



26 March 2020

SAMPLE LETTER

Minister XXXXXXXX

Ministry of Trade & Industry

100, High Street

The Treasury

Singapore

REQUEST TO SUPPORT: DUTY FREE AND TRAVEL RETAIL INDUSTRY / COVID-19:

Dear Minister XXXXX

The Asia Pacific Travel Retail Association (APTRA), an industry association that represents the interests of the Duty Free and Travel Retail industry in Asia Pacific, seeks urgent awareness of the particular challenges it faces, and financial support to combat the impact of the COVID-19 crisis.

The Duty Free and Travel Retail industry is a key pillar in generating vital revenue for the aviation and maritime sectors, and thus overall travel and tourism industry within your country. Within the Asia Pacific region this industry supports an estimated total of 320,200 jobs and US\$14.7 billion in GDP. In your country and across the entire region these jobs and the large GDP contribution are at a critical point of collapse, due to the particular vulnerabilities faced at this time. Our retail channel is totally distinct from retail channels in domestic markets, who are often the beneficiaries of support initiatives not extended or tailored for Duty Free and Travel Retail. It is within this context that we frame our request as follows.

Since the onset of COVID-19 outbreak, the travel and tourism industry has been one of the hardest hit, given the implementation of severe travel restrictions and domestic lockdown measures in markets around the world.

We attach the 'Economic Impact of Duty Free and Travel Retail Report for Asia Pacific' (full report appended), jointly commissioned and recently published by APTRA and Duty Free World Council (DFWC). It shows that the industry contributes significant revenues to the global transportation and travel and tourism sectors, with sales exceeding US\$60 billion per year. These revenues are critical to the development and operations of aviation and maritime infrastructure, all of which supports connectivity and freight services worldwide. Such revenue can account for up to 60% of total revenue for airports and is an important contributor to the maritime sector.

The Duty Free and Travel Retail industry must be considered within the scope of any 'Essential Services' and considered and covered within any financial support packages for the aviation and maritime sectors.

Given how embedded the Duty Free and Travel Retail industry is within the broader travel and tourism

industry, any failure to provide our industry access to financial support will ultimately prolong the overall recovery and resilience of the aviation and maritime sectors.

More significantly, the impact and recovery phase for our industry will be an extended one in comparison to domestic Food and Beverage and retail channels. This can be attributed to our industry's reliance on the recovery and resumption of passenger traffic globally as well as an understanding of the economic principles of the travel and tourism industry, in which consumption (e.g. purchasing air tickets) is often a considered future purchase activity.

As we endeavour to recover and fortify the resilience of our industry, we urgently request your support as well as access to the necessary financial support that you are developing for the aviation and maritime sectors. The Duty Free and Travel Retail industry is integral to these sectors and it is crucial that we survive this crisis so that we can lay the foundation to support the recovery and growth of the aviation and maritime sectors in the region.

We believe that we can be strong partners to help mitigate the impact to, and eventually recover the region's travel and tourism industry and would be grateful for the opportunity to consult with you on this front.

Please feel free to contact APTRA President, Grant Fleming at president@aptra.asia or at +65 9722 4504.

Thank you.

Best regards,

A handwritten signature in black ink, appearing to be 'GF', followed by a horizontal line extending to the right.

Grant Fleming
President
Asia Pacific Travel Retail Association