Meeting is invited to note ACI's appreciation for the support States provided to airport operators during the COVID-19 pandemic and their pragmatic approach to reopening borders; and continue such support and approach in the event of unexpected interruptions such as another pandemic in the future.

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