

WASHINGTON AVIATION SUMMARY

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I. <u>REGULATORY NEWS</u>

1. NTSB: Missing Bolts Led to Alaska Air Boeing 737-9 Accident.

In its preliminary report on the January 5 Alaska Airlines midair emergency, in which an exit door plug on the Boeing 737-9 "departed the airplane leading to a rapid decompression," the National Transportation Safety Board (NTSB) said bolts used to secure the door were removed at a Boeing factory and not re-installed.... Boeing President and CEO Dave Calhoun said the company "is taking immediate action to strengthen quality." In an executive shakeup, Boeing Renton manager Ed Clark left the company and a new position was created to oversee guality control at Boeing Commercial Airplanes. . . . The Federal Aviation Administration (FAA) is considering use of an independent third-party to oversee Boeing inspections and quality oversight, Administrator Mike Whitaker told Congress. After visiting Boeing's 737 production line in Renton and meeting with personnel, Whitaker said, "We are aggressively expanding oversight of new aircraft with increased floor presence at all Boeing facilities." Whitaker met with airline CEOs "to ensure the aviation industry continues expanding safety management systems and finding ways to share information transparently," and provided an update on the agency's enhanced oversight activities of Boeing and its suppliers. . . . In related news, FAA released a report by an expert panel on Organization Designation Authorizations (ODA) for the Design and Production of Airplanes, and promised a thorough review and determination of next steps. The panel found deficiencies in Boeing's safety culture and employee confusion about processes, among other things, and made 53 recommendations. Congress ordered the study after the fatal Max crashes in 2018 and 2019.

2. DOT Approves Additional Flights by Chinese Airlines.

The U.S. Department of Transportation (DOT) increased the number of weekly round-trip scheduled passenger flights Chinese airlines may operate to and from the United States to a total of 50 in the aggregate, effective March 31, 2024; the number currently is 35. The order applies Chinese airlines operating scheduled service to the U.S. This action is "a significant step forward in further normalization of the U.S.-China market in anticipation of the Summer 2024 traffic season," said DOT; and "we look forward to continued dialogue with Civil Aviation Administration of China (CAAC) to further implement a roadmap to provide for a gradual, broader reopening of the U.S.-China air services market."

3. Delta: DOT's Delta/Aeromexico Decision is "Regulatory Overreach."

Reacting to DOT's tentative decision, in January, to dismiss its application with Aeromexico to renew approval and grant of antitrust immunity for their Joint Cooperation Agreement, Delta said the "unprecedented, regulatory overreach by the DOT will cause significant harm to consumers traveling between the U.S and Mexico. Mexico is our country's second largest trading partner and the [agreement], which is responsible for the launch of 15 routes between the U.S. and Mexico, has been critical to connecting communities and businesses in both countries, while generating substantial economic benefits for U.S. businesses. Delta will take all necessary steps [to ensure] continued delivery of important benefits to consumers in the U.S.-Mexico market." DOT cited actions by the Mexican government regarding operations at Mexico City Benito Juárez International Airport that do not comply with obligations under the U.S.-Mexico Aviation Agreement. American Airlines filed a response in support of the DOT tentative decision.

4. <u>Comment Period Ends on FAA's 25-Hour CVR Proposal.</u>

The comment period on FAA's notice of proposed rulemaking (NPRM) titled "25-Hour Cockpit Voice Recorder (CVR) Requirement, New Aircraft Production," published on December 4, 2023, ended on February 2. Several organizations expressed support, while unions called for protections. NTSB said it "does not fully support the NPRM because it does not propose a similar requirement to retrofit existing airplanes required to carry a CVR and a flight data recorder." The NPRM would increase recording time of CVRs from the currently mandated two-hour loop to a 25-hour loop for all future manufactured aircraft and, said FAA, "ensure harmonization with existing international requirements such as, International Civil Aviation Organization (ICAO), European Union Aviation Safety Agency (EASA), and other civil aviation authorities (CAAs)."

5. FAA Accelerates ATC Training, Hiring with Enhanced College Program.

FAA is working to accelerate training and hiring of air traffic controllers through an Enhanced Air Traffic-Collegiate Training Initiative (AT-CTI) program, which allows candidates to begin facility training immediately upon graduation. FAA is authorizing institutions in the program to provide the same thorough curriculum offered at the FAA Air Traffic Controller Academy. After graduating from eligible schools, new hires can immediately begin localized training at an air traffic facility. These graduates still must pass the Air Traffic Skills Assessment (ATSA) exam and meet medical and security requirements. Colleges will apply to join the Enhanced AT-CTI program in April and FAA will sign partnership agreements with selected institutions that incorporate the new curriculum. To ensure the highest quality of the Enhanced AT-CTI graduating students, FAA has provided guidance on academy criteria and coursework and will oversee all program requirements. These schools will follow all technology, testing, oversight and participation requirements of the new Enhanced AT-CTI program, a non-funded partnership between select colleges and universities and FAA.

6. Industry Forms Aviation Supply Chain Integrity Coalition.

The Aviation Supply Chain Integrity Coalition has been created by the U.S. and European aerospace industry to prevent introduction of unapproved aviation parts into the supply chain. Founding members include senior representatives from Airbus, American Airlines, Boeing, Delta, GE Aerospace, Safran, StandardAero and United. Former NTSB Chairman Robert Sumwalt and former DOT Deputy Secretary John D. Porcari are coalition co-chairs. A 90-day review will form the basis of a comprehensive report later this year.

7. Laser Strikes at Aircraft Sharply Increase.

FAA received 13,304 pilot reports of dangerous laser strikes last year, an increase of 41% over 2022, and the highest number since FAA began recording data on laser strikes in 2010. High-powered lasers can incapacitate pilots who may be flying airplanes with hundreds of passengers. Pilots have reported 313 injuries since 2010. FAA can levy fines of up to \$11,000 per violation and up to \$30,800 for multiple laser incidents. Violators can also face criminal penalties from federal, state and local law enforcement agencies. "There's a need for education, outreach, and cooperation from the public to address this safety risk. We encourage you to report laser strikes to the FAA via our website or to your local law enforcement agency," said FAA Administrator Michael Whitaker.

II. <u>AIRPORTS</u>

1. FAA Grants Nearly \$1 Billion to Airports.

FAA has awarded \$970 million to 114 airports, including Chicago O'Hare (\$40 million), Washington Dulles (\$35 million), Los Angeles International (\$31 million), San Francisco International (\$31 million), Charlotte Douglas International (\$27 million), and Denver International (\$26.6 million). The funding comes from the Airport Terminal Program, one of three aviation programs created by the Bipartisan Infrastructure Law. . . . FAA will award \$245.9 million in fiscal year 2024 Airport Infrastructure Grants (AIG). The 153 grants include \$45 million to Dallas-Fort Worth, \$18 million to Sitka Rocky Gutierrez in Alaska, \$15.2 million to Ontario International in California, and \$5.5 million to Des Moines International in Iowa.

2. Global Air Passenger Traffic Will Reach \$9.7 Billion This Year.

Global air passenger traffic will reach 9.7 billion by the end of 2024, surpassing 2019 levels for international travel for the first time since the pandemic, forecasts Airports Council International, with international passenger traffic at 4 billion and domestic at 5.7 billion. The top five markets for air travel demand in 2023 were the United States, China, India, Spain and the UK, respectively.

3. Hollywood Burbank Breaks Ground for New Passenger Terminal.

Burbank-Glendale-Pasadena Airport Authority (BGPAA) broke ground on a new passenger terminal at Hollywood Burbank. The 355,000 square-foot facility will replace the existing terminal to meet FAA standards and state building requirements, while improving the overall passenger experience. The project, known as "Elevate BUR," includes a 45,900-square-foot aircraft parking area, a new parking structure with EV charging, and a new on-airport access road. Construction completion is expected in 2026.

4. John Glenn Columbus Plans \$2 Billion Upgrade.

A construction bid package was approved for a \$2 billion expansion project at John Glenn International in Columbus, Ohio, which includes a 36-gate replacement of a terminal built in 1958. The new 1,000,000 square-foot terminal will increase capacity to more than 13 million passengers annually.

5. JetBlue Obtains Slots Needed at Amsterdam Schiphol.

JetBlue has obtained all the slots it needs to continue operating at Amsterdam Schiphol throughout the summer. The European Commission said it "monitored the degree of congestion of the airport and operations of the joint venture between Air France-KLM, Delta and Virgin Atlantic to identify risk of serious and irreparable damage to competition for transatlantic traffic, in particular on the Amsterdam-New York route, and stood ready to intervene with interim measures in case JetBlue did not secure appropriate access to Amsterdam airport for the IATA Summer 2024 Season."

III. SECURITY AND DATA PRIVACY

1. DHS to Hire 50 Artificial Intelligence Experts in 2024.

U.S. Department of Homeland Security (DHS) plans to recruit 50 Artificial Intelligence (AI) technology experts this year, with a goal to secure travel and improve cargo screening, among other things. The AI Corps will bolster the DHS workforce with experts in AI and Machine Learning (ML) technologies, models, and applications.

2. <u>Denver Completes West Security Checkpoint.</u>

Denver International completed the 17-lane West Security Checkpoint, part of the second phase of the \$2.1 billion Great Hall Program expected to be completed in 2027. New equipment allows passengers to leave items like liquids and laptops in bags; automatically diverts carry-on bags that contain a prohibited item; has Unique Radio Frequency Identification (RFID) tags attached to each bin, for additional accountability of carry-on property; and has cameras that capture images of bin contents and are linked side-by-side to the X-ray image of a carry-on bag's contents. The new checkpoint opened on time and under budget, said airport CEO Phil Washington. The East Security Checkpoint will open in 2025 and provide another 17 screening lanes with advanced technology.

3. Amadeus, Imperva Offer Cybersecurity Services for Travel Industry.

Amadeus is launching end-to-end cybersecurity services for the travel industry with partner Imperva, a Thales company, which provides web application firewalls (WAF) and application security to help protect critical infrastructure applications and data against complex attacks. The "tailor made robust and comprehensive solution can help detect, prevent, and mitigate applicationlevel attacks, as well as provide visibility and intelligence on the evolving threat landscape," said Amadeus, and "has the potential to provide significant return on investment by enhancing the performance and availability of applications, while also reducing the risk of revenue loss and reputation damage from cyberattacks."

IV. TECHNOLOGY AND EQUIPMENT

1. <u>Travel Apps Introduced for New Apple Vision Pro.</u>

Trip.com Group launched Trip.Vision, an app developed exclusively for Apple's new headset, the Apple Vision Pro, enabling users to virtually immerse themselves in global landscapes, such as Mount Everest, Antarctica, and the Sahara Desert, through 360-degree panoramic videos. . . . With ForeFlight's free Voyager app, Vision Pro headset users can experience real-time operations at airports around the world in 3D. The app combines satellite and terrain imagery with live traffic data, allowing users to view information about aircraft and their destinations and watch them take off and land. "Apps like Voyager by ForeFlight give spatial context to the coordinated nature of air traffic control, creating the ultimate playground for aviation enthusiasts," says Apple. ForeFlight, a Boeing company, makes an electronic flight bag for pilots.

2. Joby to Launch Air Taxi Service in UAE.

Joby Aviation signed a definitive agreement with Dubai's Road and Transport Authority (RTA) to launch air taxi services in the Emirate by early 2026, with Joby targeting initial operations as early as 2025. California-based Joby will have the exclusive right to operate air taxis in Dubai for six years, with support from the RTA, including financial mechanisms, for entry and maturing of service operations in Dubai. Joby also signed an agreement with Skyports, which will design, build and operate four initial vertiport sites across Dubai. Dubai International Airport, Palm Jumeirah, Dubai Marina and Dubai Downtown will be launch locations for the service. Joby's aircraft is designed to carry a pilot and four passengers at speeds of up to 200 miles per hour and will be operated by the company, with a journey from airport to Palm Jumeirah in about 10 minutes compared with 45 minutes by car. Joby and the RTA have been working closely with the UAE General Civil Aviation Authority (GCAA) whose regulatory framework builds upon FAA standards. Joby has established a local operating entity and intends to recruit locally. The company will participate in the Smart and Autonomous Vehicle Industry (SAVI) cluster established by Abu Dhabi Investment Office, as part of exploring broader operations across the UAE. In November 2023, Joby's aircraft became the first electric air taxi to fly in New York City. Joby is listed on the New York Stock Exchange and has raised more than \$2 billion of funding, including investments from Toyota, Delta, SK Telecom, Uber and Baillie Gifford.

3. ITA Airways, Airbus, to Develop AAM Ecosystem in Italy.

ITA Airways and Airbus are partnering to promote and develop an Advanced Air Mobility (AAM) ecosystem in Italy. With vertiport network operator UrbanV and solutions provider Enel, they will focus on how to operate CityAirbus NextGen, an all-electric, four-seat vertical take-off and landing (eVTOL) prototype, and investigate standardization of ground services such as energy supply, charging infrastructures and support and service concepts.

4. <u>Cosmic Secures \$4.5 Million in Seed Funding.</u>

U.S.-European startup Cosmic Aerospace has raised \$4.5 million in seed financing to accelerate development of an electric aircraft capable of flying up to 600 miles. "Instead of relying on future battery improvements, Cosmic is focusing its engineering efforts on the development of a highly efficient airframe and propulsion system, unlocking flight ranges that elevate electric aircraft from a niche product into the mainstream aviation market." The company has built and tested an operational electric engine and is developing an embedded wing design. The first full-scale flight demonstration is expected in 2026, with entry into service targeted at end of decade. Cosmic was founded by alumnae of Boom Supersonic, NASA, Oxford and Kittyhawk.

V. ENERGY AND ENVIRONMENT

1. <u>Fuel Bill for Global Airline Industry.</u>

Average price of aviation jet fuel for week ending February 9 was \$114.59 per barrel, down 5.3% on prior month average, and down 2% on prior year average, according to the Jet Fuel Price Monitor, a joint IATA-Platts initiative.

2. FAA Finalizes Rule to Reduce Carbon Pollution from Large New Aircraft.

FAA released a final rule to reduce carbon pollution emitted by most large airplanes flying in U.S. airspace. The Airplane Fuel Efficiency Certification rule requires incorporating improved fuel-efficient technologies for airplanes manufactured after January 1, 2028, and for subsonic jet airplanes and large turboprop and propeller airplanes that are not yet certified. Examples of commercial airplanes that will be required to meet the standards include the Boeing 777-X and newly built versions of the Boeing 787 Dreamliner; the Airbus A330-neo; business jets such as the Cessna Citation; and civil turboprops such as the ATR 72 and Viking Air Limited Q400. The rule does not apply to airplanes currently in service.

3. United Sustainable Flight Fund Exceeds \$200 Million.

Aircastle, Air New Zealand, Embraer, Google, HIS, Natixis CIB, Safran and Technip Energies are now among 22 corporate partners that make up the United Airlines Ventures (UAV) Sustainable Flight Fund, an effort to reduce emissions and drive production of sustainable aviation fuel (SAF) through investments in startups. Since its inception in February 2023, the Fund's partners have committed more than \$200 million. In addition, more than 115,000 United customers have contributed nearly \$500,000.

4. Emirates Joins UK Low Carbon Investment Initiative.

Emirates is the first international airline to join The Solent Cluster, a UK initiative focused on low carbon investments established to reduce CO2 emissions from industry, transport and households on the South Coast of England. The Solent Cluster plans to create an SAF plant with estimated fuel production capacity of 200,000 tons per year, said officials. If approved, the plant could start operating in 2032. Jet fuel produced by the plant could avoid emissions of 563 kilotons of CO2 per year. Existing pipeline networks can supply SAF from the plant to major airports served by Emirates such as Heathrow and Gatwick.

5. Hong Kong Launches Coalition to Increase SAF Usage.

The Hong Kong Sustainable Aviation Fuel Coalition (HKSAFC) was launched to support the aviation sector's decarbonization. Cathay Pacific, co-initiator of the coalition, is joined by AFSC Operations Limited, Airport Authority Hong Kong, Board of Airline Representatives Hong Kong, Business Environment Council, China Aviation Oil (Hong Kong), ECO Aviation Fuel Services, EcoCeres, PetroChina International (Hong Kong), PricewaterhouseCoopers, Shell Aviation, Sinopec (Hong Kong) Aviation, Standard Chartered Bank and Swire Pacific. The HKSAFC aims to facilitate adoption of SAF in Hong Kong by conducting whitepaper research on SAF development, engaging with stakeholders and government, and raising public awareness of the benefits as well as challenges of SAF.

6. <u>Singapore Plans SAF Usage Targets Funded by Ticket Levy.</u>

Singapore plans to require all departing flights to use 1% SAF from 2026 and 3-5% by 2030, subject to global developments and availability and adoption of the fuel. A new passenger tax will fund the initiative.

VI. U.S. CONGRESS

1. <u>Senate Committee Passes Senate FAA Reauthorization Bill.</u>

The Senate Commerce Committee voted to advance the FAA Reauthorization Act of 2023, which authorizes more than \$107 billion in appropriations for FAA and \$720 million for NTSB for fiscal years 2024 through 2028, and boosts Airport Improvement Program (AIP) funding over the next five years from \$3.35 billion to \$4 billion Among provisions, the bill requires airplanes to be equipped with 25-hour cockpit recording devices; requires FAA to deploy the latest airport surface situational awareness technology; enhances aircraft certification reforms; codifies U.S. safety requirements for foreign airlines operating in the United States or code sharing with U.S. airlines; and strengthens scrutiny of foreign maintenance and repair stations working on U.S. aircraft. It requires FAA to evaluate cabin air quality and advance rules for airlines to provide training and reporting for fume events onboard commercial aircraft from engine oil and hydraulic fluid. The bill addresses air traffic controller and pilot shortages, enhances self-defense training for flight attendants, and supports pilot mental health. The bill would require refund standards for passengers with non-refundable tickets when domestic flights are cancelled or delayed starting at three hours. Airline vouchers would be required to last at least five years. It authorizes DOT's Office of Aviation Consumer Protection to be led by a senate-confirmed assistant secretary "to ensure that there is an active, politically accountable cop on the beat advocating for consumers," and increases DOT's statutory civil penalty for airlines' consumer violations from \$25,000 per violation to \$75,000. The bill requires FAA to conduct a study on aircraft evacuation and calls for an expert panel to evaluate gaps in current standards and procedures and make recommendations, followed by an FAA rulemaking. It includes numerous provisions for passengers with disabilities. The bill strengthens the Essential Air Service (EAS) program and annual funding for Small Community Air Service Development (SCASD). The bill requires FAA to complete the last stage of NextGen by December 31, 2025, and upgrade the National Airspace System with the latest software and infrastructure. . . . Air Line Pilots Association, Int'l (ALPA) applauded the bill, which does not increase the pilot retirement age or roll back training requirements. The bill needs approval by the Senate. The legislation includes 5 additional beyond perimeter slots at Reagan National Airport (DCA), which is opposed by senators from Maryland and Virginia. The House passed its version last year which does not include DCA slots. Current short-term authorization expires March 8; another extension, to May 10, is expected.

2. House Hearing on State of American Aviation and FAA.

At a hearing on the state of American aviation, FAA Administrator Michael Whitaker told the House Aviation Subcommittee he is targeting three specific areas: (1) significant safety events, including close calls and runway incursions and related safety events; (2) air traffic controller issues including fatigue and the workforce shortage; and (3) continuous safety improvement. Regarding the January 5 incident in which a mid-cabin door plug blew out of an Alaska Airlines 737 MAX, he said inspections of the aircraft showed that quality system issues at Boeing "were unacceptable and require further scrutiny." FAA is increasing oversight activities including: capping expanded production of new Boeing MAX aircraft to ensure accountability and full compliance with required quality control procedures; launching an investigation scrutinizing Boeing compliance with manufacturing requirements; aggressively expanding oversight of new aircraft with increased floor presence at all Boeing facilities; closely monitoring data to identify and mitigate significant safety trends and risks in the system; and launching an analysis of potential safety-focused reforms around quality control and delegation.

3. FAA Urged to Modernize Mental Health Protocols.

A bipartisan group of House members wrote to FAA Administrator Michael Whitaker, calling for development and implementation of policies, protocols, and screening methods that enable and encourage individuals to obtain mental health care in a timely and efficient manner. "It is clear to us that talented aviation professionals – our constituents – often suffer in silence because of the fear that medical evaluation, diagnosis, or treatment, could potentially prolong their return to work, or even prevent them from pursuing their aviation careers," they wrote. "We urge the FAA to take decisive actions to reduce the stigma around mental health care in aviation, make meaningful changes to remove barriers without jeopardizing safety standards, reduce aeromedical decision wait times, and ultimately strengthen trust with our aviation workforce."

4. Labor Caucus Urges Delta to Respect Employees' Right to Organize.

More than 140 bipartisan members of Congress urged Delta CEO Ed Bastian to adopt a neutrality agreement toward efforts by employees to form a union. "Our constituents have informed us about Delta's history of deploying unionbusting tactics, including threatening employees with termination of their benefits, distributing anti-union literature, and hosting an anti-union website," wrote the Congressional Labor Caucus. "All workers should have the free and fair choice to join a union, as is required by law."

5. <u>Senate Judiciary to Hold Hearing on Credit Card Competition.</u>

CEOs of Visa, Mastercard, United Airlines and American Airlines have been asked to testify at a Senate Judiciary Committee hearing on April 9, said Committee Chairman Dick Durbin. "Visa and Mastercard levied a total of \$93 billion in credit card fees on consumers, small businesses, and others in 2022 alone," said Durbin, and "these airlines have become credit card companies that fly planes." Durbin has introduced the "Credit Card Competition Act," which, if enacted, would direct the Federal Reserve to ensure that the largest credit card-issuing banks offer a choice of at least two networks, one of which must be a network other than Visa and Mastercard, over which an electronic credit transaction may be processed.

VII. BILATERAL AND STATE DEPARTMENT NEWS

1. Cybersecurity Advisory on China Hacking of Critical Infrastructure.

The Cybersecurity and Infrastructure Security Agency (CISA), National Security Agency (NSA), Federal Bureau of Investigation (FBI) and other U.S. and international partners published a Joint Cybersecurity Advisory on malicious activity by People's Republic of China (PRC) that compromised entities across critical infrastructure sectors in cyberspace, including communications, energy, transportation, and water and wastewater, in the United States and its territories. Data gathered "strongly suggest the PRC is positioning itself to launch destructive cyber-attacks that would jeopardize the physical safety of Americans and impede military readiness in the event of a major crisis or conflict with the United States." The advisory provides details on PRC efforts to conceal hacking activity, discovery and mitigation guidance to potential victims, and encourages reporting of any suspected incident. The Department of Energy (DOE), Environmental Protection Agency (EPA), Transportation Security Administration (TSA), Australian Signals Directorate's (ASD's) Australian Cyber Security Centre (ACSC), Canadian Centre for Cyber Security (CCCS), a part of the Communications Security Establishment (CSE), UK National Cyber Security Centre (NCSC-UK), and New Zealand National Cyber Security Centre (NCSC-NZ) participated in publishing the advisory.

VIII. EUROPE AND AFRICA

1. JetBlue Code Share with TAP Air Portugal Approved.

DOT approved the application of TAP Air Portugal to code share with JetBlue. The JetBlue code will be displayed on TAP-operated flights from Lisbon to Boston, New York Kennedy and Newark, Washington Dulles, Miami, Chicago, and San Francisco.

2. <u>Lufthansa Cancels Flights Amid Strike Action.</u>

Ground staff strike action caused Lufthansa to cancel 1,000 scheduled flights, affecting 100,000 passengers, on each of two one-day walkouts. . . . Lufthansa Group is reshaping and realigning its Executive Board, with four members leaving and responsibilities reassigned. Board size was reduced from six to five members. . . . Lufthansa City Airlines will begin service this summer with flights from Munich to German and UK destinations, followed by gradual expansion on short and medium-haul routes. Two Airbus A319s are already in new livery; future fleet will include 40 A220-300s with a further 20 purchase options.

3. SAS Files Amended Restructuring Plan.

SAS announced it would file a second amended Chapter 11 plan with the U.S. Bankruptcy Court for the Southern District of New York. Holders of SAS' listed commercial hybrid bonds are expected to receive an initial cash recovery corresponding to up to 9.4% of the nominal value of such claims upon emergence from bankruptcy, with the possibility of receiving an additional cash distribution of up to 15.6%. . . . SAS launched 'Destination Unknown' and immediately over 1,000 SAS EuroBonus members signed up for the chance to board a flight from Copenhagen Airport that will take them to a secret destination.

4. Nathaniel Pieper Named CEO of oneworld.

See Section X, item 1.

IX. ASIA/PACIFIC AND MIDDLE EAST

1. United to Fly Daily Nonstops Between Guam and Tokyo Haneda.

United will launch daily nonstops between Guam and Tokyo Haneda on May 1. The year-round Boeing 737-800 flights build on United's 32 weekly flights between Guam and Tokyo Narita. United also operates daily flights to Haneda from New York Newark, Washington Dulles, Chicago, Los Angeles and San Francisco, and to Narita from Newark, Houston, Denver, Los Angeles, San Francisco and Saipan.

2. DOT Approves American Airlines New York-Tokyo Service.

DOT approved American Airlines' application to operate daily nonstop service between New York Kennedy and Tokyo Haneda. Launching June 28, American's Boeing 777-200 service will complement existing flights with joint business partner Japan Airlines. American also offers daily nonstops to Haneda from Dallas-Fort Worth and Los Angeles.

3. <u>American to Launch Service to Brisbane.</u>

American will launch Boeing 787-9 service from Dallas-Fort Worth to Brisbane on October 27. The seasonal service will be the longest nonstop flight in the airline's network. Next winter, the American-Qantas joint business will offer service from Los Angeles, San Francisco, New York and Vancouver to Auckland, Brisbane, Melbourne and Sydney.

4. Delta Adds Los Angeles to Brisbane Service.

Delta will operate three weekly Airbus A350-900 flights from Los Angeles to Brisbane, from December 4 through March 28, 2025, bringing the winter schedule to up to 17 weekly flights between the U.S. and Australia; Delta also flies to Sydney.

5. FedEx Opens Dubai South Hub.

FedEx Express inaugurated its new Middle East, Indian Subcontinent and Africa (MEISA) hub at Dubai World Central (DWC) Airport in Dubai South. The company said the \$350 million investment reaffirms its commitment to UAE economic growth, "in line with the 'National Agenda for Non-oil Export Development,' which aims to increase the nation's foreign trade." The facility has two automated high-speed x-ray machines equipped with artificial intelligence, to efficiently scan goods and enhance security, and a cold storage area for temperature-sensitive shipments.

6. Virgin Australia Seeks New CEO.

Virgin Australia announced that Jayne Hrdlicka "has decided now is the time to transition on from the role of CEO." Hrdlicka was appointed in 2020 after the airline was acquired out of administration by Bain Capital. Bain is expected to announce an initial public offering this year.

7. United to Resume Service Between Newark and Tel Aviv.

United plans to resume daily nonstops to Tel Aviv from New York Newark on March 6; service was suspended in October. Initial flights on March 2 and 4 will stop in Munich to ensure all service providers are ready to support nonstops to and from Newark. United said it conducted a detailed safety analysis in making this decision, including close work with security experts and government officials in the United States and Israel, and worked with unions to develop protocols to ensure pilots and flight attendants are safe and well-informed. United will continue to monitor the situation in Tel Aviv and adjust the schedule as warranted, and is "eager to resume a second daily Tel Aviv flight from Newark as soon as May as travel demand recovers. Previous flying from San Francisco, Washington Dulles and Chicago O'Hare will be evaluated for resumption beginning in the fall."

8. Emirates to Launch Service to Bogotá via Miami.

Emirates will launch daily Boeing 777-300ER service from Dubai to Bogotá via Miami on June 3, its fourth gateway in South America (São Paulo, Rio de Janeiro, Buenos Aires). Due to the high altitude of Bogotá, it is not possible to operate a non-stop from Dubai. Miami was selected as a stopover due to its tourism and trade links with Bogotá; up to 20 tons of cargo capacity will be available on each flight. Passengers should meet U.S. entry regulations; Colombian and UAE citizens have reciprocal visa-free entry for up to 90 days. Colombia welcomed the new route. "May each journey between our nations serve as a beacon of cooperation, dialogue, and empathy," said an aviation official. "May the bond between Colombia and the Arab countries endure eternally, flourishing in prosperity."

9. <u>China's C919 Makes Intl. Debut at Singapore Airshow.</u>

The C919, manufactured by Commercial Aircraft Corporation of China (COMAC), flew outside Chinese territory for the first time at the Singapore Airshow. The narrow-body "has a layout of 158 to 192 seats, and a range of 4,075 to 5,555 kilometers," per COMAC, and is operated by China Eastern. Tibet Airlines ordered 40 C919s and 10 ARJ21 regional jets at the Airshow. Both are manufactured by COMAC. China's Henan Civil Aviation Development and Investment Group ordered six ARJ21s.

10. Asia Pacific Airlines Record Solid Growth in 2023.

Association of Asia Pacific Airlines (AAPA) said the region's international passenger markets grew robustly in 2023, with the lifting of remaining travel restrictions. Air cargo demand narrowed its decline, driven by an increase in e-commerce shipments towards the end of the year. "2024 promises to be another good year," said AAPA Director General Subhas Menon. "International passenger traffic is poised to return to pre-pandemic levels with the return of tourism and expansion of the region's economies. However, there remain some uncertainties, including the potential erosion in business and consumer sentiment amid rising geopolitical risks. Against this background, the region's airlines remain vigilant to market influences while investing for future growth."

11. Nathaniel Pieper Named CEO of oneworld.

See Section X, item 1.

X. <u>AMERICAS</u>

1. <u>Nathaniel Pieper Named CEO of oneworld.</u>

The oneworld alliance named Nathaniel (Nat) Pieper as its new CEO, effective April 1. As Senior Vice President of Fleet, Finance and Alliances at Alaska Airlines, Pieper "orchestrated the airline's entrance into oneworld, executed aircraft transactions valued over \$9 billion, and secured access to \$5 billion in liquidity to ensure Alaska viability through the pandemic." Previously, Pieper held executive positions at Delta and Northwest. American Airlines CEO Robert Isom is Chairman of oneworld.

2. Hawaiian Stockholders Approve Acquisition by Alaska Air.

Hawaiian Holdings stockholders voted to adopt the merger agreement with Alaska Air Group, which was announced in December. The transaction remains subject to receipt of required regulatory approvals, along with other customary closing conditions.

3. <u>Alaska Flight Attendants Vote to Authorize a Strike.</u>

Alaska Airlines flight attendants voted to authorize a strike, "should management fail to agree to significant improvements," said Association of Flight Attendants-CWA (AFA-CWA), which can request a release from the National Mediation Board (NMB) leading to a 30-day cooling off period and strike deadline. The contract became amendable in December 2022 and AFA filed for federal mediation with the NMB in September 2023. "With six recently closed labor deals," said the company, "and a tentative agreement reached in January for a new contract for our technicians, we're hopeful to do the same for our flight attendants as soon as possible."

4. Carl Icahn Acquires Nearly 10% of JetBlue.

Investor Carl Icahn acquired an almost 10% stake in JetBlue and the airline announced that Jesse Lynn, general counsel of Icahn Enterprises, and Steven Miller, portfolio manager of Icahn Capital, will join its Board. "We are executing more than \$300 million of revenue initiatives this year and are on track to deliver significant cost savings from our structural cost program, fleet modernization, and fixed cost base reductions," said JetBlue CEO Joanna Geraghty, and "welcome the contributions of our new board members as we move forward." Icahn controlled TWA from 1988 to 1993. . . . Marty St. George was named President of JetBlue, Geraghty's post before she became CEO. He was a member of JetBlue's leadership team from 2006-2019, then held executive positions at LATAM Airlines Group and Norwegian Air Shuttle. He earlier spent nearly two decades at United and US Airways. . . . JetBlue and Spirit filed merits briefs with the U.S. First Circuit Court of Appeals seeking to overturn the District Court ruling that blocked their proposed merger. The two airlines argue that the District Court applied an incorrect interpretation of the relevant antitrust law to the Court's findings of fact. The Justice Department is expected to respond by April. 11, and the court expects to hear arguments in June. The merger agreement has a closing deadline of July 24 unless extended through agreement by both airlines.

5. Delta, LATAM to Launch Santiago-Orlando Route.

Delta and LATAM group will reactivate the direct route between Santiago, Chile, and Orlando, with two weekly frequencies from June 16 to September 28, summer season in the Northern Hemisphere. Their joint venture has launched six new U.S.-South America routes. . . . Delta is launching service from Atlanta, New York Kennedy and Minneapolis/St. Paul to Barbados, Puerto Plata and Mazatlán, and adding flights to Curaçao. . . . Delta will add winter service to Honolulu from Boston, and increase service from Salt Lake City and Seattle. Delta will resume Maui service from Atlanta.

6. <u>Delta Cargo Launches DeliverDirect.</u>

Delta Cargo launched DeliverDirect, a door-to-door small parcel delivery service for the U.S. market, developed with SmartKargo. From warehouse pickup to delivery at the consumer's doorstep, DeliverDirect features personalized pick-up times, notifications for consumers, multiple delivery attempts, signature-required deliveries, proof of delivery with photos, and access to advanced reporting features.

7. <u>UPS to Cut 12,000 Jobs.</u>

UPS plans to cut 12,000 positions this year, CEO Carol Tomé told financial analysts. Layoffs will affect managerial staff worldwide in all functions.

8. Frontier Adds Another 10 Destinations from Philadelphia.

Frontier told financial analysts it will cut flights at Las Vegas and Orlando and deploy planes and crews elsewhere. The Denver-based ultra-low-cost carrier is adding nonstop service from Philadelphia International to 10 new destinations in May, bringing total to 39; fares begin at \$19. Frontier introduced a "2024 GoWild! All-You-Can-Fly™ Summer Pass" at \$399 for unlimited flights between U.S. and international destinations, from May 1 to September 30. A new BizFare product includes a free carry-on bag and Premium seat assignment, no change or cancellation fees, priority boarding and guaranteed overhead bin space. And a new "Nomad Pass," at \$1,495 per month, includes stays at Landing properties in 375 U.S. cities.

9. <u>Canadian Low-Cost Lynx Air Ceases Operations.</u>

Calgary-based, low-cost carrier Lynx Air filed for court protection from creditors and ceased operations due to "financial pressures associated with inflation, fuel costs, exchange rates, cost of capital, regulatory costs and competitive tension in the Canadian market." . . . Air Canada said it would cap fares and "add incremental capacity of more than 6,000 seats on Lynx routes from Toronto and Montreal to Cancun, Fort Myers, Orlando, Tampa, Phoenix and Las Vegas between February 25 and March 19." WestJet offered discounts on routes previously served by Lynx.

- 10. <u>Delta: DOT's Delta/Aeromexico Decision is "Regulatory Overreach"</u> See Section I, item 3
- 11. JetBlue Code Share with TAP Air Portugal Approved. See Section VIII, item 1.
- 12. <u>United to Fly Daily Nonstops Between Guam and Tokyo Haneda.</u> See Section IX, item 1.
- **13.** DOT Approves American Airlines New York-Tokyo Service. See Section IX, item 2.
- 14. <u>American to Launch Service to Brisbane.</u> See Section IX, item 3.
- 15. <u>Delta Adds Los Angeles to Brisbane Service.</u> See Section IX, item 4.
- 16. <u>FedEx Opens Dubai South Hub.</u> See Section IX, item 5.
- 17. <u>United to Resume Service Between Newark and Tel Aviv.</u> See Section IX, item 7.
- Emirates to Launch Service to Bogotá via Miami. See Section IX, item 8.