

PRESS RELEASE

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UK Air Passenger Duty

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AAPA Condemns UK APD Increase

Kuala Lumpur, Malaysia – The Association of Asia Pacific Airlines (AAPA) has condemned the UK Government’s plans to significantly increase the amounts collected under its Air Passenger Duty (APD) scheme.

Commenting on the announcement, Mr. Andrew Herdman, AAPA Director General said, “Aviation plays a vital role in global economic and social development, but too many governments seem to view the industry as a convenient cash cow, imposing all manner of punitive taxes and charges on air travel. Such measures are counter-productive and harmful to the wider economy. In these difficult times, whilst other European governments have come to their senses and withdrawn earlier plans to impose new airline passenger taxes, the UK Government has seen fit to announce further tax increases on air travel. It’s purely a tax grab by the UK Treasury, and a snub to hardworking people wanting to take a family holiday in the sun. The use of geographic distance bands is discriminatory, and will have a particularly adverse impact on travel and tourism links between the UK and the Asia Pacific region.”

Mr. Herdman added, “AAPA is firmly against the unilateral imposition of punitive ‘green taxes’ that in reality do nothing for the environment. APD already costs the traveling public GBP 2 billion, and is now set to rise to GBP 3 billion annually. These amounts are already enough to cover the CO2 emissions impact of UK aviation five times over, but in this case none of the funds raised will actually be used to benefit the environment.”

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Commenting on related regulatory issues, Mr. Herdman noted that, “The UK policy also runs counter to the publicly stated position of the European Commission, that once aviation is included in the comprehensive EU Emissions Trading Scheme (ETS), Member States should repeal existing aviation or passenger taxes based on environmental grounds.”

Mr. Herdman concluded, “The aviation industry already takes its environmental responsibilities very seriously. Together with other industry stakeholders, AAPA is calling upon governments to work within ICAO towards globally harmonised policies on aviation and the environment, including backing for air transport industry focused environmental research & development programmes; infrastructure improvements to reduce unnecessary carbon emissions; and properly designed market-based measures including emissions trading.”

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Association of Asia Pacific Airlines (AAPA)

The AAPA is the trade association of major 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 17 AAPA member airlines carry 290 million passengers and 10 million tonnes of cargo representing approximately one-fifth of global passenger traffic and one-third of global air cargo traffic respectively, and thus play a critically important role in the ongoing development of global aviation.

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