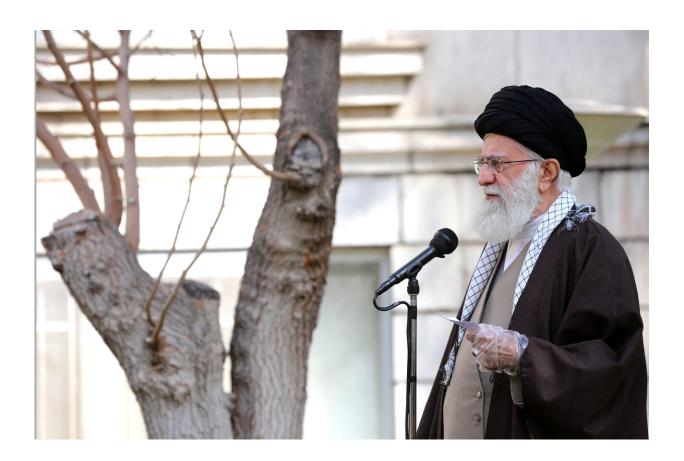# Mideast airlines lose $7B as airports shut to combat virus

March 19 2020, by Aya Batrawy and Nasser Karimi

In this photo released by the office of the Iranian supreme leader, Supreme Leader Ayatollah Ali Khamenei speaks during a tree planting ceremony in Tehran, Iran, Tuesday, March 3, 2020. Iran's supreme leader put the Islamic Republic on war footing Tuesday against the new coronavirus by ordering its armed forces to assist health officials in combating the outbreak—the deadliest outside of China—that authorities say has killed 77 people. (Office of the Iranian Supreme Leader via AP)

Seven Middle Eastern countries have suspended all commercial flights due to a fast-spreading new virus as the aviation industry's largest trade association announced Thursday that airlines in the region have already lost more than $7 billion in revenue.

The International Air Transport Association, which represents around 290 airlines worldwide, said the travel restrictions that countries have imposed to slow down the spread of the virus "have more far-reaching implications than anything we have seen before."

The group called for emergency aid of up to $200 billion for airlines globally.

In the Middle East alone, 16,000 passenger flights have been cancelled since the end of January. The financial losses translate into hundreds of thousands of jobs at risk, IATA said.

The Middle East has some 20,000 cases of the virus, with most cases in Iran or linked to travel from Iran. The virus killed another 149 people in the past 24 hours in Iran, pushing the death toll there to 1,284 amid over 18,000 confirmed cases.

Already, major carriers like Emirates have urged pilots and cabin crew to take unpaid leave. Reports have emerged that Qatar Airways laid off several hundred employees. The airline did not immediately respond to a request for comment.

Job losses in the Middle East have especially far-reaching consequences to the millions of foreign workers who send remittances back home to families in India, Pakistan, the Philippines and eastern European countries. Gulf states like Qatar and the United Arab Emirates rely heavily on foreigners to work as airport support staff, pilots, cleaners and cabin crew.

In this Thursday, March 5, 2020 file photo, passengers wear protective masks walk in their way to their plane in the departure terminal at the Rafik Hariri International Airport, in Beirut, Lebanon. With thousands of flights grounded around the world due to a fast-spreading virus and seven countries in the Middle East suspending all commercial flights, airlines in the region have lost more than $7 billion in revenue, the aviation industry's largest trade association said Thursday. (AP Photo/Hassan Ammar, File)

"A lot of jobs are at risk, economies of the nations are being impacted and airline business in the Middle East is taking a bit hit," Muhammad Albakri, IATA's regional vice president for Africa and the Middle East, said in a phone conference with reporters.

"We are suffering, we are struggling. We are bleeding," he said in his most urgent appeal yet to governments to step in and urgently help many of these state-owned airlines by cutting taxes and offering direct financial assistance.

On Thursday, Egypt and Lebanon became the latest two countries in the Middle East to shut down airports and suspend all passenger flights, joining Saudi Arabia, Iraq, Jordan, Tunisia and Morocco.

Sudan's transitional government reopened airports for 48 hours only to allow Sudanese stranded abroad to return home and expats to leave the country. Libya's rival governments have also closed airports and border crossings, allowing only humanitarian and cargo flights.

In this Thursday, March 5, 2020 file photo, workers wearing protective gear walk in front of the Middle East Airlines office as they spray disinfectant as a precaution against the coronavirus outbreak, in the departure terminal at the Rafik Hariri International Airport, in Beirut, Lebanon, Thursday, March 5, 2020. With thousands of flights grounded around the world due to a fast-spreading virus and seven countries in the Middle East suspending all commercial flights, airlines in the region have lost more than $7 billion in revenue, the aviation industry's largest trade association said Thursday. (AP Photo/Hassan Ammar, File)
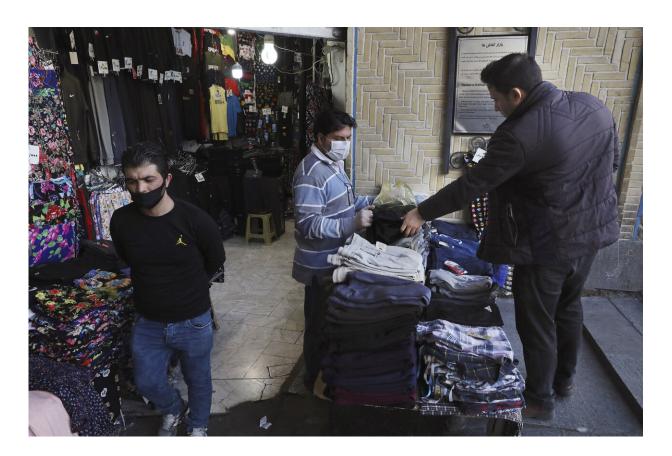
Other countries have largely limited or halted all flights and border crossings. Some, such as Iraq and Lebanon, have ordered citizens to stay home to contain the virus.

Private businesses, restaurants and government institutions have been ordered shut across many countries in the region, leaving only bakeries, supermarkets and pharmacies open as well as some banks.

Since February, Israeli national carrier El Al has laid off 1,000 employees and put another 5,500 on unpaid vacation, "almost all" of its staff, company spokesman Eitan Atias told the AP. It has reduced its flights from 47 destinations globally to just six: New York, Newark, Paris, London, Toronto and Johannesburg.

Albakri said international bookings are down 40% for Mideast airlines and domestic bookings are also similarly impacted. The loss of $7.2 billion in revenue as of March 11 is in comparison to last year's revenue at the same time, he said.

In this Tuesday, March 17, 2020, photo, a shopkeeper, center, wearing a face mask and gloves, to help protect against the new coronavirus, talks with his customer at the Tehran's Grand Bazaar, Iran. The new coronavirus ravaging Iran is cutting into celebrations marking the Persian New Year, known as Nowruz. (AP Photo/Vahid Salemi)

In Egypt, the Arab world's most populous country, some 138,000 jobs are immediately at risk and $1 billion in airline revenue has been lost, according to IATA. In Saudi Arabia, which suspended the year-round Muslim pilgrimage to Mecca, $3 billion have been lost and more than 140,000 people could lose their jobs.

Albakri said airlines at best have two to three months of cash on hand to carry them through.

He said another 163,000 people are at risk of losing their jobs in the United Arab Emirates, home to the region's biggest carrier Emirates and the world's busiest airport for international travel in Dubai. The UAE's airlines have absorbed $2.8 billion in base revenue loss, Albakri said.

The UAE has not shut its airports but has barred the entry of all visitors and even its foreign residents who are currently abroad. The decision, which could last at least two weeks, impacts people whose homes, children, bank accounts and livelihoods are in the country, but who were traveling or outside the country. Only Emirati citizens are allowed to return.

In this photo released by an official website of the office of the Iranian supreme leader, Supreme Leader Ayatollah Ali Khamenei speaks in a meeting in Tehran, Iran, Sunday, Feb. 23, 2020. Officials in Iran haven't announced the full results

from parliamentary elections two days ago, but on Sunday the country's supreme leader accused enemy "propaganda" of trying to disuade people from voting by amplifying the threat of the coronavirus. (Office of the Iranian Supreme Leader via AP)
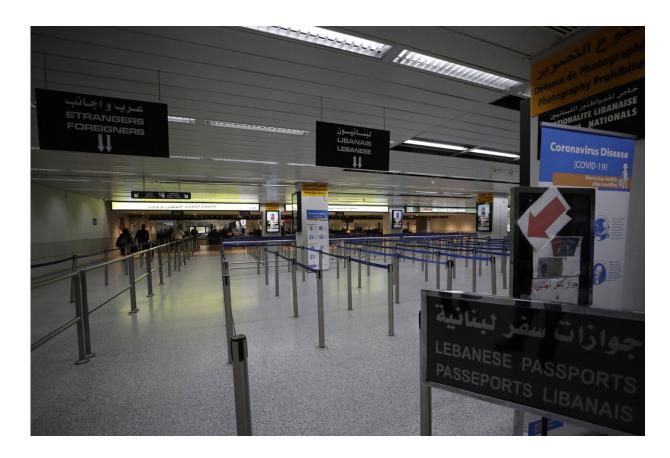
The UAE is unique in that only about 10% of its population, or about 1 million people, are Emirati citizens. The other 90% are foreign residents who fuel its economy and keep the country running. They hold the vast majority of jobs in construction, transportation, hospitality, sales, medicine, education and other key sectors. The UAE also announced it was suspending all new labor permits, including those for drivers and domestic workers, until "further notice."

For most people, the virus causes only mild or moderate symptoms, such as fever and cough. For some, especially older adults and people with existing health problems, it can cause more severe illness, including pneumonia. The vast majority of people recover from the new virus.

Seventeen doctors, including five former health ministers, urged Iranian President Hassan Rouhani in a letter to impose a widespread quarantine to prevent further infections and deaths, the semi-official Fars news agency reported.

Iran joined other countries in ordering on Thursday all shopping centers closed for two weeks. Only pharmacies and food stores will be open, state media reported.

In this Monday, March 9, 2020 file photo, a general view shows empty security counters and signage for coronavirus screening at the arrival terminal at the Rafik Hariri International Airport in Beirut, Lebanon. With thousands of flights grounded around the world due to a fast-spreading virus and seven countries in the Middle East suspending all commercial flights, airlines in the region have lost more than $7 billion in revenue, the aviation industry's largest trade association said Thursday. (AP Photo/Hassan Ammar, File)

Iran also announced Thursday that 10,000 prisoners—among them an unknown number of inmates whose cases are political and related to activism or speech—would be granted amnesty under a decree by Supreme Leader Ayatollah Ali Khamenei on the occasion of the new year, called Nowruz.

The country has already released 85,000 prisoners on temporary leave to curb the spread of the virus inside prisons.

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