



Dear Colleagues,

As part of IATA's Global Media Days, I am pleased to share the release of IATA's new Value of Air Transport Country Reports, jointly produced with Oxford Economics, highlighting air transport's significant impact on a country's economy, creating jobs, enabling trade, and boosting tourism, among other benefits.

The reports cover various aspects, from GDP contribution and employment impact to key aviation metrics, including connectivity and affordability. You can view all available global reports on this [interactive map](#), including the currently available 17 reports for the Americas region. While the reports are currently only available in English, we will provide translated versions in the local language (Spanish, Portuguese or French) in early 2025.

We believe these insights will be invaluable when meeting with government authorities and other industry stakeholders to enhance their understanding and leveraging the economic benefits of air transport and we will be heavily using the available data in our pro-active outreach to make air transport more competitive in the Americas. We hope you will find the studies equally useful in your own advocacy efforts.

IATA also released its latest [global industry outlook](#) with some positive overall takeaways: Over the past year, Brent crude oil prices have dropped by 20% due to oversupply and shifting energy demands, particularly in China.

Despite a stable global GDP at 3.2%, this price drop is not linked to a weakening economic cycle. Lower oil prices are expected to reduce headline inflation, potentially easing monetary policy and weakening the US dollar, which supports household spending power and global growth. For oil-importing countries, improved current accounts and financial positions offer a chance to reform fossil fuel subsidies and invest in renewable energy.

Passenger traffic remained strong in 2024 and is expected to continue growing in 2025, surpassing pre-pandemic levels. The cargo market also saw robust demand in 2024, driven by e-commerce and shipping constraints, and this strength is expected to continue in 2025. Despite rising costs and supply chain issues, the airline industry is projected to achieve a net profit of USD 31.5 billion in 2024 and USD 36.6 billion in 2025, with revenues surpassing USD 1trillion. You can view all topics and supporting infographics and presentations shared at IATA's Global Media Day [here](#).

Please find IATA's latest activities across the Americas below. Do not hesitate to reach out with any questions or ideas for follow up.

Lastly, I would like to thank you for your on-going support throughout 2024 and wish you and your families a pleasant holiday season and all the best for 2025!

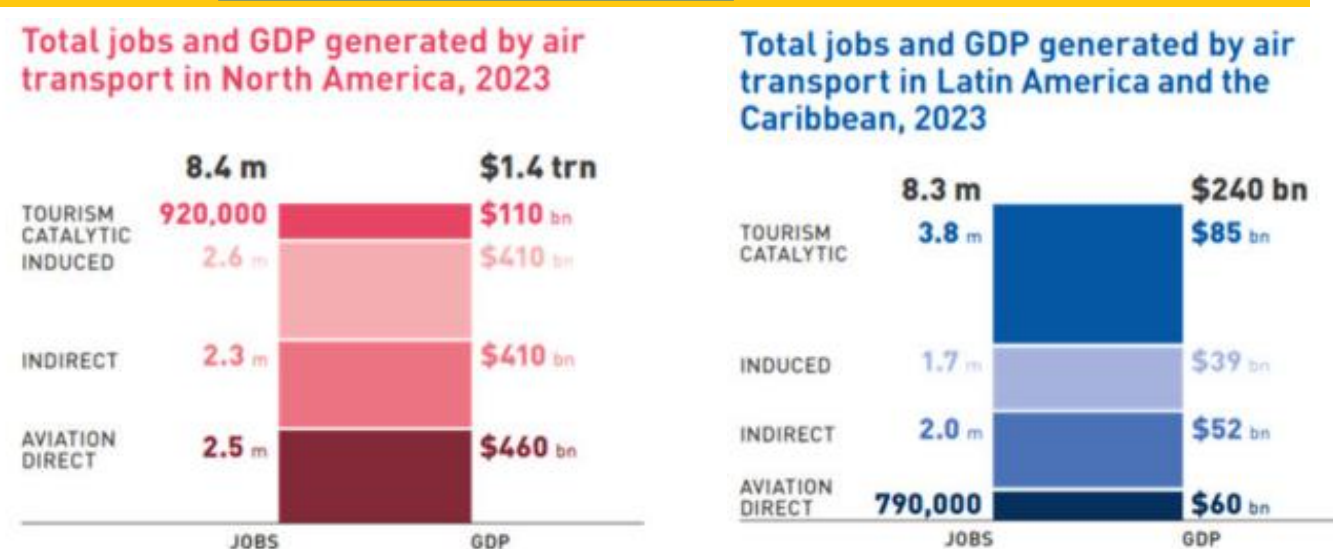


PETER CERDÁ
REGIONAL VICE PRESIDENT
THE AMERICAS



DETAILED REGIONAL CONTRIBUTIONS TO TOTAL JOBS & GDP

SOURCE: ATAG [AVIATION BENEFITS BEYOND BORDERS](#) / OXFORD ECONOMICS DATA



IATA'S GLOBAL OUTLOOK: NET PROFIT PER PAX

FULL ANALYSIS [HERE](#)

Net profit per departing passenger (USD)	2024	2025
Africa	0.9	1.0
AsiaPacific	1.8	1.8
Europe	8.2	9.2
LatAm	3.2	3.8
Middle East	23.1	23.9
NorthAm	10.3	11.8
Industry	6.4	7.0

ARGENTINA: IATA EXPRESSED THE NEED TO ADHERE TO WASG ON SAT'S PROPOSED SLOT REGULATION



As outlined in Decree 599/24, Argentina's Subsecretary of Air Transport (SAT) issued a first draft of temporary Regulation for Allocation of Capacity and/or Frequencies for national or international air services. On November 29, the authority shared the document with different industry stakeholders and granted a 10-day term for review and comments. IATA analyzed the draft norm thoroughly and sent a letter to the SAT expressing its concerns and urging the adherence to the Worldwide Airport Slot Guidelines (WASG) while offering our expertise to collaborate in the elaboration of a solid capacity coordination norm. Discussions are expected to continue along the next weeks. For more details, please contact IATA's Country Manager for Argentina, [Maria Jose Taveira](#).

ARUBA: INCREASE IN AIRPORT CHARGES TO ALIGN WITH INFLATION RATE



The Aruba Airport Authority informed all operators of the upcoming increases in airport passenger and aircraft fees, effective January 1, 2025. This increase is part of the airport charges regulation, and the adjustments were done to align with the inflation rate and cover rising operational costs, as indicated by the latest Consumer Price Index (CPI) of 1.0% published by the Central Bureau of Statistics in Aruba. Local airline stakeholders were informed, but no formal consultation occurred. The adjustments include increases in the passenger facility charge, general usage charge, security charge, special facility charge, and transfer fees by USD 0.05 to USD 0.35, while landing and parking fees will rise by 1%. For details, contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

BONAIRE: INCREASE IN VARIOUS AIRPORT CHARGES



Effective January 1, 2025, the landing fee, passenger facility charge, security service charge, and transfer tariff at Bonaire International Airport will increase, ranging from 3% to 10%, driven by operational enhancements, including the implementation of a new Hold Baggage Screening X-Ray system and the renewal of the airfield ground lighting system. Increased operational costs due to new legislation raising minimum wages also contributed to the fee adjustments. IATA shared details with airline members for feedback and concerns, but none were received. For more details, contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

BRAZIL: UPDATE ON TAX REFORM AND POTENTIAL VAT FOR INTERNATIONAL FLIGHTS



Brazil's Tax Reform, through Complementary Bill (PLP) 68/2024, replaces consumption taxes with a dual VAT model. The Senate accepted industry amendments for tax exemptions on goods used onboard international flights, including fuel. However, the government reinstated VAT on international air tickets originating in Brazil, with an anticipated base rate of 26.5%, which may increase, effective in 2027. IATA will raise the industry's concerns with the executive branch, emphasizing international agreements and reciprocity rules to seek tax exemptions for international segments. There is also potential for a legal review to include these exemptions in the law. To develop an advocacy strategy, IATA will establish a Working Group with airlines and fellow associations to push back against the proposal. For details, contact IATA's Assistant Director, External Relations, Brazil, [Marcelo Pedroso](#).

BRAZIL: LITIGATION - IATA'S ENGAGEMENT WITH THE NATIONAL SCHOOL OF MAGISTRATES



IATA met with the National School of Magistrates, including Dr. Marcela Bocayuva, the School's Coordinator, and Nelson de Moraes, the former president of the Minas Gerais Court of Justice (TJMG) and the current president of the National School of Magistrates (ENM). IATA and ENM agreed to sign a Memorandum of Understanding to develop joint structured actions including regional seminars for judges and visits to airline OCCs for operational familiarity, which are scheduled to start in March 2025. Participants at the MoU signing will include IATA, ENM, the President of the National Association of Magistrates, and ANAC to increase visibility for the initiative. For more details, please contact IATA's Assistant Director, External Relations, Brazil, [Marcelo Pedroso](#).

BOLIVIA: UPDATE ON CURRENCY REPATRIATION CHALLENGES & FUEL PAYMENTS



IATA continues to address currency repatriation challenges in Bolivia. Despite government promises, no concrete progress has been made so far. IATA urged the Minister of Public Works to act, and IATA's Director General Willie Walsh highlighted [the issue](#) at IATA's Global Media Day, resulting in significant media coverage, and prompting the Minister to commit to raising the topic at a Cabinet meeting. At the same time, airlines reported that fuel provider YPFB demanded partial USD payments, contradicting prior commitments. IATA immediately issued a [press release](#) to express the industry's concerns and as a result, YPFB and DGAC confirmed airlines can continue to pay in BOB. IATA met with the DGAC and confirmed a virtual meeting with the Minister of Public Works for December 23, 2024. The Minister assured IATA through a formal letter that efforts are underway to resolve the repatriation issues in the coming days. For more details, please contact IATA's Area Manager for Bolivia, [Martín La Rosa](#).

CANADA: JOINT INDUSTRY LETTER ADVOCATES FOR A MORE COMPETITIVE AIR TRAVEL SYSTEM



IATA, along with NACC, ATAC, A4A, and the Canadian Chamber of Commerce, expressed industry concerns and co-signed a letter ahead of the December 2024 Provincial and Territorial Premiers meeting to advocate for a more competitive and cost-effective air travel system. The [letter](#) highlighted that the lack of competitiveness in the Canadian air travel system will worsen if the costly reforms proposed by the CTA are enacted. These reforms include proposed regulations to the APPR and a 'cost recovery' proposal requiring airlines to pay \$790 for each passenger claim submitted to the CTA. The letter also calls for a comprehensive review of all federal fees, charges, and taxes in air travel to enhance the competitiveness of the Canadian air travel system. For more details, contact IATA's Vice President, Member & External Relations, North America, [Doug Lavin](#).

CHILE: SUMMARY OF KEY STAKEHOLDER MEETINGS



Last week, IATA met with Chilean Undersecretary of Interior Luis Cordero to address security and immigration challenges at Santiago's Arturo Merino Benítez Int'l Airport (SCL). Key issues included long lines, inefficient staff use, and inadequate technology. Short-term solutions involve increasing staff during peak periods, while long-term plans focus on structural changes and better technology use. IATA also discussed the high number of illegal immigrants using Chile as a transit point and agreed to provide best practices and participate in coordination meetings. Additionally, IATA met with General Carlos Madina of the Civil Aviation Authority to prevent air traffic controller strikes and improve operations. Key topics included lifting noise restrictions at SCL and enhancing the Green Flight Program. For more details, please contact IATA's Country Manager for Chile, [Helen Kouyoumdjian](#).

COSTA RICA: CONSTITUTIONAL COURT DECLARES THAT LOW-COST BILL DOES NOT VIOLATE CONSTITUTION



Following the approval in first debate of the law "to promote low-cost travel in Central America", members of the National Assembly presented an injunction to the Constitutional Court stating that several of its articles violated the country's constitution. The Constitutional Court declared that the bill does not violate the constitution. The ruling paves the way for the law to be passed once ordinary sessions resume on 1 February. IATA will continue advocacy efforts to express the industry's opposition to the initiative. For more details, please contact IATA's Area Manager for Central America, [David Hernandez](#).

MEXICO: MEETING WITH ENERGY UNDERSECRETARIES TO DISCUSS INDUSTRY'S ENERGY TRANSITION POSITION



On 10 December, IATA met with Mexico's energy undersecretaries to discuss the industry's position on energy transition. The aviation industry emphasized its commitment to international environmental standards. Undersecretary Jorge Islas outlined the administration's goal to establish a long-term renewable energy policy under President Claudia Sheinbaum. Improved government coordination and a proposal for energy transition are priorities. Two strategic actions were proposed: expanding the existing working group to include government-level participation and updating the regulatory framework. Industry feedback on the national energy transition plan is requested. For details, please contact IATA's Senior Manager, External Affairs & Sustainability, [Pedro de la Fuente](#).

PERU: UPDATE ON TRANSFERABILITY OF TICKET BILL IN CONGRESS



Peru's Congress recently approved Bill No. 5562-2022, which allows the free transfer of domestic and international air tickets up to 24 hours before the flight and imposes fines on airlines for service failures. However, following joint actions by IATA and AETAI, the President deemed the law unnecessary, stating that the right to transfer tickets and other services is already covered by the existing Consumer Protection Regulation. In an unusual move, the government returned the bill to the Transport Commission of Congress for further discussion. IATA will continue to monitor the discussions. For details, contact IATA's Area Manager for Peru, [Martín La Rosa](#).

UNITED STATES: DOT ISSUES "PRE-RULE" ON PASSENGER COMPENSATION



On 5 December 2024, the US Department of Transportation issued an Advance Notice of Proposed Rulemaking (ANPRM) on passenger compensation for controllable flight disruptions that is largely modeled on the EU-261 and Canada Air Passenger Protection Regulations compensation regimes. IATA immediately issued a [press release](#) opposing the proposal. Comments on the ANPRM are due on 10 February 2025, which will be after the new Trump Administration takes office. Rather than submitting comprehensive comments, IATA will file a request to the new Administration to suspend or eliminate this file. For more information, please contact IATA's Vice President, Member & External Relations, North America, [Doug Lavin](#).

UNITED STATES: FAA ISSUES FINAL RULE ON DRUG & ALCOHOL TESTING AT FOREIGN REPAIR STATIONS



On 16 December 2024, the Federal Aviation Administration issued a congressionally-mandated final rule that requires Part 145 certificated repair stations located outside of the United States to conduct alcohol and controlled substance testing on employees who perform safety-sensitive maintenance functions on Part 121 aircraft. The testing must be done in a manner that is acceptable to the FAA Administrator and consistent with the applicable laws of the country in which the repair station is located. However, the final rule also allows foreign governments, on behalf of certificated repair stations within their territories, and individual foreign repair stations subject to the rule to obtain the FAA's recognition of a compatible alternative that contains minimum criteria in lieu of compliance with certain components of the rule. For details, please contact IATA's Vice President, Member & External Relations, North America, [Doug Lavin](#).