

WTAAA STATEMENT ON THE EFFECTS OF COVID-19 ON THE TRAVEL INDUSTRY

World Travel Agents Associations Alliance (WTAAA) prompts governments globally to provide needed financial resources supporting consumers, travel agencies and the air travel channel as a whole.

Brussels Belgium, 13 April 2020 - Representing 67 countries and markets worldwide and the voice of the global travel agency community, the World Travel Agents Associations Alliance (WTAAA) is deeply concerned with Covid-19's unprecedented catastrophic impact on the travel industry, compromising the viability of all sectors, including airlines and travel agencies, hotels, tour operators, cruise lines, passenger ground transportation - including rail - and tourist destinations globally.

The airlines, which are one of the engines of business, economic and social activity, face an extremely difficult scenario. Their prime asset - the planes on which we travel - are for the most part grounded, not able to generate income to meet the commitments of their operation. Therefore, to the extent that operational continuity is not guaranteed, there is risk that the eventual cessation of the operations of some players in this space will generate a ripple effect of high consequence, both for the travel industry and the global economy. This is how some governments rightly understand it and how some have proactively approved relief and rescue plans. More is needed.

WTAAA strongly supports IATA's push vis-à-vis promptings for governments globally to provide, post haste, the financial resources needed in support of the consumer who requires full compliance with contracted air transport services.

Money for tickets sold through travel agencies - a vital component of the distribution chain - for flights not yet flown, has been accrued by airlines through the IATA-BSP payment system. Therefore, with this cash in hand, IATA has a duty to include traveller claims as a component of its members' responsibilities with respect to existing Resolutions and to ensure those are respected by airlines in terms of fulfilling contractual obligations with both passengers and travel agencies. Without this action now, the collapse of the distribution channel is inevitable.

WTAAA calls on governments worldwide to include the vital relief now desperately needed by the travel agency community serving as ticket agents on behalf of airlines, among any and all financial relief and other support measures taken in support of the airline channel. Travel agencies are a critical component of this channel without whom air bookings cannot and will not occur. Within the structures of the relief, where "travel vouchers" are being offered in markets and in some cases even approved by governments, in lieu of refunds, there needs to be flexibility and the ability for the agents, through the GDS, to administer the vouchers on behalf of their customers. In turn the money in the system needs to be protected as part of the any relief package.

WTAAA, as the representative of a large volume of travel agency trade associations around the world, representing the independent air distribution channel worldwide, offers its support in the search for solutions that will mutually lessen the effects of this unprecedented pandemic on the traveling public, airlines and travel agencies. Jointly aligning on solutions that will also establish the foundations for rapid industry recovery is paramount as we move to a post pandemic world.

About <u>WTAAA</u>:

The mission of the World Travel Agents Associations Alliance (WTAAA) Is to act as the global travel agency voice through the exchange of ideas and information. WTAAA members include the American Society of Travel Advisors (ASTA), Association of Canadian Travel Agencies (ACTA), Australian Federation of Travel Agents (AFTA), Association of Brazilian Travel Agents (ABAV), European Travel Agents' and Tour Operators' Associations (ECTAA), Association of South African Travel Agents (ASATA), Spanish Federation of Travel Agencies (CEAV), Federation of ASEAN Travel Associations (FATA), Latin American Tourism Forum (FOLATUR), Korea Association of Travel Agents (KATA), Society of IATA Passenger Agents (SIPA), Travel Agency Federation of India (TAFI) and Travel Agents' Association of New Zealand (TAANZ).