

# APEX calls for US\$250 billion support during COVID-19

By **Hibah Noor** on March, 17 2020 | Airlines & Airports



Following its recent request regarding [tax relief for airlines](#), the Airline Passenger Experience Association (APEX) announced that it has expanded its call for government action in response to COVID-19. The association is advocating that US\$250 billion be issued in global government support for the airline industry.

“Our world must immediately respond to protect its global airline industry with a quarter-trillion dollars in retroactively rebated taxes and emergency loans to airlines and suppliers,” said APEX Chief Executive Officer Joe Leader. “Airlines need this support for safety, security and survival against the unprecedented passenger shutdown triggered by COVID-19.”

The call both endorses and builds on a proposal from [Airlines for America](#) (A4A) for US\$58 billion in financial support for airlines in the United States (US\$50 billion for passenger carriers and \$8 billion for cargo carriers).

APEX believes that both global airlines and airline suppliers will need support to endure the COVID-19 crisis. As such, the association suggests that 80 percent of global government support for the aviation industry should go directly to airlines, with the remaining 20 percent be allocated to airline suppliers.

Without government action, APEX is of the opinion that there is the potential for a global economic depression, which by definition includes any reduction in global gross domestic product of more than 10 percent, according to the APEX [press release](#) issued today. It continues: The effects of COVID-19 have already seen the global airline industry pass this critical mark.

“The economic impact of the global airline industry already surpasses the economic events of 2001 and 2008 combined,” said Leader. “Global governments must react in a coordinated manner to support their airlines in each nation. Otherwise, there may be permanent damage to nations and areas that are not fully supportive in this time of dramatic COVID-19 crisis.”

APEX is recommending the following actions for governments and organizations globally:

# \$250 BILLION AIRLINE INDUSTRY SUPPORT AGAINST COVID-19



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1 Immediate **TAX REBATES** by global governments of previously paid airline industry taxes in the form of **GRANTS** totaling **\$125 BILLION**.
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2 Immediately accessible no-interest medium and long-term **LOANS** to provide medium and long-term liquidity totaling **\$125 BILLION**.
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3 **WORLD BANK** should provide needed liquidity in the form of matching grants and ample **LOANS** to governments in need.
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4 Amounts **ALLOCATED TO EACH COUNTRY** should be based on country **SHARE OF GLOBAL GDP** alongside **AVIATION MARKET SHARE** appropriately.

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APEX's [International Flight Services Association](#) (IFSA) Government Affairs team will work alongside A4A in Washington, Airlines for Europe (A4E) in Brussels and IATA. The IFSA Government Affairs team will also support its airline and supplier members.