



Bi-weekly Newsletter



20 March 2020



**#Didyouknow
Incheon Airport has
implemented a
three-step infection
prevention system?**

Regional Office Updates

ACI Asia-Pacific Favours Evidence-based Market-by-market Review

In a press release issued on 9 March, ACI Asia-Pacific set out its position to the proposal from the International Air Transport Association (IATA) for a global suspension of the 80/20 usage rule.

Stefano Baronci said: “The severity of the current situation requires a close cooperation between airport operators and policy stakeholders to identify options to tackle the crisis. For continued regional prosperity, as all the long-term forecasts suggest, we have to consider the overall sustainability of the sector, starting with the shortage of airport capacity. Asia already manages more than 50% of the super-congested airports in the world and will require to build the large majority of greenfield airports globally. Further, it is in the interest of the airports to explore relief measures at local level with their main partners to face the current challenges and recovery plans to incentivize the return to a normalized market. The blanket application of proposals to reduce airport charges or to freeze the application of the 80/20 rule on airport slots globally should not be supported without passing an economic feasibility test and justification by objective evidence.”

Current slot allocation rules require airlines to use at least 80% of their allocated slots under normal operations at an airport in order to keep them. The proposal for a global suspension

of 80/20 usage made by the International Air Transport Association (IATA) would give airlines the freedom to cancel flights to/from congested airports not necessarily linked to the COVID-19 outbreak, jeopardising the ability for countries to stay connected with the world, which in turn will have knock-on effects on their economies.

“We are sympathetic with the airlines’ needs to avoid flying empty airplanes simply to retain airport slots. But this should not jeopardise the connectivity of passengers and distort the competitive field. ACI Asia-Pacific favours an evidence-based market-by-market review which evaluates rates of infection, load and scheduled bookings. While we prefer local measures, in the event of a global alleviation package, airports, airlines and slot coordinators should explore the feasibility of a relaxation of the 80/20 rule to a lower threshold or a calculation of the historic rights for airlines based on a shorter period through their respective associations,” concluded Baronci.

“We are sympathetic with the airlines’ needs to avoid flying empty airplanes simply to retain airport slots. But this should not jeopardise the connectivity of passengers and distort the competitive field. ACI Asia-Pacific favours an evidence-based market-by-market review.”



COVID-19 Sets Back Economic Sustainability and Connectivity of Asia-Pacific Airports



ACI Asia-Pacific warned in a press release that the prolonged duration of the COVID-19 outbreak will significantly set back the region's airports from previously forecasted growth prospects.

According to ACI World estimates, Asia-Pacific is suffering the highest impact, with passenger traffic volumes down -24% for the first quarter of 2020, compared to forecasted traffic levels without COVID-19. Within the Asia-Pacific region, mainland China, Hong Kong SAR and the Republic of Korea remain at the center of the effects with sizable losses in traffic volumes. Meanwhile, there is a sharp spike in the number of COVID-19 cases in several countries in the Middle East, expecting to significantly impact traffic downwards by -4.2%, as travellers and airlines adjust their plans and seat offers in the coming days and weeks.

Against this gloomy background of sharp declines in traffic and passenger throughput, airports' aeronautical revenues and non-aeronautical revenues are rendering similar declines. The ACI World Airport Traffic Forecasts 2019–2040 predicts US\$12.4 billion revenue for the first quarter in the Asia-Pacific region in the "business as usual" scenario. The impact of COVID-19 is projected to have a revenue loss of US\$3 billion.

The shortfall in the number of passengers and the cancellation of flights leads to reduced revenues from airport charges such as landing

and parking charges paid by airlines, and passenger service and security charges paid by passengers. While aeronautical revenues are under pressure, the cost base for airport operations remains unchanged as airports can neither close nor relocate their terminals during the outbreak. Non-aeronautical sources of revenue usually serve as diversification of airport income streams, but they also provide an additional cushion during economic downturns. To a large extent, the COVID-19 is impacting Chinese passengers, the world's largest and highest-spending outbound travel group, creating a wider worldwide effect on airports.

Asia-Pacific and Middle East Airports Top ACI's Airport Service Quality Awards



world won 140 awards which is the largest-ever number of recipients. The awards recognize airports around the world that deliver the best customer experience in the opinion of their own passengers.

“Our region is proud to boast the largest group of winners in the Airport Service Quality Awards. It represents the region’s dedication to consistently raise the bar in customer service excellence,” said Stefano Baronci, Director General, ACI Asia-Pacific. “The awards this year have been won by a diverse group of airports, small and large, with enduring leaders and airports that are upping their game.”

View the [full list of winners](#).

The Regional Office extends hearty congratulations to the winners of this year’s Airport Service Quality (ASQ) Awards. The largest group of winning airports are from Asia-Pacific and the Middle East with a total of twenty-nine airports receiving recognition for their outstanding customer service excellence. This year, 84 individual airports from around the

ACI Announces New Conference Dates

ACI Regional Offices have been working with host airports to schedule new dates for its annual events. The following dates are now confirmed.

ACI 12TH ANNUAL AIRPORT ECONOMICS & FINANCE CONFERENCE & EXHIBITION



15TH ACI ASIA-PACIFIC REGIONAL CONFERENCE & EXHIBITION



ACI Asia-Pacific, ACI EUROPE and ACI World, together with the host Malaysia Airports Holdings Berhad, are pleased to announce the new dates for the **ACI 12th Annual Airport Economics & Finance Conference & Exhibition** on 22 - 24 September 2020. The event venue, EQ in Kuala Lumpur, Malaysia, remains unchanged.

The Regional Office is pleased to also announce the **15th ACI Asia-Pacific Regional Conference & Exhibition** will now take place on 15 - 17 September 2020 in Nara, Japan. The host Kansai Airports and ACI Asia-Pacific have worked tirelessly to make new arrangements. While some adjustments will be required, we endeavour to retain relevant aspects of the conference programme to deliver a meaningful event in September.

Please visit the respective event websites for news and updates. Please do not hesitate to contact the Events Team at events@aci-asiapac.aero for any questions.

Airport Environmental Leaders Discuss Next Steps of Study to Propose Long Term Carbon Emissions Goals



The ACI World Environment Standing Committee (WEnSC) was briefed on the selected study to support the development of the ACI World Carbon Emissions Long Term Goal study. The study was borne out of calls for international action to set a long-term carbon goal for aviation, which would take into account differences amongst and between regions, both in defining a global goal for airports, and in the associated pathways to carbon reductions.

The 39th meeting of WEnSC took place in Oakland, USA from 4-6 March and was attended by about 30 aviation environmental experts. Asia-Pacific was represented by Brisbane and Hong Kong airports, while other regional members were impacted by the travel restrictions arising from COVID-19.

Committee members also discussed emerging issues such as supersonic aircraft noise, non-acoustic factors of aircraft noise-related annoyance, ultra-fine particles, sustainability and wildlife trafficking. During a full day dedicated to climate change discussions, members were also briefed on the ATAG long-term carbon goal project Waypoint 2050, and commented on the preliminary results of the ACI World Climate Change Adaptation Survey.

Note: article reviewed and approved with edits from WEnSC

New Staff Joins Communications and Events Team



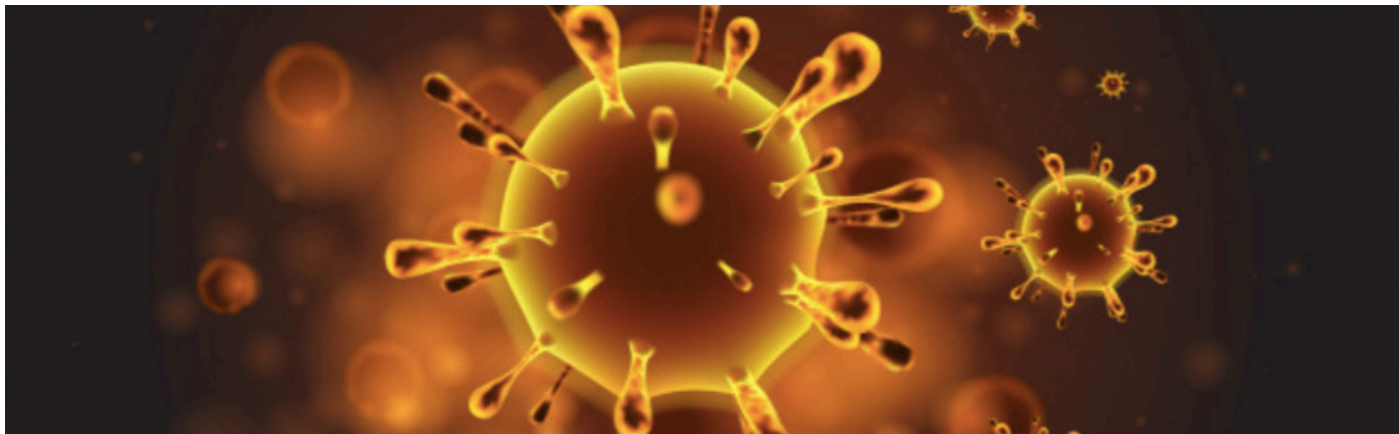
Ms. **Connie Wong** recently joined ACI Asia-Pacific as Assistant Manager, Events and Communications. Connie has six years of experience in event marketing specializing in MICE (Meetings, incentives,

conferences and exhibitions) industry as well as organising more than 15 international

exhibitions, conferences and events. She joins **Jeff Chan, Cindy Chee, Samantha Solomon** and **Jeannie Wong** to deliver inspiring events and engage ACI Asia-Pacific's members with compelling communications.

Connie holds a Bachelor of Science in Tourism Management from The School of Hotel and Tourism Management at Hong Kong Polytechnic University in Hong Kong SAR. Connie speaks fluent Cantonese, English and is learning French.

ACI World Predicts Global COVID-19 Traffic and Revenue Impacts on Airports



Airports Council International (ACI) World has published an **Advisory Bulletin** on the predicted global economic impact on the airports sector of the unfolding COVID-19 public health emergency.

As the World Health Organization (WHO) and the International Civil Aviation Organization (ICAO) have published a joint statement providing updated advice on COVID-19 and civil aviation, ACI World has predicted the economic impact of the outbreak on the global airport industry will be pronounced.

At the global level, ACI estimates that airport passenger traffic volume for the first quarter of 2020 will be down at least 12 percentage points compared to what ACI previously projected for the same quarter.

This effect on passenger numbers and flight cancellations will result in reduced revenues from airport charges – while aeronautical revenues are being challenged in this way, the cost base for airport charges remains unchanged as airports have many fixed costs.

Prior to the COVID-19 outbreak, global airport revenues for the first quarter of 2020 were forecast to reach close to \$39.5 billion USD. ACI now estimates a loss of revenues of at least \$4.3

billion for a total revenue.

“The airport industry recognizes that all stakeholders of the aviation ecosystem are heavily impacted by the COVID-19 outbreak, and as such favours a strengthened cooperation between airports, airlines, and regulatory authorities as the industry responds to the outbreak,” ACI World Director General Angela Gittens said.

“The sudden shock represented by the COVID-19 outbreak is affecting passenger and cargo traffic worldwide, markedly in Asia-Pacific and significantly reducing airport revenues.

As the situation continues to unfold quickly, and cognizant that the above analyses are based on data from ACI databases and on scheduled capacity extracted in early March 2020, ACI World will continue to closely monitor the situation and adjust its advisory accordingly.

Read the full [press release](#).

ICAO-WHO Publish Joint Statement on COVID-19



The World Health Organization (WHO) and the International Civil Aviation Organization (ICAO) published a joint statement providing updated advice regarding COVID-19 and civil aviation.

Signed by the Director General of the WHO, Mr. Tedros Adhanom Ghebreyesus, and ICAO Secretary General Dr. Fang Liu, the statement also reaffirms their commitment as UN specialized agencies to foster greater international cooperation to contain the virus and to protect the health of travellers.

The statement noted the importance of States adhering to ICAO and WHO standards relating to the prevention of the spread of communicable diseases, and to follow the International Health Regulations (2005).

ICAO itself has been working closely with governments and industry partners such as the International Air Transport Association (IATA) and Airports Council International (ACI), to provide guidance to aviation authorities, airlines and airports, and advice to individuals, on appropriate measures that will protect the health of travellers and reduce the risk of transmission.

ICAO issued two electronic bulletins and a State letter to urge Member States to adhere to the recommendations and guidance provided by the

WHO, and to highlight ICAO's role in providing aviation-related information on COVID-19, and in serving as the key facilitator for States and organizations that are members of the ICAO Collaborative Arrangement for the Prevention and Management of Public Health Events in Civil Aviation (CAPSCA) programme to implement effective collaboration and coordination with all stakeholders.

Read the full [press release](#).

Members at a Glance

World Business Partner Family Growing



ACI Asia-Pacific is pleased to welcome two new World Business Partners.

Oshkosh Corporation is a Fortune 500 company with manufacturing operations on four continents. The Fire & Emergency segment of the company is a single-source designer and manufacturer of a broad range of fire apparatus, homeland security vehicles, mobile command, communications vehicles, and airport rescue firefighting vehicles under the Oshkosh®, Pierce®, and Frontline™ brands. The regional sales and service office, located in Singapore, covers the Asia-Pacific region (excluding China).

WAISL Ltd. is an airport IT solutions and services company, based in India, that wants to help take the hassle out of airport operations. WAISL understands IT demands of airports are growing and has developed a suite of integrated airport IT services and solutions. The company is led by sectoral experts with expertise for setting up, operating, maintaining and upgrading the IT-infrastructure for airports. Currently, WAISL maintains and operates IT services across Indira Gandhi International Airport and its terminals in New Delhi, India.



Did You Know



#Didyouknow Incheon Airport has implemented a three-step infection prevention system?

South Korea has been praised for its effective response to the coronavirus pandemic by deploying the world's fastest virus testing system. As of 8 March, 3,692 tests per million people have been conducted. This has allowed for early detection of cases to keep the mortality rate - 0.6% at last count - as low as possible. So when it comes to air travel, what measures has Incheon Airport deployed to be a responsible gatekeeper?

Incheon Airport declared its commitment to be a 'COVID-19 Free Airport' by establishing multiple check points from the time of entering the airport until leaving the country by air. The airport quickly introduced a three-step infection prevention system to respond to widening entry restrictions against South Korea citizens.

DETECTING COVID-19 SYMPTOMS IN THREE PHASES

As fever is a major symptom of COVID-19 infection, Incheon Airport is conducting temperature checks using thermal imaging cameras and non-contact thermometers from arrival at the airport to boarding the aircraft for passengers departing the country.

For step 1 and 2, if high temperature is detected through the camera, the passenger will be checked once more with non-contact thermometer.



1

Passengers will be checked for fever **upon entering the terminal buildings.**

If passengers record 37.5°C or higher body temperature, they will be instructed to undergo basic epidemiological tests at the quarantine inspection room installed in the airport.

2

Before proceeding to the security check point, travelers' temperature will be checked again at the departure hall. If a

passenger has a body temperature of 37.5°C or higher, and plans to fly to a destination with entry restrictions regarding high body temperature, the passenger will be guided to airline staff for ticket cancellation.

3

A final temperature check is carried out **at the boarding gate** just before entering the aircraft. During

this process, passengers may be denied boarding if they are suspected of having COVID-19 symptoms, such as fever.

CLEANING ROUTINE STRENGTHENED

In addition, Incheon Airport further strengthened the cleaning and disinfection of key facilities on the departure floor by conducting special sterilization of check-in counters and alcohol disinfection on security search equipment three times a day to create a safe space for all passengers, flight attendants, companies, and airport workers.

For major facilities that passengers contact directly, such as elevators and escalators, alcohol disinfection will be increased to three times from once before.

Event Invitations for You...



ACI 12th Annual Airport Economics & Finance Conference & Exhibition

Exploring best practices in airport investment, financial management and economic sustainability, this year's conference will take place in **Kuala Lumpur, Malaysia** from **22 - 24 September**.

[Register Now!](#)



15th ACI Asia-Pacific Regional Conference & Exhibition

Our annual flagship event will take place in **Nara, Japan** from **15 - 17 September** to bring all aviation leaders, regulators and industry partners together in sharing the latest industry insights and promoting airport excellence.

[Register Now!](#)



Airports Council International Asia-Pacific Region
Unit 13, 2/F, Airport World Trade Centre
1 Sky Plaza Road
Hong Kong International Airport
Hong Kong

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