IATA campaigns for cost efficient airport charges, air traffic control charges and fuel fees, as well as fair taxation to drive financial and operational improvements for airlines and support sustainable traffic growth.

IATA’s campaigns are aimed at monopolistic providers (airports, air navigation service providers or ANSPs) as well as governments and tax authorities. IATA also advocates open access and competition for fuel suppliers.

Effective economic regulation of airports and ANSPs, as the key to drive cost efficiencies and mitigate excess profit-taking, remains a focus of IATA’s work.

IATA aims for a more balanced customer-supplier relationship between airlines, airports and ANSPs, starting with engagement on the infrastructure planning to ensure capital expenditure projects involve the airline community as early as possible and result in facilities that are demand-led, fit-for-purpose and cost effective to develop and operate. For this, IATA emphasizes the key principles of infrastructure charges:

- Meaningful engagement with the airline community
- Transparency
- Cost-relatedness of charges
- Equitable charges structure
- Timely, efficient and affordable investment aligned to airline needs based on a long-term master plan
- Productivity and service level improvements
- A robust and effective economic regulatory framework

Airlines and passengers are estimated to have paid at least $140 billion for the use of airport and air navigation infrastructure globally in 2019, up from an estimated $136.4 billion in 2018.

In addition, airlines and their customers generated $129 billion in global tax revenues in 2019, which is equivalent to 45% of the industry’s GVA. This is an increase from $125 billion in 2018.

While the airline sector does not object to paying non-discriminatory and equitably levied taxes, IATA works to promote best practices and to eliminate those taxes that unfairly target the air transport industry.
Recent Trends

While there have been some positive developments, increased taxes, together with rising charges and fees, remain a threat to sustainable aviation growth.

Airlines support timely investments in infrastructure, provided they are demand-led, fit-for purpose and based on a long-term planning view for efficient and productive operations.

We strongly oppose lighter economic regulation of airports. Effective economic regulation is the key to protecting the interests of airlines and passengers.

In the context of Europe, the European Commission confirmed that the objectives of the Airport Charges Directive (ACD) have not been fully met and has launched an impact assessment.

We welcome this development as the ACD, in its current form, does not adequately prevent airports with market power from abusing their dominant position and raising charges.

We urge the European Commission to develop the framework for targeted economic oversight ensuring independent regulators have the mandate to apply effective economic regulation for airports with significant market power, implementing a strengthened ACD for airports with less market power and ensuring all other airports remain subject to ICAO principles.

The trend of increasing private ownership adds urgency to the need for independent, fit-for-purpose economic regulation. IATA is seeking to ensure that airlines, as the key stakeholders, are engaged in any privatization processes from the outset, allowing understanding of the objectives and assessment of alternative options.

Recent Campaign Examples

In 2019, IATA participated in campaigns related to charges and taxation that contributed to an airline cost reduction of $1.34 billion. Key achievements included

- Reductions in the en route charges from Eurocontrol and Airservices Australia, totaling $556 million;
- Reductions in the passenger charge in Trinidad and Tobago, airport charges at Dublin airport, and the value-added tax (VAT) rate on jet fuel at São Paulo airport (totaling $235 million); and
- Removal of VAT in its entirety in Russia ($140 million).