



Dear Colleagues,

The aviation industry in the Americas has seen a remarkable recovery, with most markets bouncing back to or exceeding their 2019 passenger and capacity levels as of 2023 which is the focus of our [in-depth economic analysis](#) this month, summarized in the below graph. The resurgence is led by larger markets, but the spotlight shines on South America's smaller markets, which have experienced the most vigorous comebacks.

In South America, countries like Guyana, Colombia, and Ecuador have outperformed their 2019 figures by 18%, thanks to robust economic conditions, increased international tourism, and reduced tourism taxes. Conversely, Argentina, Chile, and Peru are still grappling with political and economic challenges, trailing behind their previous performance by 10-30%. Central America, excluding Belize, has emerged as the region's standout, with passenger traffic soaring to 150% of the 2019 levels, driven by a tourism boom.

North America tells a mixed story. Mexico leads the pack, having surpassed 2019 demand and capacity by 16% and 18%, respectively, aided by lenient travel restrictions. The United States remains close to its 2019 benchmarks, while Canada lags, with its capacity still 11% below the 2019 level.

Overall, the improved load factor across most countries reflects a resilient industry and effective tourism policies, highlighting the potential for further regional growth. Yet, significant markets like Canada, Argentina, Chile, and Peru must overcome hurdles to fully capitalize on this upward trend.

To address some of these hurdles and opportunities to make the region more competitive, we held the recent Wings of Change Americas Conference in Santiago, Chile with over 400 participants, including key airline executives and government authorities from over 16 countries. We focused the conference agenda on reducing taxes, harmonizing regulations, ensuring infrastructure adequacy, attracting more diverse talent to aviation, and achieving net-zero emissions by 2050. All event recordings and presentations are now [available](#) and on behalf of IATA, I would like to thank you for your contributions and support to make the conference a success.

As usual, please find IATA's latest activities across the Americas below. Please do not hesitate to reach out with any questions or ideas for further follow up. Thank you for your on-going support.



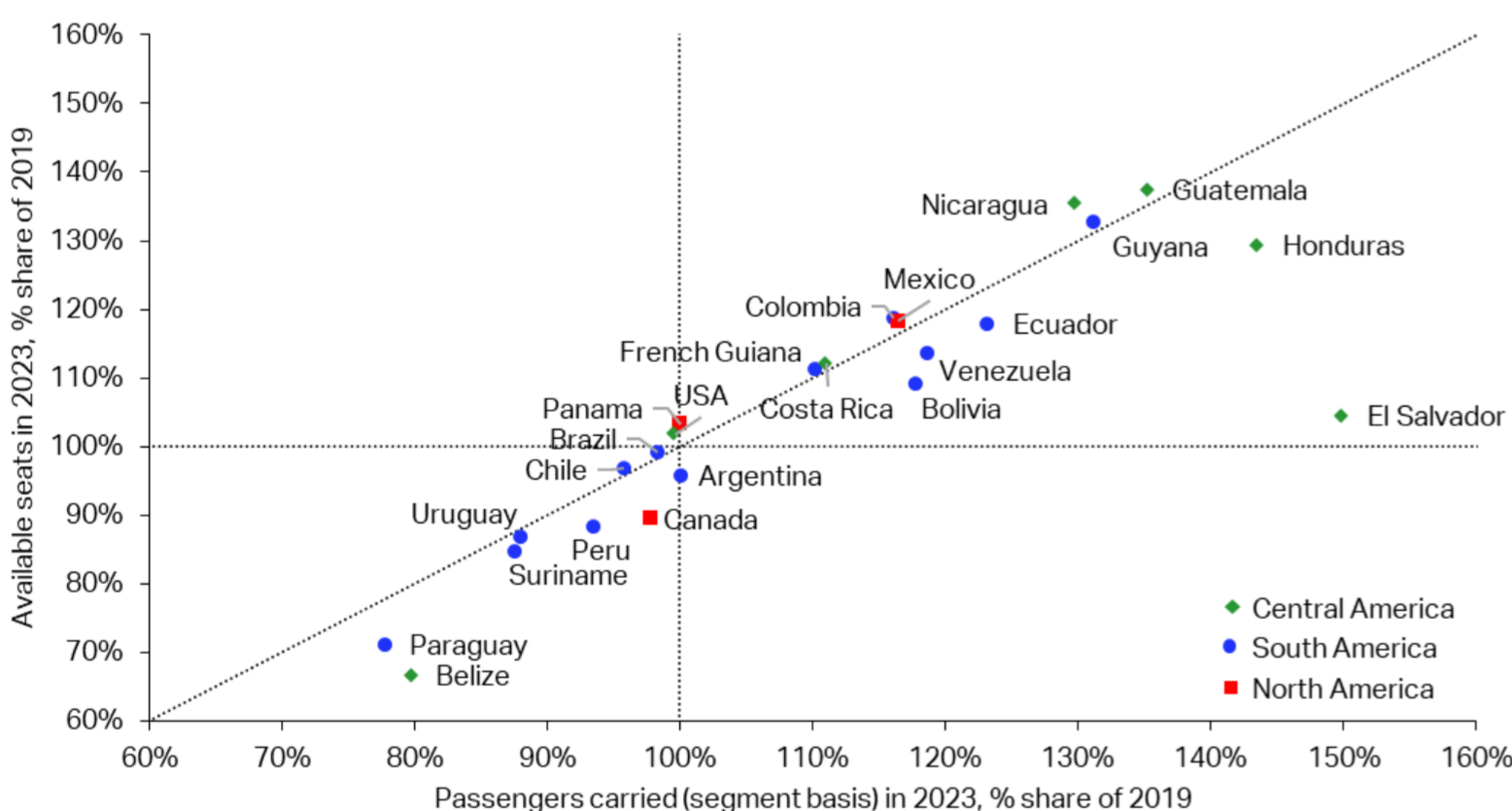
PETER CERDÁ

REGIONAL VICE PRESIDENT
THE AMERICAS



NON-TRADITIONAL MARKETS LEAD IN THE AMERICAS REGION

Total available seats and segment passengers in the Americas (2023 versus 2019)



ANNUAL GROWTH RATE: 2019 - 2040

By region

Region	CAGR (2019 - 2040)	Additional passengers by 2040, millions
Africa	3.6%	169.7
Asia Pacific	4.5%	2,536.8
Europe	2.2%	701.4
Middle East	3.6%	264.1
North America	2.2%	558.5
Latin America & Caribbean	2.8%	304.0
World	3.4%	3,923.0

ARGENTINA: UPDATE ON REVIEW OF AERONAUTICAL CODE



In a significant move to modernize Argentina's aviation sector, the Aeronautical Committee, formed by the Secretary of Transport in February, is revising the national aeronautical regulations. Comprising IATA, local BAR JURCA, airport operators, airlines, and other stakeholders, the committee is focusing on deregulating ground services, simplifying aircraft registration, implementing Open Skies policies, and revising foreign ownership rules for airlines. A special emphasis is placed on passenger rights to ensure a fair balance with airline interests. The committee is working within a 180-day deadline to propose new norms that will shape the future of Argentina's aviation industry, signaling a transformative period ahead. This initiative marks a pivotal step towards a more open and competitive aviation market in Argentina. For more details, please contact IATA's Country Manager for Argentina, [Maria Jose Taveira](#).

BRAZIL: MANDATORY VISA REQUIREMENT POSTPONED TO APRIL 10 2025



Following joint industry advocacy efforts, the Brazilian Government announced the postponement of the mandatory visa requirement for travelers from the US, Canada, and Australia to April 10, 2025. This 1-year implementation delay now provides the industry with additional time to advocate against the visa requirement in its totality, or, at a bare minimum, ensure that airline crew will be exempt from the mandatory visa requirement. IATA and fellow associations will continue to engage the authorities and illustrate the negative impact of visas on a country's travel and tourism sector. For more details, contact IATA's Country Manager for Brazil, [Dany Oliveira](#).

BRAZIL: GUARULHOS ENVIRONMENTAL TAX UPDATE



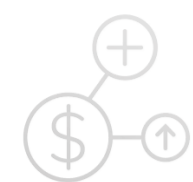
In June 2023, IATA reported that the Court of the State of São Paulo declared the proposal of an environmental tax by the City of Guarulhos in 2022 as unconstitutional. This decision by the Magistrates has set an important precedent against any similar taxes proposed by other municipalities or states in Brazil. However, in late March, the municipality appealed the ruling, reopening the case for legal review. IATA is consulting with local counsel to assess whether it would be viable to file again as amicus curiae on behalf of the industry. For more details, please contact IATA's Assistant Director, External Relations for Brazil, [Marcelo Pedroso](#).

CANADA: 2024 BUDGET ANNOUNCEMENT



In its Budget 2024 announcement, the Canadian Government indicated that it would seek to strengthen the transparency of fees for optional services offered by airlines, such as seat selection, checked and carry-on baggage, meals on board and in-flight entertainment. IATA will challenge any effort by the Canadian Transportation Agency (CTA) to regulate the display of ancillaries. For more details, please contact IATA's Area Manager for the US and Canada, [Ben Barrocas](#).

COSTA RICA: TOURISM TAX AND VAT TO BE APPLIED TO AIRLINE ANCILLARY REVENUES



Despite IATA filing an opposition via the local airline association ALA in December 2023, the Government of Costa Rica approved a decree that extends the current applicable taxes applied to airfares (5% tourism tax and 0.4% VAT) now be extended to apply to ancillary revenues as well such as upgrades, seat selection, insurance, Wi-Fi on board, among others. IATA is liaising with ALA and airlines to determine additional legal actions to consider and possibly challenge the measure. For more information, please contact IATA's Area Manager for Central America and Ecuador, [David Hernandez](#).

DOMINICAN REPUBLIC: UPDATE ON TOURISM TAX



The reconsideration recourse, that a group of airlines filed against tourism tax related resolutions 217-2022 and 9-2023 issued by Junta de Aviación Civil (JAC) with the Superior Administrative Court in the Dominican Republic, will be admitted. IATA has learned that while the Court will revoke resolution 9-2023, it will recognize resolution 217-2022 and mandate JAC to re-evaluate the merits of the reconsideration as they are administrative acts subject to appeal. The timelines are still to be determined; however, it is important that the airlines that originally filed these recourses take the appropriate legal actions. IATA continues to monitor any developments ahead of the Presidential Elections on May 19. For details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

ECUADOR: INDUSTRY COMMENTS ON CHANGES IN PASSENGER RIGHTS CHARTER



As part of the government's efforts to reform the passenger rights charter concerning discounts for retirees, refunds, and passenger compensation, the government of Ecuador asked IATA to provide comments on the passenger rights initiative to ensure future regulations follow international standards on this matter. For more details, please contact IATA's Assistant Director, External Affairs & Sustainability, [Alejandro Munoz](#).

EL SALVADOR: GOVERNMENT PLANS TO INCLUDE USD 12 IMMIGRATION TOURISM CARD CHARGE ON TICKET



The Director of Immigration is pursuing an initiative where the USD12 immigration tourism card charge levied to certain nationalities would be included on the ticket instead of being collected on arrival. IATA met with the authorities and explained the current system limitations to implement this sort of charge based on nationality. IATA is working with authorities to identify an option without affecting all passengers. For more details, please contact IATA's Area Manager for Central America, [David Hernandez](#).

MEXICO: KEY TAKEAWAYS FROM MEETING WITH PRESIDENTIAL CANDIDATE CLAUDIA SHEINBAUM



In the lead-up to Mexico's Presidential Election, IATA engaged with candidate Claudia Sheinbaum, who outlined her renewable energy-focused vision for Mexico. Key discussions with Sheinbaum's industry liaison, Altagracia Gómez, included air transport's post-pandemic recovery, the need for a collaborative aviation agenda, and the importance of maintaining Mexico City's three airports with a significant investment plan for MEX. The talks also covered Sustainable Aviation Fuel (SAF) initiatives, security concerns at airports, and the enhancement of customs and migration processes. The meetings concluded with a commitment to ongoing dialogue and leveraging IATA's expertise in future government plans for [Mexico's aviation industry](#). For more information, please contact IATA's Country Manager for Mexico, [Cintya Martinez](#).

MEXICO: IMPLEMENTATION OF ELECTRONIC VISA FOR CERTAIN NATIONALITIES



Mexico is implementing an electronic visa that will substitute the current SAE (Sistema de Autorización Electrónica) for Nationals of Turkey, Russia, Ukraine, and Brazil entering the country. The implementation date for the new visa system was set for April 27. As part of the process, airlines are required to verify the validity of the visa through a registration link on a webpage. IATA has stressed the inability of airlines to verify visa validity and the short notice of implementation from Mexican authorities. IATA and CANAERO sent a joint letter to Foreign Affairs Authorities to raise these concerns. For more information, please contact IATA's Assistant Director, Security & Facilitation, The Americas, [Amilcar Gonzalez](#).

THE BAHAMAS: UPDATE ON BANSO OVERFLIGHT FEES



On April 30, the first consultation meeting for the revision of the Bahamas air navigation fees was held where BANSO presented details of the proposed new scheme, which includes significant reductions for overflight fees in Bahamian airspace and substantial increases for O/D services provided to flights operating to and from the Bahamas. Airlines and IATA requested a revision of the weight factor in the calculations of O/D service charges, and IATA's position paper on the topic was shared. IATA will coordinate with airlines the submission of contributions which can be provided until May 22. The second consultation meeting will be held on June 12. For more details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

USA: DOT ISSUES TWO MAJOR PASSENGER RIGHTS RULES



On 24 April 2024, the US Department of Transportation (DOT) issued two major passenger rights rules: 1) The [Refunds and Other Consumer Protections Final Rule](#) addresses ticket refunds for cancelled or significantly changed flights; refunds for delayed checked bags and ancillary services that are not provided; and consumers who are unable to or advised not to travel because of a serious communicable disease. 2) The [Enhancing Transparency of Airline Ancillary Service Fees Final Rule](#) is designed to ensure that consumers have full information on "critical ancillary fees" (i.e., first checked bag, second checked bag, carry-on bag, change, and cancellation fees) at the beginning of the search process. IATA, Airlines for America, and several IATA member airlines actively opposed various aspects of both rules as they went through the regulatory process. We are pleased that DOT made some substantive changes to the rules between the notice and comment period and these final rules. However, we are [disappointed](#) that both final rules reflect a lack of understanding of core airline operational realities and fail to adequately reflect the costs of compliance. Airlines are strongly encouraged to read the and take the necessary steps to comply with the requirements within the short deadlines provided. For details, contact IATA's Vice President, Member & External Relations, North America, [Doug Lavin](#).

USA: FAA REAUTHORIZATION UPDATE



US congressional negotiators have unveiled the final draft of a bill to extend the Federal Aviation Administration's (FAA) funding and programs until September 30, 2028. The bipartisan bill, which is expected to clear both chambers of Congress and receive the president's signature before the May 10 deadline, includes several key provisions. Notably, it lifts a proposed ban on foreign airlines using certain Russian/Ukrainian airspace from entering the US, mandates the FAA to hire the maximum number of air traffic controller trainees, and introduces an Enhanced Qualification Program for pilot training. Conversely, the bill imposes stringent safety inspections at foreign repair stations, requires new cockpit voice recorders, establishes a DOT Assistant Secretary for Aviation Consumer Protection, and enforces rules for disability accommodations and cash refunds for disrupted flights. A proposal to raise the pilot retirement age was notably excluded from the legislation. For more details, please contact IATA's Vice President, Member & External Relations, North America, [Doug Lavin](#).