



NEWS RELEASE

RESUMPTION OF RESTRICTED AIR SERVICES A WELCOME START, BUT MORE TO DO TO REBUILD THE INDUSTRY AND REPAIR THE ECONOMY

01 June 2020, Johannesburg – The Airlines Association of Southern Africa sees the resumption of South African domestic passenger air services, albeit on a limited basis, as a positive move, but more destinations will be included in a phased in basis for the industry to make a meaningful contribution to the recovery of the country's economy.

Under the country's State of Disaster COVID-19 Level 3 restrictions, which came into force today, local carriers are permitted to offer flights on the main trunk routes linking Johannesburg (both OR Tambo and Lanseria airports), Cape Town and Durban – under stringent health and biosecurity conditions.

“It is crucial that the new systems are given appropriate capacity by Port Health so they can be stress-tested as quickly and rigorously as possible. Only then will the reconnection of other inland and coastal cities be phased in. The sooner this occurs, the better as survival of airlines and their ability to support the repair of the local and national economies are entirely dependent on this,” explained AASA CEO, Chris Zweigenthal.

Intra-Africa regional and inter-continental long-haul flights will only resume when there is mutual agreement between nations to re-open their borders for passenger traffic other than *ad hoc* repatriation charter flights. “AASA will continue to work with the authorities and the tourism sector to support the re-introduction of these services,” said Mr Zweigenthal.

Every South African-domiciled airline intending to operate under the latest regulations must first submit their COVID-19 health and safety protocols and procedures, flight schedule and request for departure and arrival slots to SA Civil Aviation Authority, Airports Company South Africa and Air Traffic Navigation Services respectively for approval before they are entitled to fly. Although the permission to fly became effective today, a lead time is necessary for the necessary authorisation to be given and plans to be put in place. Travellers should check with their preferred airline to verify the status of their schedules and availability of tickets.

“The start-up phase will be difficult for all carriers as it involves significant financial outlays before any revenues have been generated. Most carriers worldwide, including South Africa, only had about two months of cash reserves in late March 2020, when the travel restrictions were imposed, bringing the industry to a sudden halt. AASA is supporting the call for the South African Government to specifically direct financial aid to the air transport sector - on an ownership-agnostic basis – as all airlines and associated service providers are vital to the country's economic revival. Without an efficient air transport system, South Africa's economic recovery will be prolonged and painful,” added Mr Zweigenthal.

Relief mechanisms at Government's disposal include deferrals and waivers of taxes and statutory charges as well as user fees for airports, air navigation and weather services, loans

and loan guarantees to enable the raising of debt in the capital markets, direct aid with wage subsidies and cash injections to help industry players cover unavoidable costs during the re-start phase.

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.

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