



# YOUR SOURCE FOR IATA'S LATEST REGIONAL ACTIVITIES

#2 2022

Dear Colleagues,

Air passenger travel markets to and from the Americas have been among the best performers in recent months, as shown in the below graph. The rapid recovery from the depth of the crisis, and resilience to new shocks since then, have been driven by Mexico, Colombia, and the US. To further stimulate demand, we are <u>urging authorities</u> across the region to lift all remaining COVID-related travel restrictions, including mandatory pre-departure testing, specifically to the US, to allow fully vaccinated passengers to travel without restrictions.

As the region is bouncing back quickly, we are focusing our efforts on ensuring our infrastructure is safe and efficient, from an ATM and airport as well as staffing perspective, and ready for the anticipated increase in demand, specifically for the busy summer season. In Canada, we have seen long lines at airports across the country, causing operational challenges for airlines and leading to a poor passenger experience. IATA sent a letter to the Canadian government and issued a press release urging the authorities to take the appropriate steps to correct the situation. In Mexico, we are working with the authorities to review and address an increased rate of safety related events in the Mexico City TMA. This led to the creation of a task force, including IATA, airlines, Government authorities, SENEAM and labor unions (pilots and controllers), aiming to put in place immediate mitigation measures to ensure safe and efficient operations in the airspace. In the Bahamas, our members have seen a dramatic cost increase over the past 12 months associated to traversing the Bahamas FIR. Without any new or incremental service being provided, IATA has voiced its concerns and is seeking an open consultation meeting with the Bahamas Air Navigation Services Authority (BANSA) in June.

Safety remains the industry's number one priority and I encourage you to review IATA's 58th edition of the IATA Annual Safety Report (2021), which was released in April. The report, which is free to download, provides a comprehensive review and analysis of the industry's 2021 safety performance and presents an in-depth examination of both global and regional accident statistics. We see a strong improvement in several areas compared to 2020 and to 2017-2021. For example, Latin America and the Caribbean had an excellent 2021 with a 0.00 jet hull loss rate compared to its 0.23 five-year average. The report also shows a reduction in the total number of accidents and no fatal accidents among airlines on the IATA Operational Safety Audit (IOSA) registry.

Lastly, after four years of minimal interactions, the Venezuelan government recently approached IATA to reestablish discussions on aviation matters. There is a strong push within the Venezuelan government to promote travel and tourism in the country and to reestablish connectivity that had been suspended. We made it clear to INAC that the large number of airlines' blocked funds of \$3.8B is still a key priority for our members and the repatriation of such funds must be part of any re-establishment of discussions and consequential return of connectivity. To restart an open dialogue with the authorities, I plan on meeting with key Government officials in July, including the Ministries of Transport, Tourism, Finance and the Central Bank.

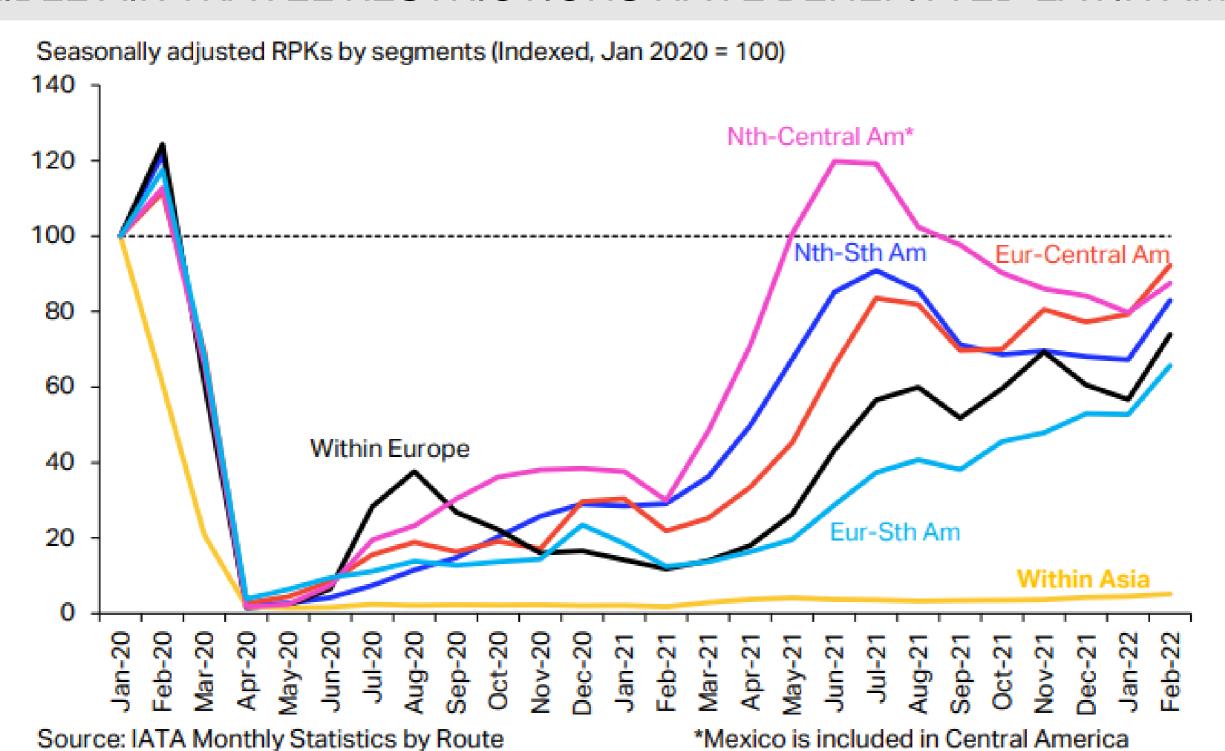
As usual, please find below IATA's latest activities and initiatives across the Americas. Please let me know if you have any questions and continue to count on our support.



PETER CERDÁ

REGIONAL VICE PRESIDENT, THE AMERICAS

## FLEXIBLE AIR TRAVEL RESTRICTIONS HAVE BENEFITTED LATIN AMERICA







Despite industry advocacy efforts against the approval of MP1089 intended to reinstate the free baggage allowance in Brazil, the Senate approved the text as proposed by the Lower House. With this result, MP1089 will proceed to President Bolsonaro to either be signed into law or vetoed. IATA and other associations are now prioritizing efforts to secure a veto from the President. For more details, please contact IATA's Country Manager for Brazil, Dany Oliveira.



## CANADA: URGING GOVERNMENT TO TAKE ACTION TO IMPROVE PASSENGER EXPERIENCE

IATA urged the Canadian Government to take immediate action to reduce the massive delays at immigration and security which are occurring at the country's main airports. Specifically, IATA asked to 1) ensure that both CBSA and CATSA have the appropriate staffing required to offer an efficient immigration process for inbound flights and passenger screening process for outbound and transit flights, 2) eliminate random on-arrival testing for fully vaccinated travelers, and 3) enhance ArriveCAN as an entry tool. For more details, please contact IATA's Country Manager for Canada & the United States, Ben Barrocas.



# PANAMA: AIRPORT FEE INCREASE AT PTY

Airlines operating to PTY were informed by fuel suppliers of an airport fee increase from 7.7 cag to 8.2103 cag, effective January 1 2022. The increase would correct an apparently incorrect pricing calculation and includes retroactive adjustments since 2019. IATA and other airline associations have contacted airport operator AITSA – who originally informed about the increase – to seek an explanation and oppose the adjustments. For more details, please contact IATA's Area Manager for Central America, <u>David Hernandez</u>.



### COLOMBIA: BOG ENVIRONMENTAL LICENSE – PHASE II

Following advocacy efforts from IATA and the industry, Colombia's National Authority of Environmental Licenses (ANLA) approved a resolution authorizing Aerocivil (CAA) to implement Phase II of the environmental license at BOG. This new phase increases capacity at BOG between 0500 and 0600 from 18 to 50 ops/hour. Aerocivil is adapting pertinent aeronautical regulations to make the new capacity available to operators and ANLA has also adopted IATA's recommendations to implement "reference noise values" instead of previous "chapter/stage values", further alleviating some restrictions. For more details, please contact IATA's Country Manager for Colombia, Andres Uribe.



#### ECUADOR: SUPREME COURT FAVORS AIRLINES IN CLASS ACTION SUIT ON TAX LAW

The Supreme Court decided in favor of airlines in a class action suit that was filed by affected carriers seeking an injunction to the required tax payment following the changes introduced to include further provisions on the taxation of dividends by foreign carriers under their tax law. Supporting efforts towards this positive result were led by local airline association ARLAE and IATA. For details, contact IATA's Area Manager for Central America, David Hernandez.



#### MEXICO: WASG CONCERNS AT MEXICO CITY INTERNATIONAL AIRPORT (MEX)

On short notice, IATA and airlines operating at MEX were informed of intended reductions from 61 to 49 hourly flights, effective for the Winter 2022 season. IATA met with AICM, Civil Aviation Authority AFAC and Air Navigation Service Provider SENEAM to raise its concerns with the proposed changes as they were abruptly announced without industry consultation and are not in alignment with the WASG process for anticipated capacity reductions at any Level 3 airport. In response, the authorities expressed some openness to reevaluating the proposed reductions to provide airlines with additional time to prepare. For more details, please contact IATA's Country Manager for Mexico, Cuit Gutierrez.



#### **PERU: UPDATE ON MONTREAL PROTOCOL 2014 (MP14)**

The government signed into law a project that approves the Montreal Protocol 2014 amending the Tokyo Convention of 1963. IATA is following up to ensure the swift deposit of instrument of ratification, acceptance, approval, or accession to the ICAO Secretariat in Montreal. For more details, please contact IATA's Country Manager for Peru & Bolivia, Martin la Rosa.



## **USA: BOS ANNOUNCED REDUCTION IN AIRPORT CHARGES**

After several meetings and requests for a review of its charges levels, BOS informed that charges were reduced on March 1 due to the increase in passenger volumes. The proposed rates for fiscal year 2023 were presented at BAC on May 5, 2022. These fees and rates include important activity-based charges reductions, which will be submitted to the Board of Directors in June for approval, to be implemented on July 1st. Also, there is a proposal for a landing fee assistance program to set that charge at approximately \$5.65 for FY23. For more details, please contact IATA's Charges Manager for the Americas, <u>Guillermo Rodriguez</u>.



## **USA: IATA LETTER TO DOT URGING ACTION ON 5G**

IATA Director General Willie Walsh sent a letter to U.S. Secretary of Transportation Pete Buttigieg requesting the Department's assistance in reaching a permanent agreement with telecom companies planning to deploy 5G service around U.S. airports, beyond the current 5 July 2022 voluntary agreement with Verizon and AT&T. The letter also requested that DOT and the FAA use their existing authority to require licensees to provide notice if they plan to deploy service that could adversely affect aviation and to require an aeronautical study to determine the extent of any adverse impact on the safe and efficient use of the airspace, facilities, or equipment. IATA and others have voiced concern that the deployment of 5G service in the C-Band could interfere with aircraft radio altimeters. For more details, please contact IATA's Assistant Director, Operations, Safety & Security, Kieran O'Carroll.



#### **USA: SEC ISSUES CLIMATE RISK RULE**

The U.S. Securities and Exchange Commission proposed a rule that would require publicly traded companies to explain in their regular disclosures to investors how certain climate-related risks can affect their finances. Companies will be required to calculate these potential costs from data they already compile for regular disclosures to investors. Under the rule, companies would also be required to disclose greenhouse gas emissions they 1) directly produce through their own business operations; 2) those that come from the energy they purchase to keep their business running; and 3) those from the goods and services purchased by the firm, if they have set public emissions reduction targets or if those emissions pose a direct financial risk to the business. Each airline will need to determine whether the rule applies to them. IATA plans to submit comments by the 20 May 2022 deadline and encourages airlines to do the same. For details, contact IATA's Vice President, Member & External Relations for North America, Doug Lavin.

