



**Dear Colleagues,**

We continue to see strong growth in air travel demand around the globe, based on [February 2023 traffic results](#). North American carriers' traffic climbed 67.4% in February 2023 versus the 2022 period. Capacity increased 39.5%, and load factor rose 12.8% to 76.6%. Latin American airlines had a 44.1% traffic increase compared to the same month in 2022. February capacity climbed 34.0% while the load factor rose 5.8% to 82.7%, the highest among the regions.

While passenger demand is strong, we continue to face economic and regulatory challenges across many parts of the Americas region. The situation in Colombia is particularly concerning due to adverse economic conditions, resulting in two airlines ceasing operations, and putting the industry in the media and government spotlight and under significant public pressure. In response to the exit of the two airlines, the government announced a variety of measures as an emergency response, including a proposal to mandate that payment for airline tickets only be done at flight departure, rather than at the time of booking.

IATA quickly pushed back on the measure, met with the Government and issued a [press release](#) in the Colombian market. Changing the current cash-flow of airlines would require a complete overhaul of the business model, not only negatively affecting the economic viability of airlines but also lowering the choice for passengers in terms of flights and fares. Another proposal was issued by the travel agency community, supported by various political stakeholders, to push for a financial guarantee for airlines which would be used to refund passengers when an airline goes out of business.

We continue to oppose the financial guarantee proposal as it ultimately would result in higher airfares for the passenger and jeopardize the viability of airlines to continue serving the Colombian market. Instead of putting new restrictions in place for airlines, IATA called on the authorities to urgently consider the reintroduction of some of the measures used to support the industry during the pandemic, such as the reduction of VAT on airline tickets and jet-fuel, which would support the sector and strengthen the travel and tourism sector in the country. We will move forward with our plan to hold an [Aviation Day for Colombia](#) in Bogota on May 9<sup>th</sup> to send a strong and unified message to the Government and impacted stakeholders that aviation plays a critical role in the country's economic recovery from the pandemic. To mark your calendars, please see below all of IATA's planned Aviation Days in the Americas region as well as the [Wings of Change](#) Conference taking place in Mexico City on June 27 and 28.

To end on a good note, Ecuador announced its planned reduction of the Potencia Turistica and Eco Delta taxes, effective June 1, demonstrating the Government's strong commitment to promoting travel & tourism and recognizing the vital role that air transport plays in increasing trade, and employment opportunities in the country. See the immediate impact on ticket prices below.

Please find IATA's most recent activities across the Americas below and let me know if you have any questions or suggestions.



**EXAMPLES OF TAX REDUCTION IMPACT IN ECUADOR**

Estimates based on one-way flights, booked 1 month out.  
Source: Ecuador – Ministry of Transport

	Before	Now	Savings
UIO → BOG	\$139.10	\$89.45	\$49.95
GYE → MIA	\$240.90	\$195.90	\$45
GYE → LIM	\$206.25	\$161.20	\$45.50

**IATA UPCOMING EVENTS**

- IATA AVIATION DAY COLOMBIA** - Bogota, May 9
- IATA AVIATION DAY ECUADOR** - Guayaquil, June 21
- IATA WINGS OF CHANGE AMERICAS** - Mexico City, June 27-28
- IATA AVIATION DAY COSTA RICA** - San Jose, September 19

**BRAZIL: INTENTION TO IMPLEMENT NEW ELECTRONIC PRE-ARRIVAL ADVANCE CARGO INFORMATION REQUIREMENTS**

The Brazilian Customs (Federal Revenue Service of Brazil/RFB) have recently confirmed their intention to implement new electronic pre-arrival Advance Cargo Information requirements for air cargo arriving in Brazil, based on the IATA Cargo-XML messaging standard. The expected go live date is July 2023. The Cargo and Transit Control Air module (Air CCT) was developed in close cooperation with IATA and the local stakeholders. The implementation phase, using the Siscomex Single Window training environment, began in January 2023 and is planned to last for six months. During this timeframe, air cargo stakeholders are strongly encouraged to start using the testing environment, so that systems can be adapted to the new processes. For more details, please contact IATA's Head of Cargo for the Americas, [Laura Pullins](#).



**BRAZIL: DRAFT PROPOSAL FOR THE TRANSPORT OF ANIMALS**

The National Civil Aviation Agency (ANAC) has issued a draft proposal for an ordinance on the general conditions for the transport of animals (including pets and emotional support animals) applicable to the carriage of passengers, both in domestic and international operations. IATA is preparing industry comments to be submitted by 17 April to ensure that whatever is mandated is in line with the operational and safety conditions required for air transport operations. For more details, please contact IATA's Country Manager for Brazil, [Dany Oliveira](#).



**CANADA: PRE-BUDGET CONSULTATIONS OF THE 2023 FEDERAL BUDGET**

IATA wrote to Canada's Finance and Transportation Ministers in response to the Federal Budget announced on March 28. IATA stated the Canadian government missed the opportunity to follow recommendations from the House of Commons Committee on Transport, Infrastructure, and Communities. The federal budget failed to address recommendations that included reinvestment into airport infrastructure from revenues the Federal Government obtains from Crown rent. The budget also proposes to increase the air traveler's security charge by 33% effective 2024. IATA and NACC are coordinating to meet with the Transportation Minister's office in May. For details, please contact IATA's Vice President, Member & External Relations, North America, [Doug Lavin](#).



## CANADA: INDUSTRY OPPOSITION TO GTAA'S PEAK PRICING PROPOSAL

Toronto Pearson



IATA is challenging a proposal by the Greater Toronto Airports Authority (GTAA) proposal introducing the peak pricing concept, charges based on slot allocation, and redefinition of apron usage charges. GTAA is justifying the rationale for this peak traffic charging to improve the use of infrastructure and influence airlines' behavior. If implemented, airlines will be charged based on peak arrival and peak departure times, with the peak times varying by season. IATA voiced the industry concerns in a letter to GTAA, opposing peak pricing as it is not effective in easing capacity constraints, causes operational disruptions, increases charges for airlines, and is discriminatory. GTAA will review IATA's and the airlines feedback at their next commercial affairs subcommittee meeting. For details, contact IATA's Country Manager, US & Canada, [Ben Barrocas](#).

## CHILE: TAX REFORM UPDATE



Under President Boric's mandate, national tax reform was proposed and debated in Congress and was ultimately rejected by the lower chamber. During these discussions, IATA and local BAR (ACHILA) held several meetings to lobby against any proposal to include aviation in any tax reform. After recent setbacks, it is most likely that the Government will present a new proposal as "corrective taxes," which may be tabled and discussed during the current legislative session in Congress or postponed to the 2024 congressional agenda. These taxes are expected to be applied to fuel sales used for domestic travel, including jet fuel, and anticipated to increase in value over the years. For details, please contact IATA's Country Manager for Chile, [Gabriela Peralta](#).

## CHILE: INDUSTRY PROPOSAL TO OPTIMIZE AIRSPACE



IATA and airlines met with Chile's Civil Aviation Authority to propose a working program to optimize the Chilean airspace by expanding current airspace concepts (e.g. independent approaches for SCL) and implementing initiatives with the use of new navigation specifications (e.g. A-RNP and RNP2). The program includes planning and implementing an Airport Efficiency Program and review of the SCL Master Plan to optimize the airport's infrastructure and operations. All program items aim to support environmental sustainability by tracking CO2 emissions reduction data and corresponding industry savings. For more details, please contact IATA's Assistant Director, Safety & Flight Operations, South America, [Julio Pereira](#).

## COLOMBIA: CONCERNING PRICE CONTROL DISCUSSIONS



The Ministers of Transport and Commerce held a press conference in San Andres to announce measures aimed at mitigating the current crisis air transport faces in the country, including a special tax scheme for flights to and from San Andres, as well as a review of oil prices. In addition, the Minister of Transport stated that price controls would be implemented to prevent abuses against consumers. Following the announcement, IATA immediately reached out for clarification and the Minister indicated that he had been misunderstood and clarified that he was referring to the legal competence that Colombian authorities already possess to monitor prices and control them in certain circumstances, such as in the loss of connectivity. The Minister of Commerce also stated publicly that the government is not currently considering any price control policies. As a follow up, IATA sent a letter expressing the industry's concerns on any price control measures and scheduled a meeting with the authorities in the coming days. For more details, please contact IATA's Country Manager for Colombia, [Paula Bernal](#).

## DOMINICAN REPUBLIC: INTENTION TO DECLARE SDQ AS A WASG LEVEL 2 AIRPORT



IATA has been in conversations with AERODOM regarding their decision to declare Santo Domingo Las Américas International Airport (SDQ) as a level 2 airport where IATA has provided all related information about requirements, level change procedures, capacity analysis, etc. AERODOM has communicated with the airlines about level 1 data collection for summer 2023 and indicated that a change to level 2 is anticipated for Winter 2023. However as per the Worldwide Airport Slot Guidelines (WASG), IATA and airlines are still awaiting formal notification from AERODOM regarding the change to level 2. The deadline to accomplish this is April 14. We continue to keep in close contact with AERODOM and the Civil Aviation Authority IDAC to ensure that the worldwide airport slots guidelines are observed. For more details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

## ECUADOR: REDUCTION OF TOURISM TAXES



The Government of Ecuador has officially announced the reduction of the Potencia Turistica (US\$10) and Eco Delta (US\$50) to 5% of the airfare with a maximum of US\$10 and US\$50 for each corresponding tax, effective June 1, as part of the Government's strategy to create a more competitive environment for air transport. IATA [welcomed](#) this reduction, which is the result of years of advocacy efforts and was one of the commitments made between the industry and the Government during the IATA Aviation Day Ecuador in 2022. For details, please contact IATA's Manager, Industry Relationships, Central America & Ecuador, [Lucas Castellon](#).

## NORTH ATLANTIC: 10 DAY ZULU TRACK ELIMINATION TRIAL FOR OPTIMIZED FLIGHT OPERATIONS



IATA and airlines have made a formal proposal to ICAO and ANSPs in the North Atlantic for further efficiencies with regards to the Oceanic Track System (OTS) following the successful trial (elimination of the New York "Zulu" track) that obtained fuel/time savings. The industry's request is to reduce the oceanic tracks from seven down to three daily, thus permitting airlines to flight plan for optimal routings instead. For details, contact IATA's Assistant Director, Operations, Safety & Security, the Americas, [Jeff Miller](#).

## PANAMA: BILL UNDER DISCUSSION TO REGULATE OVERBOOKING AND FLIGHT CANCELLATION



A bill was introduced to the Transport Commission National Assembly to regulate passenger rights in case of overbooking and/or flight cancellations. IATA and ALAP, pointed out to the authorities that this matter is already covered in the changes to the civil aviation law that the Civil Aviation Authority has agreed with support from the industry, and which will be presented to the Cabinet as an initiative from the Executive branch. For more details, contact IATA's Area Manager, Central America, [David Hernandez](#).

## UNITED STATES: NEW YORK AIRPORTS OPERATIONAL INTEGRITY SLOTS WAIVER



The Federal Aviation Authority (FAA) announced the NYC operational integrity waiver, a limited slot return policy for JFK, LGA (DCA) and EWR (Level 2), to proactively manage a specific period this Summer when they have identified impacts from a lack of FAA ATC resources for the New York area approach will reduce performance. This waiver is a sensible approach taking the Worldwide Airport Slot Board (WASB) recommendation for voluntary slot return in advance when planned schedules are unable to be managed. Similar approaches have been implemented for airport capacity reductions made after capacity declaration and allocation. For more details, please contact IATA's Vice President, Member & External Relations, North America, [Doug Lavin](#).

## UNITED STATES: SAF EXCISE TAX EXEMPTION



In August 2022, the US Congress passed the Inflation Reduction Act (IRA) which contained a tax credit for producers of sustainable aviation fuel. Subsequently, the Department of the Treasury and Internal Revenue Service issued guidance on the tax credit indicating that the SAF portion of a blend would be subject to excise taxes on kerosene (4.4 cents per gallon on kerosene used in commercial aviation and 21.9 cents per gallon on fuel used in all non-commercial aviation). However, when the tax credit was passed, it was the understanding and intent of stakeholders that the SAF portion of any blend would be exempt from the federal excise taxes on kerosene. IATA, A4A and other aviation stakeholders have requested that the Congress include language in the upcoming Federal Aviation Administration (FAA) Reauthorization bill to codify the SAF excise tax exemption. For more details, please contact IATA's Vice President, Member & External Relations, North America, [Doug Lavin](#).