Dear Colleagues,

Many governments across the Americas have reverted to implement new restrictions as the highly contagious delta variant spreads rapidly across the globe. Unfortunately, many of the new restrictions are not based on science and implemented with short notice and without industry coordination. We have seen the chaotic impact of such unilateral decisions in Argentina where the government reduced the number of daily passengers allowed to enter the country from 2,000 to 600 which leaves thousands of Argentinians stranded abroad, unable to fly home. In Colombia, the Ground Delay Program implemented by Aerocivil has led to severe bottlenecks and significant delays for our member airlines, negatively impacting the passenger experience. In both cases we have urged the authorities to have an open and transparent dialogue with the industry to quickly address these restrictions.

Once borders are open, they should remain open, and governments needs to understand aviation does not have a simple on and off switch. As you see in the below graphic, countries that have lifted restrictions and follow strict safety protocols have benefitted from an increase in bookings. But countries, like Canada and Chile, that have tightened restrictions have underperformed and lost connectivity.

To further ensure aviation’s long-term competitiveness, we are in the process of building close relationships with newly elected Governments across the region. In Peru, we recently met with key industry stakeholders to agree on a new way forward to build a common aviation agenda as the potentially new government will most likely pursue very different policies to what we have seen in the past. And we are meeting with the government of Ecuador in mid-July to identify opportunities to further grow the aviation sector in the country.

To close on some good news during these difficult times, in Honduras, we welcomed the government’s announcement of creating incentives for existing and new carriers serving the market and in Colombia, following extensive joint industry advocacy efforts, a potentially detrimental consumer protection bill was dropped during the Senate’s final debate.

Please find more details on IATA’s latest advocacy activities across the Americas below and please let me know if you have any questions or would like us to take further action.

PETER CERDÁ
REGIONAL VICE PRESIDENT, THE AMERICAS

Impact of restrictions on bookings in the Americas vs. 2019

Traffic forecast for key markets across the Americas, 2019 vs. 2025
BRAZIL: ONGOING EFFORTS TO REDUCE JUDICIAL CLAIMS AGAINST AIRLINES

IATA and other industry associations in Brazil continue to advocate to reduce the large number of lawsuits against airlines by consumers. Over the last months, we jointly started a task force with the National Council of Justice (CNJ) concerning the consumer protection law in the country. As a result, CNJ held a webinar called "The Brazilian Air Transport Sector: Paths to Reduce Litigation." During the event, CNJ also launched an official booklet (based on feedback provided by the industry) intended to guide judges in their future cases related to air transport consumers. This initiative represents a significant advancement to achieve our goal to change the judicial mindset to decrease the number of lawsuits against airlines. For details, please contact IATA’s Country Manager for Brazil, Dany De Oliveira.

CHILE: CONSUMER PROTECTION BILL NOT APPLICABLE FOR INTERNATIONAL FLIGHTS

IATA continues to advocate against the approval of a project of law that includes the right to retract and the transferability of tickets. Our advocacy efforts have been successful in showing the detrimental effect of the proposed bill for international air transport, which led the Senate’s Transport Commission to modify its scope to only be applicable to domestic flights. Transferability of tickets would be allowed up to two times a year per airline, while the right to retract proposes two options: i) 48 hours after purchase, but no later than 7 days before departure, or ii) up to seven days after purchase for a ticket with travel date of at least 180 days. A final discussion by the Senate is expected by mid-July. For more details, please contact IATA’s Area Manager for Chile, Gabriela Peralta.

COLOMBIA: POTENTIALLY DETERIMENTAL CONSUMER RIGHTS BILL DROPPED

The industry’s advocacy efforts paid off as a Consumer Rights bill was dropped during the final debate of the Senate. The bill could have had a detrimental impact on airlines and set a dangerous precedent for other countries as it would have required airlines to establish insurance policies to guarantee that passengers will receive the services acquired or a refund in the case of an airline’s insolvency (applicable to all tickets). It would have also imposed onerous compensation requirements for consumers for domestic flight delays. The bill could resurface in the next legislative period starting on July 20 and we continue to work with our members to avoid the reemergence of the most negative implications. For details, contact IATA’s Country Manager for Colombia, Andres Uribe.

CURACAO: SUMMARY OF RATE REVIEW PROPOSALS FOR 2022 – 2024 PERIOD

The airport operator CAP and Air Navigation Service Provider DC ANSP held a consultation with airlines and IATA to inform that it will increase aerodrome and approach fees from $3.78 to $5.84 to recover for the financial losses experienced over the last year. IATA has challenged these increases and is negotiating lower fees and that the financial recovery takes place in two or more cycles instead of one. The final decision by the government will be announced in November for new tariffs to be effective in January 2022. For more details, please contact IATA’s Charges Manager for the Americas, Federico Munoz.

GUATEMALA: ADVOCACY EFFORTS AGAINST NEW CARGO AIRPORT

IATA met with Guatemala's Minister of the Economy to express the industry's disagreement with the government’s plan to construct a new cargo airport with the aim of separating cargo from passenger operations. In addition, IATA, ALTA and AGLA, the local airline association, issued a joint press release pushing back on the government’s plans. For more details, please contact IATA’s Area Manager for Central America, Ecuador and Venezuela David Hernandez.

HONDURAS: GOVERNMENT APPROVES INCENTIVES FOR AIRLINES

The government of Honduras enacted a law to provide incentives to both low cost and legacy carriers that currently operate or choose to operate in the country in the future. Incentives include discounts in taxes and charges at airports throughout the country. IATA will participate in the regulation process of said law to ensure a true benefit for the industry. For details, please contact IATA’s Area Manager for Central America David Hernandez.

HONDURAS: TECHNICAL VISIT TO NEW PALMEROLA AIRPORT CONSTRUCTION PROJECT

As part of an effort to ensure readiness for the move of international operations from Toncontin International Airport to Palmerola International Airport, IATA requested the government’s authorization to conduct a technical visit on site. The request was granted, and the visit will take place on July 29 together with airlines to evaluate the current status of work to meet the official opening which is scheduled for Q4 2021. For more details, please contact IATA’s Manager, Industry Relationships for Central America, Lucas Castrellon.

UNITED STATES: INCREASE IN INTERNATIONAL AIRPORT FEES

While domestic travel in the U.S. has recovered to pre-pandemic levels, international traffic remains far below 2019 levels. Due to their cost-based operational setup, most airports in the U.S. have increased international fees over the past year to offset the loss in revenues, including JFK, MIA, ORD, LAX and SFO. As part of IATA’s efforts to support airlines to weigh options of what can be done at each airport and at the government level, we will host a joint webinar in partnership with AvAvPros on July 15 to understand the current revenue and cost model of US airports and find opportunities where costs may be alleviated. To participate in the airline members-only session, please contact IATA’s Assistant Director for Airport Development for the Americas, Mark Rodrigues.

IATA: BSPLINK ENHANCEMENTS FOR INDIRECT REFUNDS

IATA will implement system enhancements to the BSPlink tool to ensure indirect refund requests are approved within the resolution-established time frame of 60 days with an implementation date of July 1, 2021. IATA has sent details and specifications to airlines’ finance and revenue accounting contacts across the Americas and coordinated calls to ensure understanding and proper management from the airline perspective. For more details, please contact IATA’s Manager, Transformation & Products for the Americas, Karina Medeiros.