



Dear Colleagues,

Safety remains the industry's number one priority. IATA continues to partner with aviation safety stakeholders (including airlines, airports, FAA, EASA, ICAO, CANSO, ALTA, ACI, etc.) to identify and pro-actively address key safety risks that lead to accidents and fatalities. To support these efforts, I am pleased to share the [2022 IATA Safety Report \(ISR\)](#), which has been IATA's flagship safety document since 1964 and is the definitive resource for tracking commercial aviation's safety performance and safety best practices. The new version of the ISR allows you to access and visualize accident data, globally and regionally, back to 2005, enabling you to identify trends and patterns.

While North America maintained a very low accident rate, the recent increase of runway incursions and other safety issues in the U.S. have raised many alarm bells throughout the industry and in DC, including Congress and the FAA. As a result, the FAA issued a safety call to action and a new safety review team will examine the national airspace system's structure, culture, processes, systems, and integration of safety efforts, including an upcoming safety summit on March 14 and 15 in which IATA will participate in.

Latin America and the Caribbean took a step back in 2022 after years of improvement, as outlined in the global comparison below. We are reminded that safety requires commitment, resources, coordination and adherence to global safety best practices, as highlighted in the comparison of accident rates between [IOSA](#) and non-IOSA airlines.

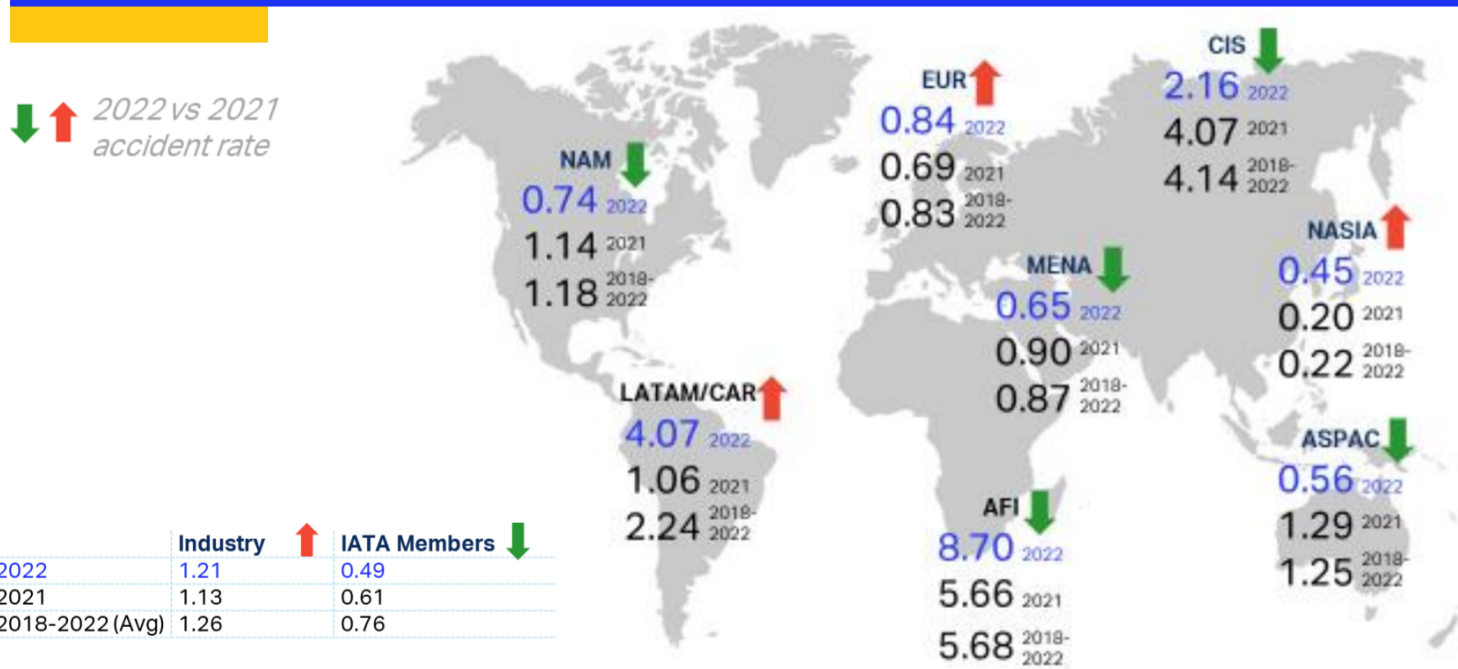
Just last week, IATA held a joint meeting with the FAA in Panama, discussing the challenges and opportunities that the industry faces throughout the region and how we can partner better to promote safety and sustainability in the Americas. IATA requested the FAA's support for various initiatives in the region, such as runway excursions and incursions, wildlife control, IASA compliance, airport and airspace infrastructure developments, SAF development, and promoting industry policies towards the integration of advanced air mobility (AAM) for new, transformational aircraft designs and flight technologies. This meeting laid the groundwork for additional joint initiatives to be discussed at the upcoming ALTA Safety Summit in Santiago, Chile in June.

To guide our regional safety activities and to prioritize our overall strategy across the region, I am also pleased to share [IATA's 2023 Regional Strategic Priorities & Deliverables for the Americas](#) with you. The document is based on IATA's global strategic pillars and validated with your respective teams to ensure industry alignment of our key activities for the year ahead. Please take a look and feel free to reach out if you have any questions, concerns or suggestions for improvement. I will keep you updated throughout the year on progress towards achieving these important objectives.

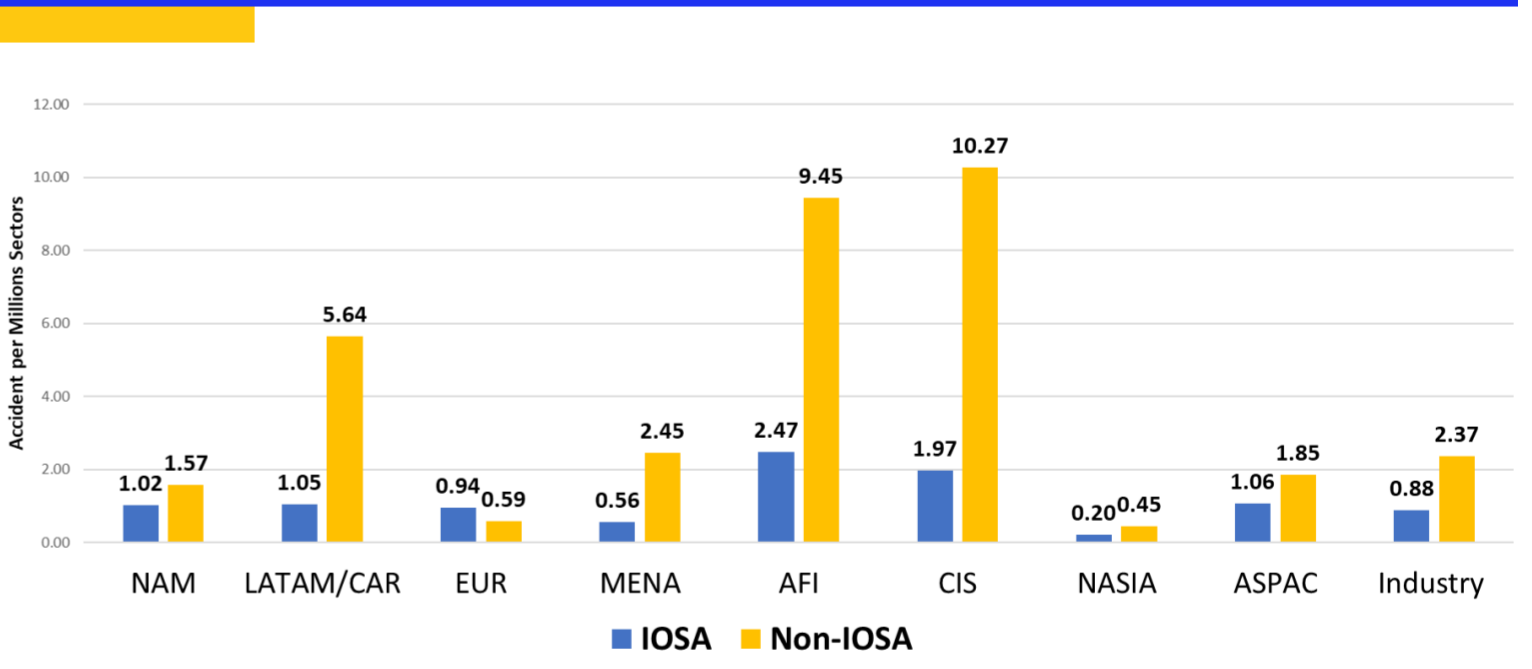
Lastly, please find IATA's most recent activities below. Thank you for your support and I will keep you posted as usual.



ALL ACCIDENT RATE PER REGION OPERATOR



ALL ACCIDENT RATE FOR IOSA VS. NON-IOSA: 2018- 2022



ARGENTINA: CALL ON GOVERNMENT AUTHORITIES TO REDUCE TAXES AND FEES

IATA met with the Minister of Transport, Diego Giuliano, and the General Director of Civil Aviation Authority ANAC, Paola Tamburelli, to discuss commercial aviation matters, including the high cost of doing business in the country and opportunities regarding Sustainable Aviation Fuel (SAF) initiatives. IATA will send a formal request to Minister Giuliano to initiate the process of repealing double taxation derived from the application of the Debit and Credit Banking Tax (1.2%) on certain ticket taxes still not exempted by fiscal authorities. Moreover, there was consensus on the importance to start working with different stakeholders of the industry on a Commercial Aviation Plan that transcends the current administration and that allows to set the direction of the industry in Argentina. Finally, we highlighted airlines' need to continue repatriating funds to be able to repay the cost of operating to and from Argentina. For more details, please contact IATA's Country Manager for Argentina, [Maria Jose Taveira](#).

BRAZIL: CONSIDERATION TO REINSTATE ENTRY VISA REQUIREMENTS

IATA, along with other associations, including the Brazilian airports association, sent a letter to relevant Ministers and business/tourism promotion agencies EMBRATUR and APEX to express the industry's concerns regarding news that the government is considering the resumption of entry visa requirements for citizens of the US, Japan, Australia, and Canada, which would reverse a previous decision by former President Bolsonaro in 2019 to promote tourism. We strongly urged the government to reconsider the reinstatement, its potential impact to the travel industry and to work collaboratively with the industry to find mutually beneficial solutions. IATA has also been in contact with state tourism secretariats and chambers of commerce to further voice the industry's concerns. For more details, please contact IATA's Country Manager for Brazil, [Dany Oliveira](#).

BRAZIL: REDUCTION OF TAXES LEVIED ON REGULAR AIR PASSENGER REVENUES

Ministers of Economy and Tourism published the Provisional Measure 1147 in December 2022, reducing to zero Social Integration Program (PIS) and Social Contribution on Billing (COFINS) taxes levied on regular air passenger revenues. The government estimates savings of around USD 95 million per year (applicable only to domestic operations). Beginning 1 January 2023, the measure, if transformed into law, will be valid until December 2026. Total values of PIS and COFINS are estimated to be around 3% of total ticket sales. For more details, please contact IATA's Assistant Director, External Relations, Brazil, [Marcelo Pedroso](#).

CANADA: PRE-BUDGET CONSULTATIONS OF THE 2023 FEDERAL BUDGET



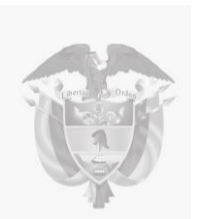
IATA submitted to the Deputy Prime Minister and Minister of Finance recommendations on priorities for the Pre-Budget Consultations 2023, recommending to conduct a comprehensive review of all third-party fees, charges, and taxes related to aviation imposed on airlines and travelers to ensure robust air sector competitiveness and enhance the travel experience. IATA urged the Government to reinvest airport rents into airport infrastructure and recommended air passenger protection regulations include a shared accountability model applicable to all aviation organizations supporting safe and smooth airline operations and the traveler experience. For details, please contact IATA's Vice President, Member & External Relations, North America, [Doug Lavin](#).

CANADA: FREE FLOW INTERNATIONAL TO INTERNATIONAL TRANSIT



IATA along with NACC (National Airlines Council of Canada) provided input to the Canadian Border Service Agency supporting the proposed amendment to enable free flow International to International (ITI) transit. IATA recommended the implementation of the free flow ITI should not require significant IT changes or developments that could be cumbersome and costly for air carriers. As air carriers are already providing the Government of Canada with passenger entry and exit data, IATA recommends that the government continue using this data. For more details, contact IATA's Country Manager for the US and Canada, [Ben Barrocas](#).

COLOMBIA: URGED FOR VAT REDUCTION & ADHERENCE TO WASG



As Colombia's National Development Plan is under discussion at the Congress, the industry continues to urge for the Value-Added Tax (VAT) to be reduced for airline tickets and aviation fuel. We have reiterated the critical impact the VAT has on costs as well as currency devaluation, inflation and the high price of aviation fuel, ultimately affecting demand, which we estimate could be more than 15% for domestic, and close to 13% for international flights. In addition, IATA is concerned with potential changes to the slots process at Bogota's El Dorado International Airport. In a letter sent to Sergio Paris, Director of Aerocivil on March 10, we reiterated the need to keep the alignment with the slots' international standards (WASG) and to apply the existing regulation in Colombia (RAC 3) to secure certainty and transparency to the operators. IATA highlighted the need to keep the collaborative work between the Government and the industry, requested a meeting with Aerocivil, and offered courses to reinforce the knowledge in monitoring and allocation processes. For details, contact IATA's Country Manager for Colombia, [Paula Bernal](#).

COLOMBIA: PROPOSED CARBON TAX CHARGE FOR INTERNATIONAL FLIGHTS



DIAN, Colombia's Tax Authority, issued a General Concept in response to IATA's request for a clarification of the Carbon Tax charge for international flights. The authority's interpretation of the law concludes that only fuel producers are exempted from paying the carbon tax when the product is exported, but airlines are not exempt as they are fuel consumers. However, understanding that their interpretation might breach bilateral air services agreements with other states, the authority has asked the Ministry of Foreign Affairs to assess which agreements may have been breached. IATA has been informed that as of 26 January 2023, fuel distributors have incorporated the carbon tax charge in fuel invoices. For details, contact IATA's Country Manager for Colombia, [Paula Bernal](#).

DOMINICAN REPUBLIC: TOURISM TAX- RESOLUTION 217-2022 POSTPONED BY 90 DAYS



The Dominican Republic Junta de Aviacion Civil (JAC) issued a communication via the local BAR (ALA) postponing resolution 217-2022 that was coming into effect on 1 March, by another 90 days. Additionally, airlines that filed an appeal with the Superior Administrative Court, have requested a hearing to file precautionary measures that would suspend the implementation of the resolution, which is likely to be rejected considering the resolution is still not in effect due to the postponement, however this step is needed to preserve the legal integrity of the case. IATA will request JAC to continue discussions with the industry to find a viable solution for its implementation. For more details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

ECUADOR: BILL UNDER DISCUSSION TO REGULATE PRICES AND OVERSELLING IN DOMESTIC FLIGHTS, FARES



A bill is under discussion in the National Assembly to give the National Civil Aviation Council (CNAS, its acronym in Spanish) the power to regulate prices and overbooking in domestic flights. IATA is working closely with airline stakeholders and the Ministries of Transport and Tourism to challenge this bill and convince lawmakers of the negative effects it will have for air transport in the country. For more details, please contact IATA's Manager, Industry Relationships for Central America & Ecuador, [Lucas Castellon](#).

MEXICO: UPDATE ON DECREE ON TERMINATING CARGO OPERATIONS AT MEXICO CITY INTERNATIONAL AIRPORT (MEX)



As previously informed, the government issued an official decree on February 2 announcing the closure of dedicated cargo operations at Mexico City Intl. Airport (AICM) in 108 working days. As a follow up, IATA continues to share our member airlines' key requirements with the authorities that must be ready at the new AIFA airport cargo terminal, considering this as the main airport to receive the cargo operations moved from AICM, before the expiration of the term stipulated in the decree (July 07). The Transport Subsecretary requested to map out all pending requirements for AIFA's cargo terminal and it was agreed to increase the frequency of working meetings with the industry to complete these requirements as well as to execute export trial processes to ensure a smooth transition. For more details, please contact IATA's Interim Country Manager for Mexico, [David Hernandez](#).

PERU: APPROVAL OF BILLS REGARDING CHOICE OF SEATS AND CARRY-ON LUGGAGE



Bills No. 2210 and No. 2956 were approved in the Transportation and Communications Commission of the Congress which intend to give passengers the right, both on domestic and international flights, to freely choose their seat and to carry a hand luggage of up to 10 kg with no additional payments, taken without due substantiation and without consideration or discussion of the opposing arguments of impacted stakeholders. IATA met with Government authorities, Congressmen and advisors to insist on its negative and unconstitutional effects on the market and to prevent the bill from being discussed in the full Congress. For more details, please contact IATA's Country Manager for Peru, [Martin La Rosa](#).

THE BAHAMAS: UPDATE ON FIR CHARGING SCHEME



The US Department of Transport (DoT) denied the complaint filed by Airlines for America (A4A) and its members against the Bahamas citing that the overflight charges imposed by the latter do not constitute discriminatory activity; however, DoT recognizes the industry's concerns regarding the lack of a cost-basis analysis used to define said fees, and will seek consultation of the matter with the Bahamas under the provisions of article 13 of the Air Transport Agreement between the two governments. IATA engaged with BANSBA who indicated they are eager to close this issue and are currently preparing the documentation to submit to US DoT. Upon conclusion of the diplomatic discussions, BANSBA is optimistic that a public consultation with the industry can be convened prior to May 2023. For more details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

IATA MODERN AIRLINE RETAILING CONSORTIUM



IATA announced the establishment of the [Modern Airline Retailing program](#) with the objective to guide and accelerate adoption of modern retailing practices aimed at transforming airline distribution to a world of "Offers and Orders only". The program is based on 3 pillars: Customer identification, retailing with offers, and delivery with orders. To accelerate the transition to Modern Airline Retailing, IATA is excited to have the support of a Consortium of advanced airline adopters that will work together through IATA. Consortium participants include American Airlines, Air France-KLM, British Airways, Emirates, Finnair, Iberia, Lufthansa Group, Oman Air, Singapore Airlines, and Xiamen Airlines and the recent addition of LATAM Airlines Group, Qatar Airways and Turkish Airlines. For more details, please contact IATA's Regional Director, Financial & Distribution Services, The Americas, [Alicia Lines](#).