



Dear Colleagues,

As we head into the fall, we continue to see the resilience and resurgence of the airline industry in the Americas as outlined in IATA's latest [Quarterly Air Transport Chartbook](#). In Q2 2023, airlines in North America and Latin America grew their total RPKs by 13.5% and 16.6% YoY, respectively. With continued strong performance, the Americas region has maintained its lead in restoring and surpassing pre-pandemic levels of passenger traffic.

However, many Governments across the region continue to create a difficult environment for airlines to operate in. The most challenging situation occurred in Mexico over the past two weeks, where the government issued a [decree](#) to announce a further reduction of capacity to from 52 to 43 operations per hour at Mexico City's International Airport (MEX). The proposed cuts follow previous flight caps (61 to 52) at the airport last year, as the government justified the reduction due to alleged airspace constraints.

IATA and airlines believe the root problem at the airport is not the number of operations, but rather the deteriorating infrastructure, which requires urgent intervention but does not require the reduction of capacity. In addition, the new capacity cap is seen as another attempt by the Government to force airlines to move more operations to NLU.

IATA immediately responded by issuing a press release in [English](#) and [Spanish](#), and started engaging various media outlets to publicly reject and challenge the Mexican Government's decision. We highlighted that this unilateral decision does not take into account the interests of consumers, nor does it respect the necessary consultative process with operators and users. In addition, we questioned the methodology used by SENEAM, AFAC and AICM to determine airport capacity.

Following the industry pushback, the Government formally announced that the reductions will not apply to international operators and will not be effective until January 8, 2024 instead of the initially discussed October 29, 2023 implementation date. While these are positive changes to the initial proposal, we will continue to push against the reduction in its entirety. If the Government insists and a reduction is forced upon the domestic carriers, we will still push for 6 months lead time to prepare for the reduction with an implementation date of March 2024, coinciding with the Northern Summer 2024 season.

Further North, our members continue to face immigrations staffing limitations at key airports in the US. To address the bottlenecks caused by these staffing shortages, we have formed a coalition with ACI North America and continue to urge CBP to review and adjust their staffing levels as needed while asking Congress for additional support to alleviate staffing shortages for next year and adjust the budget allocation accordingly.

To conclude, we will hold the last [Aviation Day](#) of 2023 in San Jose, Costa Rica on September 19, focused on air transport's important socio-economic role in the country, and bringing together industry experts and government authorities to analyze the opportunities of the sector in Costa Rica.

As usual, please find IATA's most recent activities across the Americas below. Please let me know if you have any questions or suggestions for further action. Thank you for your on-going support.

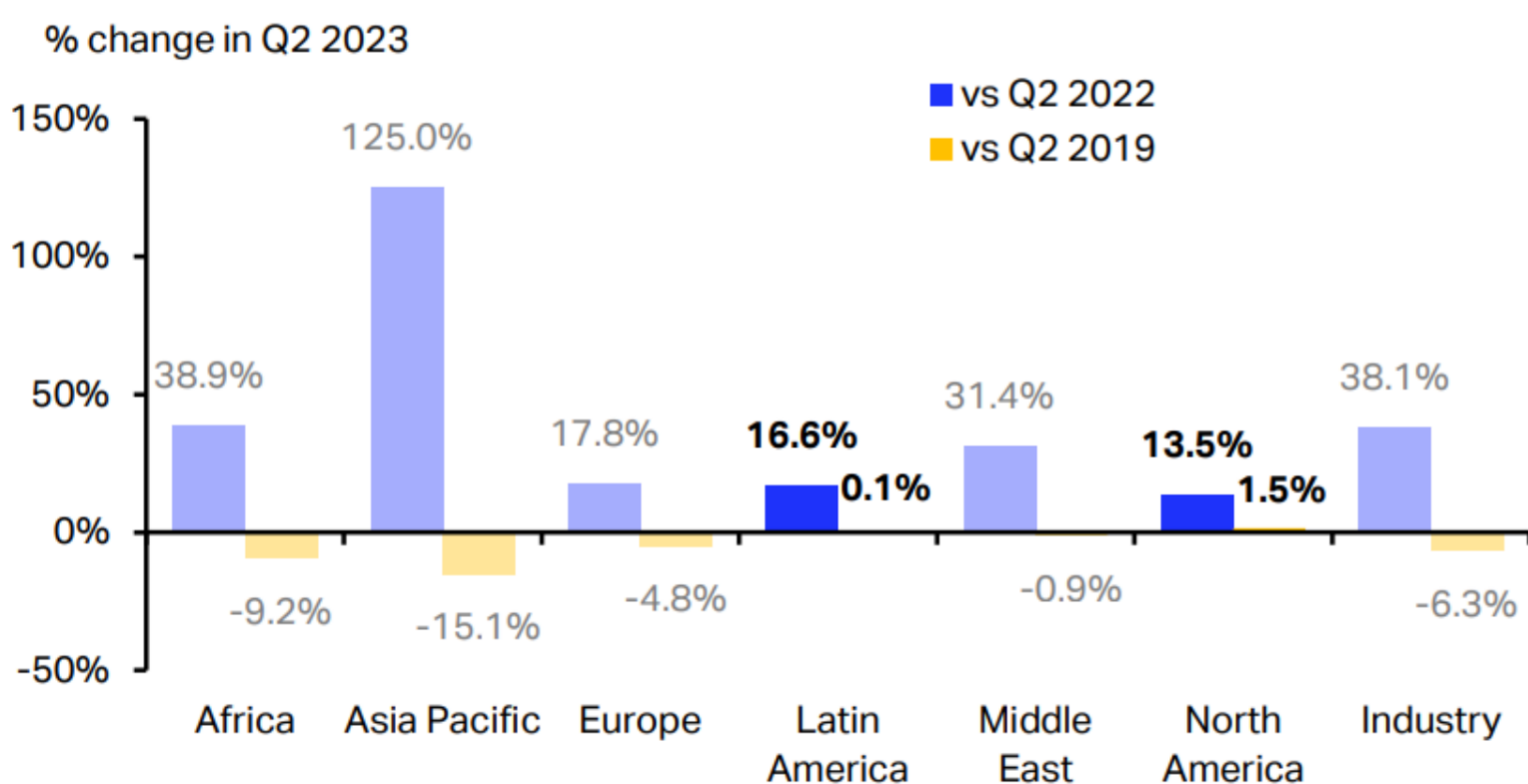
Best regards,



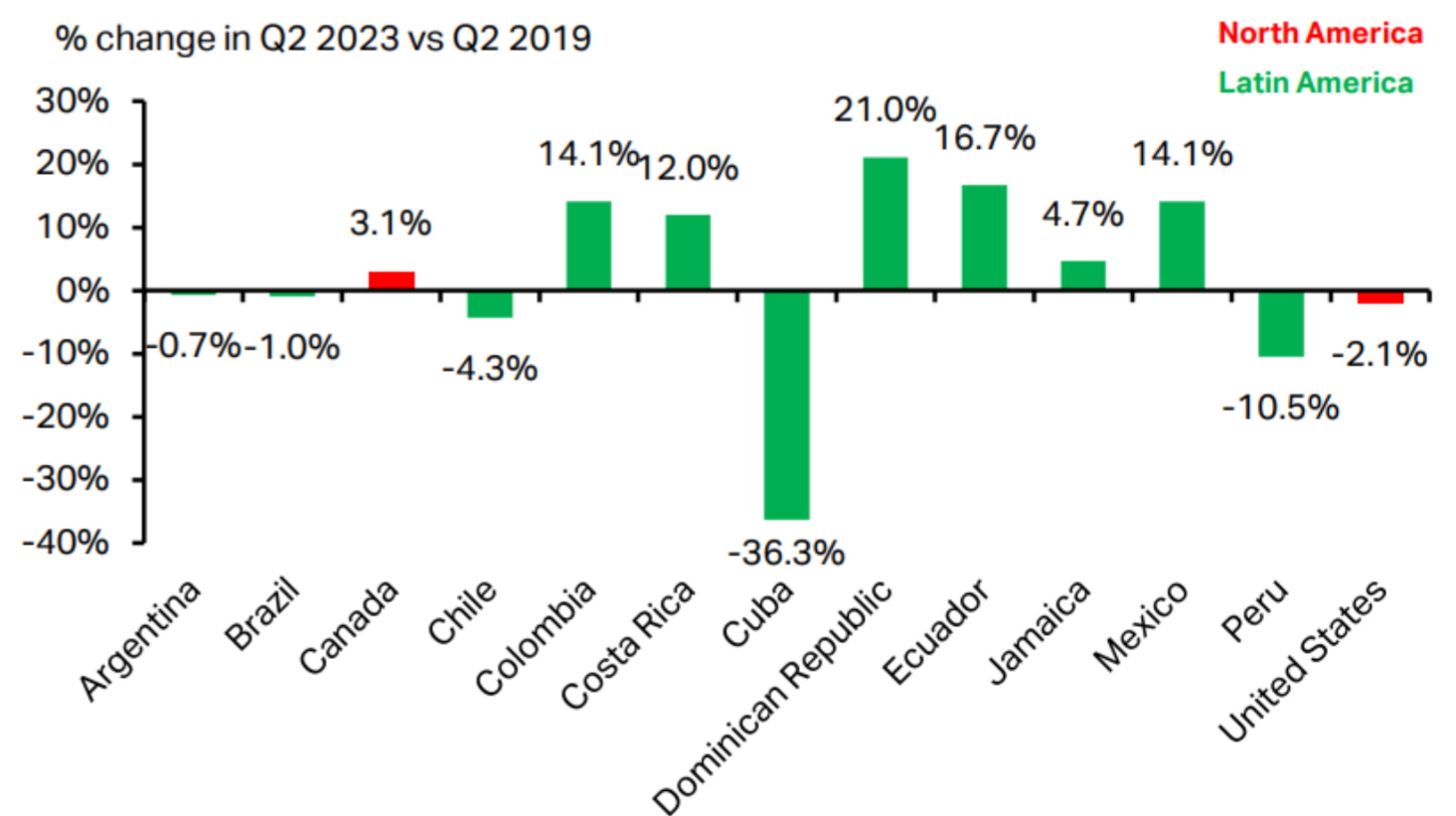
PETER CERDÁ
REGIONAL VICE PRESIDENT
THE AMERICAS



GROWTH IN RPKs BY AIRLINE REGION OF REGISTRATION



PASSENGER TRAFFIC (O-D) GROWTH BY COUNTRY IN Q2 2023



BRAZIL: POTENTIAL IMPACT OF PROPOSED TAX REFORM

The Brazilian government is planning to introduce a major tax reform aiming to revamp the tax code with a gradual implementation process, starting in 2026 and concluding in 2033. Its primary objective is to simplify tax regulations, reduce compliance burdens on taxpayers, and introduce an array of changes to the credit utilization system. Uncertainties regarding tax rates have sparked concerns, particularly among experts, who anticipate potential higher taxes for certain sectors, including aviation. The Lower Chamber of Congress rapidly approved the proposal which now passes to the Senate. IATA is supporting industry lobbying efforts to avoid a harmful impact on the sector by providing a technical study regarding aviation taxation and the corresponding calculation of the negative impact on GDP and jobs supported by air transport. For more details, please contact IATA's Country Manager for Brazil, [Dany Oliveira](#).



BRAZIL: RESTRICTING DESTINATIONS FROM SDU LIMITS CUSTOMER CHOICE



IATA voiced its grave concern regarding the CONAC-MPOR Resolution issued on 10 August 2023, which, if implemented as announced, will restrict scheduled commercial flights at Rio de Janeiro's Santos Dumont Airport (SDU) to domestic destinations within a 400-kilometer radius from 2 January 2024. IATA issued a [public statement](#) highlighting the need for a timely public consultation with airlines/industry on decisions that affect consumers and airlines. IATA also received a request from the Tribunal de Contas da Uniao (TCU) which has taken an interest in participating in this ongoing discussion from a legal perspective and asked IATA to provide legal, technical, and economic information that will allow them to intervene in this process. For more details, please contact IATA's Country Manager for Brazil, [Dany Oliveira](#).

BRAZIL: SUCCESSFUL CARGO XML IMPLEMENTATION



After working with IATA for 10 months, Brazil's Customs Authority (Federal Revenue Service of Brazil/RFB) implemented IATA's Cargo-XML messaging standard, introducing a new electronic pre-arrival advance cargo information requirement. Launched on July 31 across all airports in Brazil, airlines and freight forwarders are seeing their cargo released on average around 5 hours upon landing instead of the five days it was taking previous to the implementation. Furthermore, the implementation has the potential to reduce human handling in the cargo processing by up to 90%. RFB estimates annual savings of up to US\$2B for imports. For more details, please contact IATA's Assistant Director, External Affairs & Sustainability, Brazil, [Marcelo Pedroso](#).

CANADA: COMMENTS FILED ON PROPOSED AIR PASSENGER PROTECTION REGULATIONS



On 24 April 2023, the Canadian Transportation Agency (CTA) announced new proposed changes to the Air Passenger Protection Regulations that would significantly limit the ability of carriers to avoid fines for delays and cancellations that we contend are outside of their control. On 10 August, 2023, IATA submitted extensive [comments](#) in opposition to these proposed rule changes. IATA will continue to work with other trade associations to advocate against these proposed changes. For more details, please contact IATA's Vice President, Member & External Relations, North America, [Doug Lavin](#).

CANADA: GTAA SCRAPPED PLANS TO INTRODUCE PEAK PRICING AT TORONTO PEARSON INTERNATIONAL AIRPORT



As a result of joint industry advocacy efforts, the Greater Toronto Airport Authority (GTAA), decided not to implement peak pricing for 2024. GTAA proposed a peak pricing model with charges based on slot returns, and apron pricing for Toronto Pearson International Airport (YYZ). IATA, along with regional associations, strongly opposed the proposal during Airport Consultative Committee meetings and via letters sent to GTAA, stressing the lack of alignment to international best practices on charges and slot management principles. For more details, contact IATA's Country Manager for Canada, [Ben Barrocas](#).

CHILE: POTENTIAL GREEN TAXES REFORM POSTPONED



President Gabriel Boric's government decided not to include the so-called corrective taxes (green tax reform) in the fiscal pact. These taxes were expected to be applied to fuel sales used for domestic flights, including jet fuel, and anticipated to increase in value over the years. IATA will continue lobbying against inclusion of aviation in any future tax reform. For more details, please contact IATA's Country Manager for Chile, [Gabriela Peralta](#).

COLOMBIA: NEW CONSUMER PROTECTION BILL PROPOSALS



Colombia's legislature has proposed three new consumer protection bills covering the transferability of tickets, airline insolvency consumer protection, right to retract and to desist, prohibition of overbooking, and additional compensation in case of delays and cancellations, amongst others. To become a law, these bills need to pass four debates. IATA is working on documents and papers conveying IATA's industry position on each of the bills, to present to Congress and other governmental stakeholders. We will continue to provide updates as they develop. For more details, please contact IATA's Country Manager for Colombia, [Paula Bernal](#).

COLOMBIA: UPDATE ON PALANQUERO AIRSPACE FLEXIBILITY PLAN



IATA, in coordination with the Colombian Air Force (FAC), the Civil Aviation Authority (CAA) and local airlines, held a follow-up meeting on the Palanquero airspace flexibility plan which allows flights to cross the restricted area over Palanquero, which enhances the operational efficiency of Bogotá International Airport (BOG) and the on-time performance of airlines. In August, 96 flights benefitted from this initiative, with the approval of FAC and the Bogotá Area Control Center (BOG ACC). In September, FAC will permit international airlines to participate, further enhancing operational efficiencies in the BOG airspace. For more details, please contact IATA's Manager, Operations, Safety & Security, [Edgar Sanchez](#).

DOMINICAN REPUBLIC: EXTENSION OF TOURISM TAX IMPLEMENTATION DATE & OPPOSING OF AIRLINE FINES



The Civil Aviation Board (JAC) has extended Resolution 217-2022 by another 30 working days, making the new effective date October 9. IATA continues to work with the local tax authority (DGII) and the Ministry of Tourism to find a solution to this ongoing issue. Separately, IATA has become aware of the significant fines being issued to the airlines by the General Directorate of Immigration since the introduction of Resolution 001-2023 which mandates airlines to ensure that all passengers have the completed electronic form for entry and exit of the Dominican Republic ('E-Ticket'). IATA has written to the Chief of Immigration and the Minister of Tourism to request a meeting and discuss alternative solutions. For more details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

MEXICO: RESOLUTION OF GNSS INTERFERENCE AT MEX



Over the past year, various operators had reported a loss of the Global Navigation Satellite System (GNSS) signal on final approach to Mexico City Int'l Airport (MEX). Pilots were forced to break off the approach when they experienced signal loss. Our team addressed the issue and met with Mexico's Federal Telecommunications Institute (IFTTEL), CAA, and SENEAM to find where the signal jamming was coming from and work towards eliminating the GNSS interference. The interference came from the Presidential building within the city. In collaboration with the Federal Government and IFTTEL the jamming was eliminated by adjusting the signal. For more details, please contact IATA's Country Manager for Mexico, [Cintya Martinez](#).

UNITED STATES: IATA TO HOLD WORLD FINANCIAL SYMPOSIUM & WORLD PASSENGER SYMPOSIUM IN CHICAGO



IATA is holding the first ever joint [World Financial Symposium \(WFS\)](#) and [World Passenger Symposium \(WPS\)](#) in Chicago from 25-26 October 2023, where airline retailing, finance and passenger experience unite to create a dynamic platform for strategic exploration, actionable insights, and transformative innovation. Highlights of WFS-WPS include the popular CEO Panel and five learning tracks across that will explore the Passenger Experience and Airport; Accessibility; Airline Retailing; Value Creation; and Protecting Value. For more details, please visit the event [website](#).