

Dear Colleagues,

Travel demand is progressing well across the Americas: Looking at the latest [passenger figures](#), North American carriers had a 128.9% traffic rise in September versus the 2021 period. Capacity increased 63.0%, and load factor climbed 24.6 percentage points to 85.4%, which was the highest among the regions for a fourth consecutive month. Latin American airlines' September traffic rose 99.4% compared to the same month in 2021. September capacity climbed to 73.7% and load factor increased 10.8 percentage points to 83.5%.

While passengers want to fly, Governments and some airports make it increasingly difficult for airlines to provide connecting service and push the region's recovery forward. We have seen an influx of new taxes and fees across the region that will dampen demand and result in higher ticket prices for passengers. Recently, the Government of Argentina implemented two new charges that will negatively affect the recovery of the sector.

The creation of the new "security fee" and the recent 25% personal asset tax on international tickets. The result is detrimental for Argentines wanting and needing to fly: An economy class round trip ticket (EZE-MIA-EZE) purchased in Argentina is currently made up of 54% taxes (see breakdown in the chart below).

Further North, key airports in Canada (YYZ, YVR and YUL) have all increased airport charges, adding to airlines' costs and ultimately making travel to Canada less affordable for passengers.

To address these and further regional developments, please find IATA's latest actions below. As usual, please let me know if you have any questions or require further details.

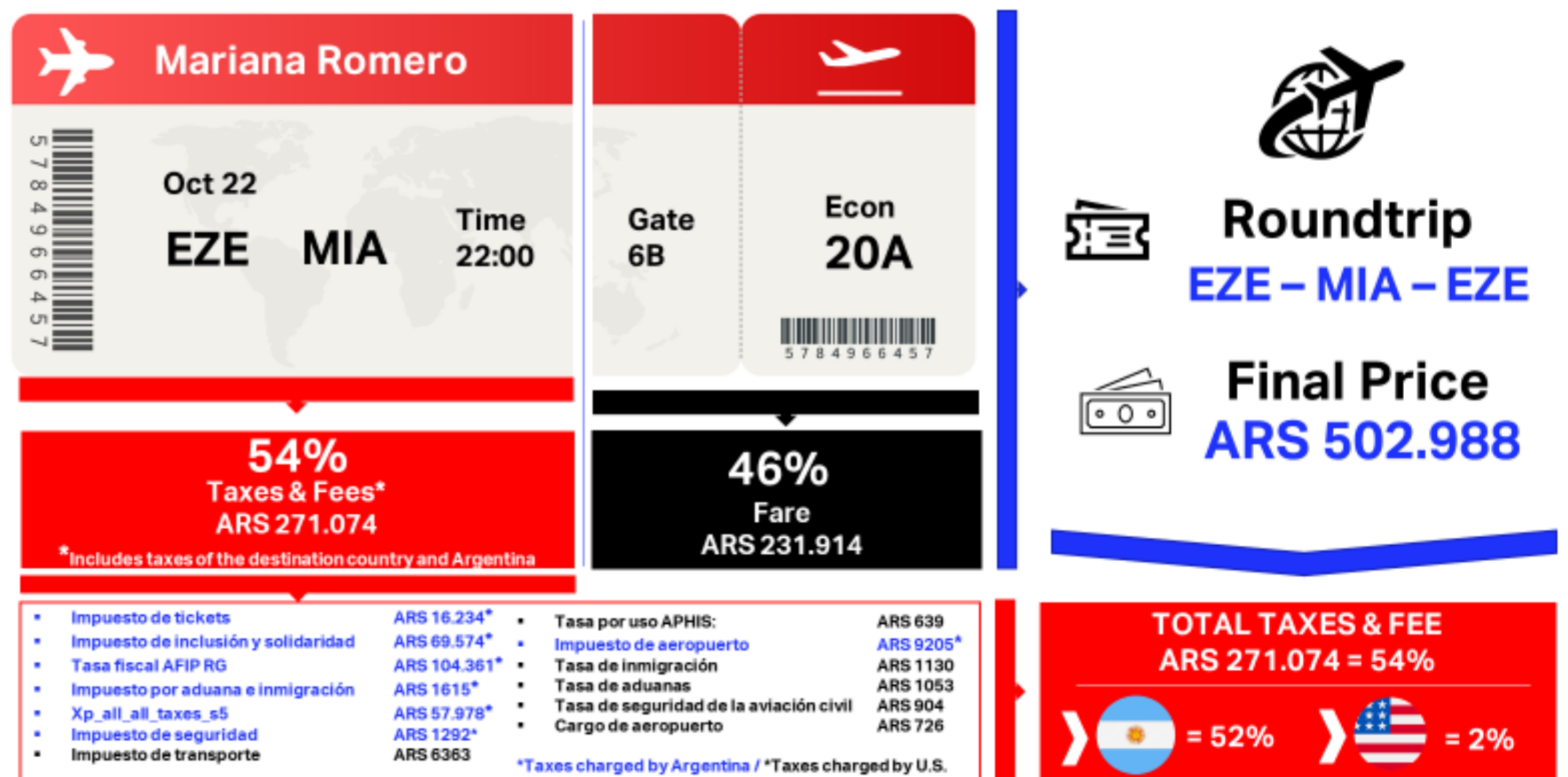


PETER CERDÁ

REGIONAL VICE PRESIDENT, THE AMERICAS

ARGENTINA: NEW SECURITY FEE RISKS ARGENTINA'S RECOVERY

TAXES & FEES REPRESENT UP TO 54% OF TICKET PRICE



ARGENTINA: CREATION OF NEW SECURITY FEE

IATA [urged](#) the Argentine Government to reconsider the creation of a new "security fee" for all domestic and international flights which will be used to finance the Airport Security Police (PSA). Security matters in civil aviation are the responsibility of the State as recommended by ICAO. IATA has also contacted PSA to ensure the industry is kept informed consulted in a transparent manner of the planned usage of the new fee. For more details, please contact IATA's Area Manager for Argentina, Paraguay & Uruguay, [Maria Jose Taveira](#).

BRAZIL: PROPOSED CHANGES TO JET FUEL PRICING FORMULA

To foster competition in Brazil's jet fuel market, IATA and local associations have been working with the Ministry of Infrastructure, the Ministry of Energy and the Chief of Staff of the Presidency of the Republic to include jet fuel in any government initiative aimed at lowering energy prices via tax reductions or subsidies. In line with the industry proposal, the Deputy Minister of Infrastructure wrote to his counterpart at the Ministry of Energy to request Petrobras to change its jet fuel pricing formula considering the high volume of jet fuel produced domestically (over 90%), which may reduce the price of jet fuel being sold in Brazil. For more details, contact IATA's Country Manager for Brazil, [Dany Oliveira](#).

BRAZIL: PNR DATA SHARING INITIATIVE WITH EUROPEAN UNION

IATA, ALTA and JURCAIB are working with Brazil's authorities to exempt airlines operating from Europe to Brazil against possible impositions of administrative fines for not complying with PNR data transmissions to Brazil. EU legislation prevents this data transmission unless there is a bilateral agreement with the country requesting the data. BR and EU authorities have been contacted and encouraged to expedite bilateral agreements that would allow EU airlines to share PNR data with Brazil. For more details, contact IATA's Country Manager for Brazil, [Dany Oliveira](#).



CANADA: INCREASE IN AIRPORT CHARGES

IATA voiced its concerns by writing to the Greater Toronto Airports Authority, Vancouver Airport Authority, and Aéroports de Montréal for increasing their aeronautical charges by 4% (YYZ), 5% (YVR), and 4% (YUL) respectively. In addition, YYZ increased the airport improvement fee paid by passengers by 17%. All fees go into effect on January 1, 2023. IATA highlighted the issue in the media and urged the authorities and airports to work with airlines to reconnect Canada to the world, and lower fees to make Canada more competitive and air travel more affordable. For more details, please contact IATA's Area Manager for Canada and the US, [Ben Barrocas](#).

COLOMBIA: SIGNIFICANT DELAYS IN IMMIGRATION PROCESSING TIMES AT BOG AND MDE

IATA expressed its concerns to the Ministry of Foreign Affairs and Transport, Director of Migration Colombia and Aerocivil regarding the long queues and immigration processing times passengers are enduring upon their arrival in Colombia, especially at BOG and MDE airports. IATA urged the authorities to take immediate measures to speed up processes by adequately staffing immigration officers, specifically during peak hours. IATA also recommended the adoption of international initiatives and best practices to further reduce processing times and improve the passenger experience. For more details, please contact IATA's Country Manager for Colombia, [Paula Bernal](#).

DOMINICAN REPUBLIC: UPDATE ON TOURISM TAX- RESOLUTION 217-2022

IATA, ALA and airline representatives participated in a meeting convened by the Civil Aviation Board (JAC), where its President announced that Resolution 217-2022's entry into force is postponed to March 1, 2023. This will allow the industry and the government more time to agree on a feasible solution to exempt citizens and residents from paying the US\$10 tourism tax. IATA is compiling information from the main IT service providers on the challenges and complexities of integrating a solution on the front interface of reservation systems. The compilation will include the timeline and approximate cost implications to the industry and ensure there are no data privacy issues in this regard. IATA also issued a press release in [English](#) and [Spanish](#) to respond to [claims](#) by JAC that portray the industry as non-collaborative. For details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

ECUADOR: REDUCTION IN TOURISM TAX

After advocacy efforts led by IATA which included a sensitivity analysis, the Ministry of Tourism announced that it will extend the reduction of the tourism tax to all international airports. The original reduction had been announced in May only for those airports managed by the Civil Aviation Authority and had excluded the airports where most IATA members operate. For more details, please contact IATA's Area Manager for Central America, [David Hernandez](#)

MEXICO: SUSTAINABLE AVIATION FUEL INITIATIVE

IATA participated in the launch of the SAF working group together with Aeropuertos y Servicios Auxiliares (ASA), Secretaria de Comunicaciones y Transporte, Agencia Federal de Aviacion (AFAC), CANAERO, and Iniciativa de Combustibles Sostenibles de Aviacion de Mexico (ICSA). IATA promoted the implementation of best practices at a national level when developing a SAF strategy and called on the government to produce a roadmap to establish the regulatory framework for SAF and develop a feasibility study to identify possible production pathways in Mexico. For details, please contact IATA's Senior Manager, Sustainability, [Pedro de la Fuente](#).

PERU: CURRENT LIM RUNWAY REHABILITATION WORKS POSTPONED UNTIL 2025

IATA urged Lima Airport Partners (LAP) to postpone its plan to rehabilitate the current LIM runway until 2025 once the new LIM runway is operational in 2023 due to the anticipated operational challenges and cost impact for airlines. A recent study confirmed that the current runway is in good operational conditions and can be safely used until that time. We are pleased to share that LAP officially confirmed that the rehabilitation works will be postponed until 2025. IATA will continue to work with the different stakeholders to raise awareness about the operational limitations of the new runway, pushing the authorities to improve its efficiency, such as the installation of an adequate Approach Lightning System (APS) on the ground nearby the airport and the implementation of more than one rapid exit taxiway (RET) to its design. For more details, please contact IATA's Country Manager for Peru & Bolivia, [Martin la Rosa](#).

THE BAHAMAS: LATEST BANSAs CHARGING SCHEME DEVELOPMENTS

IATA hosted a call with the US Department of Transport (DoT) who has written to the Government of the Bahamas (GoB) to highlight its concerns regarding the charging scheme imposed and the possible infraction it poses on the US/Bahamas Air Services Agreement. US DoT is still awaiting a response from The Bahamas at the State level. IATA has also followed up with the respective departments of transport in Canada and the UK who have committed to look into the issue. Lastly, IATA is closely coordinating actions Airlines for America (A4A) who have escalated the request to the US Department of State and Commerce urging them to prioritize the issue with the Bahamas. For more details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

USA: LATEST 5G DEVELOPMENTS & ONGOING INDUSTRY CONCERNS

The FAA continues to struggle to address the issue of C band based 5G interference with aircraft radio altimeters. As of December 31, 2022, non-retrofitted A320s, 330s and 340s as well as 747-4002, 757 and 767s will be prohibited from employing Cat 2 and Cat 3 low visibility procedures when landing at 188 US airports, with the remaining fleet needed to be retrofitted by July 2023. The FAA also announced that non-retrofitted aircraft would be prohibited from landing at any US airport by February 2024. To make matters worse, the FAA has determined that no retrofit exists to prevent interference if the telecommunication providers are free to turn up their signal power beyond what was agreed to by AT&T and Verizon in December 2021. The FAA is petitioning the FCC to put mitigations in place to prevent this full power mode from being implemented, which IATA strongly supports. For more details, please contact IATA's Vice President, Member & External Relations for North America, [Doug Lavin](#).

USA: DISCLOSURE OF FEES

The US Department of Transportation (DOT) issued a Notice of Proposed Rulemaking (NPRM) to require US and foreign airlines, ticket agents and metasearch sites to disclose fees for a first and second checked bag, one carry-on bag, changing or cancelling a reservation and adjacent seating when traveling with a child 13 years or younger, whenever fare and schedule information is provided for flights to, from or within the U.S. IATA believes the NPRM is both unworkable and unnecessary and we encourage members to join us in filing comments with DOT by December 31, 2022. For details, contact IATA's Vice President, Member & External Relations for North America, [Doug Lavin](#).

