



Dear Colleagues,

Last week, I had the privilege of joining over 1,500 participants at the 80th International Air Transport Association (IATA) Annual General Meeting (AGM) and World Air Transport Summit in Dubai, hosted by Emirates.

As part of the AGM, IATA released its latest economic outlook which once again showed the razor thin margins of our complex industry. Overall, the global industry will make \$60B in operating profits and \$30.5B in net profits in 2024.

It is noteworthy that Latin America and the Caribbean have achieved the first net profits post pandemic with \$200M in 2023 and a forecasted net profit of \$600M in 2024. The situation in North America is brighter with airlines in this region finishing 2023 with \$14.8B in net profits and forecasted to also make \$14.8B in 2024. For 2024, this is roughly \$1.90 per pax in Latin American/Caribbean and \$13.10 per pax in North America. You can review the full analysis [here](#) and all AGM related material [here](#).

I also had the opportunity to meet with media to provide a [briefing](#) on the current state of the industry in the Americas Region. As we look to the future, it's clear that fostering cost competitiveness through reducing taxes, fees, and charges, enhancing regulatory frameworks, improving infrastructure, and prioritizing sustainability are key to unlocking the full potential of aviation's connectivity.

These steps are essential for fostering growth and prosperity for all, especially in Latin America & Caribbean where the average annual number of trips taken per citizen is only 0.65 compared to roughly 2.6 trips per year in the US/Canada and more than 4 trips per year in countries like Spain and Germany.

In the meantime, the political landscape in the Americas continues to change: In Mexico, Claudia Sheinbaum will become the country's next president, after winning the country's June 2 election by beating her opponent by more than 30 percentage points. In Panama, Jose Raul Mulino secured 34% of the vote to win the presidency.

IATA is already in contact with their respective teams, and we look forward to engaging both governments to ensure air transport is utilized as a business partner to drive economic activity and social development as part of Mexico's and Panama's political agendas.

As usual, please find IATA's latest activities across the Americas below. Please do not hesitate to reach out with any questions or ideas for further follow up. Thank you for your on-going support.

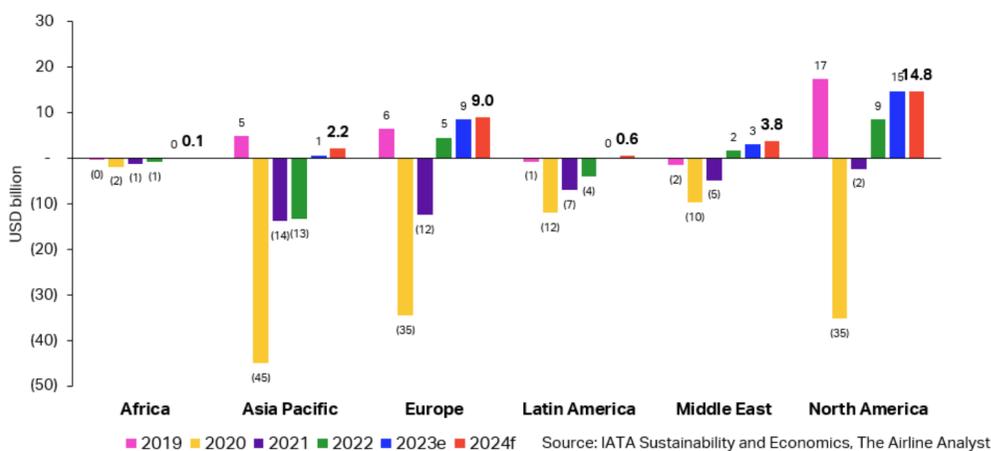


PETER CERDÁ
REGIONAL VICE PRESIDENT
THE AMERICAS



ALL REGIONS SHOW PROFITS WITH N. AMERICA IN THE LEAD

Net profit by region, USD billion



PER PASSENGER NET PROFIT

By region

| | |
|----------------------|----------|
| USD 6.14 | |
| Per passenger | |
| Middle East: | USD 15.2 |
| N. America: | USD 13.1 |
| Europe: | USD 6.9 |
| Lat. America: | USD 1.9 |
| Asia Pacific: | USD 1.2 |
| Africa: | USD 0.9 |



ARGENTINA: POTENTIAL BANK TAX EXEMPTION



IATA has requested an exemption from a bank tax that causes double taxation on airlines, costing an estimated \$15 million annually. The Ministries of Transport and Finance have favored the request, and a decision from the Public Revenue Subsecretary is anticipated by the end of June. For more details, please contact IATA's Country Manager for Argentina, [Maria Jose Taveira](#).

BRAZIL: ACTIVATION OF QNS AIRPORT CODE FOLLOWING SEVERE FLOODING OF POA



After severe flooding in the state of Rio Grande do Sul in Brazil, Porto Alegre Airport (POA) announced the cessation of its operations for an undetermined time as the airport remains underwater. In response, IATA has temporarily activated the code "QNS" for Canoas Airbase allowing airlines to offer schedule flights to the Porto Alegre municipality to ensure the region stays connected during this difficult time until POA is able to operate again. For details, contact IATA's Country Manager for Brazil, [Dany Oliveira](#).

BRAZIL: UPDATE ON BAGGAGE VETO



During Bolsonaro's term, Brazil's Congress moved to ban baggage fees on flights, but the industry secured a presidential veto. This veto is now threatened, with a vote delayed until early July that could potentially overturn it, undermining the industry's stance on pricing freedom. IATA, in collaboration with ABEAR & ALTA, has called on foreign airlines to contact their embassies to address potential violations of commercial freedom in air service agreements and the industry persists in lobbying Brazil's National Congress and party leaders to dismiss the proposal to overturn the veto. For more details, please contact IATA's Assistant Director, External Relations for Brazil, [Marcelo Pedroso](#).

COLOMBIA: SUPERINTENDENCY OF TRANSPORT ANNOUNCED REDUCTION OF REPORTING FREQUENCY



Following efforts by IATA and the industry, the Superintendence of Transport has initiated the dissemination of a new financial supervision model for the air transport sector. Recognizing the administrative challenges highlighted by IATA, which would arise from monthly or quarterly reporting, the authority has revised the information submission frequency. The new schedule now requires submissions biannually, significantly reducing the reporting burden on airlines. This change demonstrates the authority's responsiveness to industry input and its commitment to streamlining regulatory processes while maintaining effective oversight. For more details, please contact IATA's Country Manager for Colombia, [Paula Bernal](#).

CURACAO: ANTICIPATED REDUCTION IN CHARGES FOR NEXT THREE-YEAR CYCLE



On May 31, a charges review consultation was carried out corresponding to the next three-year cycle, 2025-2027. For both, airport and air navigation fees, reductions are proposed associated with the growth of operational levels. IATA will consolidate industry comments for submission by June 25. The ministerial decision associated with the final proposals will be adopted on October 31, 2024, and the new charges will become effective on January 1, 2025. For more details, please contact IATA's Charges Manager, [Guillermo Rodriguez](#).

DOMINICAN REPUBLIC: UPDATE ON TOURISM TAX



After the Superior Administrative Court (TSA) instructed JAC to re-evaluate the reconsideration recourses filed by a consortium of airlines, JAC filed an appeal in cassation against this ruling. Airlines in turn filed their defenses, and the matter is back under the TSA's review. Simultaneously, JAC extended the implementation date of the tourism tax resolution by another 60 working days, bringing the new effective date to August 15, 2024. For more details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

ECUADOR: GOVERNMENT FAILED TO INCLUDE INDUSTRY COMMENTS WHEN UPDATING PASSENGER RIGHTS CHART



The government of Ecuador is working on an update of their passenger rights regulations. The government asked the industry for comments which were provided in a timely manner. Unfortunately, the most recent version of the regulation does not include the comments provided by the industry. This proposed modification includes items such as compensations in case of delays and cancellations, right to retract, and the right to desist, amongst others. IATA has issued a letter to the government restating the industry concerns and offering additional comments on the items included in the final version of the document. For more details, please contact IATA's Assistant Director, External Affairs & Sustainability, [Alejandro Munoz](#).

MEXICO: LEGISLATIVE PERIOD ENDS WITHOUT OVERBOOKING PROHIBITION BILL MOVING FORWARD



Following extensive efforts by the industry and deliberations in Congress, the legislative session in Mexico concluded without the overbooking prohibition bill being discussed or approved. Consequently, this bill will be archived. Presidential and Congressional elections took place on June 2 and the subsequent legislature and the ordinary sessions are scheduled to commence on 1 September. IATA will maintain a close watch for any new proposals that may emerge from the incoming Congress. For more information, please contact IATA's Country Manager for Mexico, [Cintya Martinez](#).

PERU: SUMMARY & KEY TAKEAWAYS OF MEETING WITH PRIME MINISTER OF PERU



In a meeting with Peru's Prime Minister and Ministers of Transport and Tourism and Trade, alongside industry leaders, we discussed the government's emergency decree to address ATC and airport operations related to the new LIM airport opening. The decree, while a step forward with CORAP, does not fully address the underlying issues, and air transport lacks overall prioritization in government policy. Key points included: 1) Recent closure of LIM: Plans to restructure CORPAC and improve ATC services need political backing. IATA will collaborate with CORPAC on industry standards. 2) New Terminal: Despite concerns, the Premier is set on opening the new terminal by December 18, 2024. Airlines seek transparency from Lima Airport Partners (LAP) and assert no responsibility for service impacts. Discussions continue to maintain operations during LAP's proposed runway maintenance. 3) Costs and Fees: IATA opposes passing \$2 billion construction costs onto users and advocates for passenger transit fee removal. Negotiations with the government are challenging but ongoing. A formal letter and press release will follow to express IATA's positions and concerns. For details, contact IATA's Country Manager for Peru, [Martin La Rosa](#).

THE BAHAMAS: UPDATE ON BANSA OVERFLIGHT FEES



On May 22, IATA and A4A submitted industry comments to BANS on the proposed air navigation charging scheme. BANS confirmed that they are reviewing the contributions to provide responses before the second meeting rescheduled for June 18. Expansion of the process was informed by BANS. The third meeting will be held on July 12. If there is agreement between the parties, the new fees schedule will be implemented on August 1, 2024. For more details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

UNITED STATES: IATA JOINED LAWSUIT TO CHALLENGE US DEPARTMENT OF TRANSPORTATION RULING



IATA has joined Airlines for America (A4A) in filing a lawsuit to challenge the US Department of Transportation's recent "Enhancing Transparency of Airline Ancillary Service Fees" final rule, which would require a fundamental restructuring of the distribution systems of member airlines serving the US. IATA and A4A will ask the 5th Circuit Court of Appeals to stay (freeze) the rule until there is hearing on the merits, which will happen sometime later this year. For more details, please contact IATA's Vice President, Member & External Relations, [Doug Lavin](#).

IATA: INDUSTRY STATEMENT TO DEEPEN COLLABORATIVE EFFORTS TO COMBAT IRREGULAR MIGRATION IN THE AMERICAS



IATA and its member airlines issued a [joint statement](#) to address the global challenge of irregular migration, particularly in the Americas. IATA and its members are dedicated to facilitating global air travel that strengthens family bonds, boosts tourism, and drives economic growth while collaborating with governments and international bodies to address the challenges posted by irregular migration. This commitment aligns with the Los Angeles Declaration on Migration and Protection and involves sharing information, building capacity, and providing technical support. IATA urged regional states to enact policies that deter irregular migration, and airlines may also adopt commercial strategies within legal bounds to reduce irregular migration risks. For more details, please contact IATA's Assistant Director, Security and Facilitation, [Amilcar Gonzalez](#).

IATA: SUMMARY OF AMERICAS FRAUD PREVENTION MEETING



The 2024 IATA Regional Fraud Prevention Annual Meeting for the Americas was held. This event brought together airline representatives, travel agents, and experts from Mastercard, Visa, LexisNexis, Accertify, Chargeback911, Unico, Incode, IATA IFG, and Amadeus. Participants discussed fraud prevention strategies, payment trends, cybersecurity, dispute resolution, loyalty program fraud, and biometric payment systems. Key outcomes included plans for a detailed webinar on NDC and payments, and the formation of local groups to advance 3DS implementation in the region. For more details, please contact IATA's Risk Manager, [Juliana Nakano](#).