



Dear Colleagues,

As global passenger demand continues to surge, the aviation industry faces a mounting challenge: supply chain disruptions that could cost airlines more than \$11 billion this year alone. A [new joint study](#) by IATA and Oliver Wyman, Reviving the Commercial Aircraft Supply Chain, reveals how delays in aircraft and parts production are forcing airlines to operate older fleets, driving up fuel, maintenance, leasing, and inventory costs. With a record 17,000 aircraft backlog in 2024, the ripple effects are being felt across operations, profitability, and growth planning. The slow pace of production is estimated to cost the airline industry more than \$11 billion in 2025, driven by four main factors: 1) Excess fuel costs (~\$4.2 billion); 2) additional maintenance costs (\$3.1 billion); 3) increased engine leasing costs (\$2.6 billion); and 4) surplus inventory holding costs (\$1.4 billion).

In addition to the mounting costs, supply chain challenges inhibit airlines from deploying sufficient aircraft to meet growing passenger demand. In 2024, passenger demand rose 10.4%, exceeding the capacity expansion of 8.7% and pushing load factors to a record 83.5%. The trend in rising passenger demand continues into 2025. We hope you find this information useful for your own advocacy and negotiation efforts.

As part of our on-going advocacy efforts, IATA has been very active in shaping a variety of legislative and regulatory developments in the region, specifically on passenger rights in Brazil and airport charges in Peru, which pose significant implications for the competitiveness of the aviation sector across the region. Further details are outlined below.

Looking at the latest [August](#) data, global air travel demand continued its upward trajectory, with passenger traffic in Latin America and the Caribbean surging by 9.0% year-on-year, outpacing capacity growth and signaling strong market momentum despite a slight dip in load factor. North American carriers saw more modest growth, with demand rising 1.8% and a slight decline in load factor marking the fourth consecutive month of international pressure. Overall, global passenger demand rose 4.6%, with international travel driving the gains and load factors reaching record highs for the month.

On the cargo side of the business, global air cargo demand rose by 4.1% year-on-year in [August](#), with international operations up 5.1%. Capacity also increased, growing 3.7% globally and 5.5% internationally. Regional performance varied: North American carriers experienced a 2.1% decline in demand and a 1.0% drop in capacity, marking the slowest growth among all regions. In contrast, Latin American carriers saw a 2.1% increase in demand and a 5.0% rise in capacity, continuing their positive momentum.

As usual, please find below the latest IATA activities across the Americas region.

Please let me know if you have any questions and thank you for your on-going support.



PETER CERDÁ
REGIONAL VICE PRESIDENT
THE AMERICAS



AIR PASSENGER MARKET

AUGUST 2025. DETAILS [HERE](#).

AUGUST 2025 (% YEAR-ON-YEAR)	WORLD SHARE ¹	RPK	ASK	PLF(%-PT) ²	PLF(LEVEL) ³
Total Market	100%	4.6%	4.5%	0.1%	86.0%
Africa	2.2%	8.9%	6.6%	1.7%	80.2%
Asia Pacific	33.5%	6.1%	5.5%	0.5%	85.9%
Europe	26.7%	4.2%	4.2%	-0.1%	87.9%
Latin America and Caribbean	5.3%	7.5%	5.9%	1.3%	85.0%
Middle East	9.4%	8.4%	7.0%	1.1%	83.8%
North America	22.9%	0.5%	1.6%	-1.0%	85.6%

AIR CARGO MARKET

AUGUST 2025. DETAILS [HERE](#).

AUGUST 2025 (% YEAR-ON-YEAR)	WORLD SHARE *1	CTK	ACTK	CLF (%-PT) *2	CLF (LEVEL) *3
Total Market	100%	4.1%	3.7%	0.2%	44.2%
Africa	2.0%	11.0%	12.3%	-0.5%	39.6%
Asia Pacific	34.3%	9.8%	6.9%	1.3%	47.5%
Europe	21.4%	3.2%	4.2%	-0.5%	49.2%
Latin America and the Caribbean	2.9%	2.1%	5.0%	-1.0%	35.1%
Middle East	13.6%	2.7%	4.3%	-0.7%	44.1%
North America	25.8%	-2.1%	-1.0%	-0.4%	38.4%

ARGENTINA: ROSARIO AIRPORT RUNWAY UPGRADE UNDERWAY

On September 20, Rosario's Islas Malvinas International Airport (ROS) closed its main runway 02/20 to begin repaving and beaconing works aimed at upgrading the airport from Category I to Category III. According to the NOTAM issued by DGCA ANAC, the runway is expected to reopen on December 29. IATA will continue to engage with airport regulator ORSNA to monitor progress and any adjustments to the scheduled timeline. This upgrade is a significant step toward enhancing operational capabilities and safety standards at ROS. For more details, contact IATA's Area Manager for Argentina, Paraguay and Uruguay, [Maria Jose Taveira](#).

BOLIVIA: YPFB CONFIRMS FUEL IMPORTS AMID SUPPLY CONCERNS

YPFB has confirmed that, due to a decline in local production, fuel imports will be necessary to maintain regular supply for the aviation sector. Airlines will still be able to pay in local currency (BOB), while those opting to pay in U.S. dollars may receive favorable exchange rate terms. A meeting with YPFB is scheduled for Monday, November 3, to clarify operational and financial implications. For more details, please contact IATA's Area Manager for Peru & Bolivia, [Martín La Rosa](#).

BRAZIL: GOVERNMENT MOVES TO FAST-TRACK BAN ON CARRY-ON BAGGAGE FEES

On October 17, Brazil's Lower House President Hugo Motta announced plans to expedite voting on Bill PL 5041/2025, which would prohibit airlines from charging for carry-on baggage on domestic and international flights. The measure is expected to bypass committee review and proceed directly to a plenary vote this week. While opportunities for industry input appear limited, IATA is actively engaging with key congressional members to clarify international regulatory frameworks and advocate for pricing freedom through position papers and direct dialogue. IATA and ALTA also issued a [joint press release](#) on the issue, voicing the industry's concerns. We continue to monitor developments closely to assess potential impacts on carriers operating in Brazil. For more details, please contact IATA's Country Manager in Brazil, [Simone Tcherniakovsky](#).



CHILE: PROPOSAL TO EXTEND AIRPORT OPERATING HOURS GAINS GOVERNMENT SUPPORT

The airline industry has submitted a proposal to the government to extend airport operating hours across the country, a move that could unlock over one million additional seats annually and significantly boost connectivity. The proposal was positively received by authorities, who are currently evaluating its feasibility and implementation. In support of the initiative, IATA met with José Miguel Castro, President of the Chamber of Deputies, who expressed his backing and convened key government stakeholders to help advance the proposal's approval. This collaborative effort reflects growing momentum to enhance operational capacity and support aviation growth in the region. For more details, please contact IATA's Country Manager for Chile, [Helen Kouyoumdjian](#).



COLOMBIA: AEROCIVIL TRANSITION AND CAPACITY ENHANCEMENTS AT BOG

In recent months, Aerocivil has carried out merit-based staff selection processes, resulting in significant personnel changes, particularly within the slot management team. During this transition, IATA engaged with Aerocivil to offer support and underscore the importance of maintaining continuity and enhancing performance in slot coordination. In parallel, IATA continues to advance the implementation of key capacity study recommendations, with a focus on assessing the feasibility of independent parallel approaches at Bogotá El Dorado Airport (BOG). These efforts aim to strengthen operational efficiency and long-term capacity planning at one of the region's busiest hubs. For more details, please contact IATA's Country Manager for Colombia, [Paula Bernal](#).



DOMINICAN REPUBLIC: SUPREME COURT CONFIRMS SUSPENSION OF L8 TOURISM FEE EXEMPTION RULE

The Supreme Court of the Dominican Republic issued a final ruling confirming that Resolution 217/22, requiring airlines to exempt Dominican citizens, foreign residents, and diplomats from the L8 tourism entry fee, cannot currently be enforced. The ruling upholds a lower court decision in favor of the airlines, confirming that the resolution remains suspended pending the outcome of reconsideration motions. Local legal counsel has confirmed the case is inactive at the administrative level. While the judgment is binding, formal notification to authorities is not required and may risk reactivating the issue. Counsel recommends retaining the judgment for strategic use only. Airlines are encouraged to consult their legal teams in for specific guidance. A formal copy of the judgment will be shared once available. For more details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).



GUATEMALA: IATA WEIGHS AMICUS CURIAE IN GUATEMALA TAX CASE

In light of ongoing transfer pricing cases under review by Guatemala's Tax Authority (SAT), the Supreme Court, and the Constitutional Court, IATA is evaluating the potential filing of an amicus curiae. The filing would support the position that cost allocation by airlines does not constitute a taxable obligation under Guatemalan law. This intervention seeks to prevent an unfavorable ruling that could set a precedent with broader implications for other carriers operating in the country. Airlines are encouraged to stay informed and consult their legal teams as the situation develops. For details, contact IATA's Area Manager for Central America, [David Hernandez](#).



HONDURAS: AIRPORT AUTHORITY SUSPENDS INCREASE IN CHARGES

Following industry concerns raised by IATA over the sharp rise in airport charges at San Pedro Sula and the lack of consultation as per ICAO Doc 9082, the airport operator has agreed to freeze the new charges and maintain current rates until December 31, 2025. A formal consultation process with carriers will be conducted and revised charges will take effect on January 1, 2026, pending industry agreement. For more details, please contact IATA's Area Manager for Central America, [David Hernandez](#).



MEXICO: IATA ENGAGES IN MEXICO'S SAF ROADMAP DEVELOPMENT

IATA represented the airline industry at the fourth Technical Roundtable for Mexico's Sustainable Aviation Fuel (SAF) Roadmap, attended by key stakeholders including SICT, SENER, SEMARNAT, AFAC, and ASA. The session highlighted progress from various working groups and featured important announcements, such as the Mexico-Brazil collaboration agreement and a supplier/airline partnership under the ICAO SAF ACT framework. IATA also delivered a presentation on global SAF consumption projections, providing valuable context for national planning. These discussions mark a significant step forward in aligning Mexico's SAF strategy with international sustainability goals. For more details, please contact IATA's Senior Manager, Sustainability, [Pedro de la Fuente](#).



PERU: IMPLEMENTATION OF NEW FEE FOR CONNECTING PASSENGERS POSTPONED FOLLOWING INDUSTRY PUSHBACK

Following strong industry pushback, the Peruvian government has [postponed](#) the implementation of Lima Airport Partners' (LAP) Unified Airport Usage Fee (TUUA) on international flights from October 27 until December 7, 2025. This delay allows time to finalize regulations and determine the fee amount, and the government also announced plans to negotiate with LAP to exclude domestic transfers from the fee. IATA, in coordination with ALTA and AETAI, raised serious concerns about the TUUA's impact on passenger costs and Peru's aviation competitiveness. IATA engaged directly with the newly appointed Minister of Transport and coordinated a [joint press release](#) with industry and tourism associations urging President José Enrique Jerí to reconsider the measure. IATA has formally requested meetings with Peru's President and Prime Minister to advocate for the fee's complete removal, emphasizing the broader economic and connectivity [benefits](#) of maintaining cost-effective air travel to, from and within Peru. For more details, please contact IATA's Area Manager for Peru & Bolivia, [Martín La Rosa](#).



ST. MAARTEN: PRINCESS JULIANA AIRPORT TO PHASE IN AIRPORT IMPROVEMENT FEE INCREASE

Princess Juliana International Airport (SXM) will implement a phased increase to its Airport Improvement Fee (AIF), following consultations with airlines on September 25. The fee will rise from \$12.50 to \$20.00 on January 1, 2026, and to \$30.00 on January 1, 2027. This phased approach replaces a previously proposed immediate hike to the Airport Departure Fee and aligns with IATA's recommendation for transparency and regulatory oversight. The AIF will be held in a dedicated account and used exclusively for infrastructure upgrades, including a \$48.65 million airside rehabilitation program. Importantly, the fee will not be used for debt servicing, and a review by 2035 will determine whether it can be reduced or discontinued. For more details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).



UNITED STATES: GOVERNMENT SHUTDOWN & POTENTIAL IMPACT ON AVIATION

On October 1, the U.S. federal government entered a shutdown following a congressional impasse over funding. Approximately 20% of federal employees have been furloughed, while "essential" personnel, including those in aviation-related roles, continue working without pay. Key aviation functions such as air traffic control, safety inspections, security screening, immigration, and customs remain operational. However, prolonged disruption could strain staffing levels and cause delays. Notably, the 35-day shutdown in 2018–2019 ended in part due to air traffic controllers failing to report to work. For more details, contact IATA's Vice President, Member & External Relations, North America, [Doug Lavin](#).



REGIONAL INITIATIVE: ADVANCING AIRCRAFT DATA ACCURACY WITH IATA X565

To enhance safety and operational efficiency in ground handling, IATA has launched targeted outreach to regional airlines to promote adoption of the [IATA X565](#) digital aircraft data standard for weight and balance. This initiative supports improved Departure Control System (DCS) performance by ensuring more accurate and standardized aircraft data. The X565 standard enables better digitalization of aircraft weight and balance information, reducing the risk of errors and enabling more efficient load planning. In collaboration with industry experts, IATA has developed a suite of downloadable tools to support airlines in implementing X565 and optimizing load parameters. For tailored support or to learn more about adopting IATA X565, please contact IATA's [Floyd Abang](#).