

PRESS RELEASE

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Association of Asia Pacific Airlines

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AAPA WELCOMES REFORM OF UK AIR PASSENGER DUTY

Kuala Lumpur, Malaysia – The Association of Asia Pacific Airlines (AAPA) welcomed the decision of the UK Government to reform its punitive Air Passenger Duty (APD). With effect from 1 April 2015, the two higher bands of APD for long haul destinations will be abolished, and all long haul flights beyond 2,000 miles will be taxed at the band B rates of $\mathfrak{L}71$ ($\mathfrak{L}118$) per economy passenger, and double that amount or $\mathfrak{L}142$ ($\mathfrak{L}235$) for business class passengers.

Responding to the announcement, Mr. Andrew Herdman, AAPA Director General said, "The APD is a regressive tax on aviation that does untold damage to the broader economy, threatening the UK's competitive position as a major business services hub and popular tourist destination."

Mr. Herdman added, "Indeed, in the Chancellor's own words, this tax 'hits exports, puts off tourists and creates a great sense of injustice.' Whilst the reform announced yesterday is a positive first step, there is a clear case for completely abolishing this tax. We hope the UK Government will move further in that direction, recognising the positive role played by aviation as a key catalyst of social and economic development."

ENDS

Association of Asia Pacific Airlines (AAPA)

The AAPA is the trade association for scheduled international airlines based in the Asia-Pacific region. The AAPA permanent secretariat is headquartered in Kuala Lumpur, Malaysia with international representation in Brussels and Washington, D.C. Collectively, the region's airlines carry 948 million passengers and 18 million tonnes of cargo, representing one-third of global passenger traffic and two-fifths of global air cargo traffic respectively, and thus play a critically important role in the ongoing development of global aviation.

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