



WASHINGTON AVIATION SUMMARY

April 2024 EDITION

CONTENTS

I.	REGULATORY NEWS	1
II.	AIRPORTS	4
III.	SECURITY AND DATA PRIVACY	7
IV.	TECHNOLOGY AND EQUIPMENT	8
V.	ENERGY AND ENVIRONMENT.....	9
VI.	U.S. CONGRESS	11
VII.	BILATERAL AND STATE DEPARTMENT NEWS	13
VIII.	EUROPE/AFRICA	14
IX.	ASIA/PACIFIC/MIDDLE EAST	17
X.	AMERICAS	19

For further information, including documents referenced, contact:

Joanne W. Young
Kirstein & Young PLLC
1750 K Street NW
Suite 700
Washington, D.C. 20006
Telephone: (202) 331-3348
Fax: (202) 331-3933
Email: jyoung@yklaw.com

<http://www.yklaw.com>

The Kirstein & Young law firm specializes in representing U.S. and foreign airlines, airports, leasing companies, financial institutions and aviation-related companies before U.S. Government agencies, Congress, the courts and in commercial and financing matters.

©2024 Kirstein & Young PLLC.

I. REGULATORY NEWS

1. FAA Completes Boeing Audit; CEO Calhoun to Step Down.

The Federal Aviation Administration (FAA) completed a six-week audit of Boeing and Spirit AeroSystems (SPR), finding non-compliance issues in Boeing's manufacturing process control, parts handling and storage, and product control. The audit was prompted by the January 5 737-9 MAX accident, in which a mid-cabin door plug blew out during an Alaska Airlines flight. FAA Administrator Mike Whitaker told Boeing CEO Dave Calhoun to address findings of the audit and an expert panel report in a corrective action plan, due in 90 days. FAA halted MAX production expansion, is exploring use of a third party to conduct independent reviews of quality systems, and will continue increased onsite presence at Boeing's Renton facility and SPR's Wichita facility. . . . Boeing announced that Calhoun will step down at yearend. Steve Mollenkopf will replace Larry Kellner as independent board chair and lead the search for the next CEO. And Stephanie Pope replaced Stan Deal as President and CEO of Commercial Airplanes; she is a third-generation Boeing employee and over 30 years has held positions in every business unit, most recently as COO. . . . Boeing is in discussions about "reintegrating" SPR, which formerly was a Boeing unit. Airbus is considering acquisition of SPR's European units. . . The National Transportation Safety Board (NTSB) will hold a hearing August 6-7 on its investigation into how and why the door plug blew out of Alaska Flight 1282. . . . The Department of Justice reportedly has launched a criminal investigation into the accident; passengers have received letters from the FBI suggesting they may be victims of a crime, with a brochure on its Victim Assistance Program.

2. FAA Reviewing United Incidents.

After numerous incidents over a two-week period, United revealed that FAA is reviewing its processes, manuals and facilities, and pausing some certification activities. CEO Scott Kirby informed customers and employees that the incidents "have our attention and have sharpened our focus." The airline is reviewing details of each case "and using those insights to inform our safety training and procedures across all employee groups," as well as adding an extra day of in-person training for all pilots starting in May and a centralized training curriculum for new-hire maintenance technicians. "We're also dedicating more resources to supplier network management," said Kirby. The FAA will also be conducting a comprehensive audit of United's regulatory compliance under the agency's Certificate Holder Evaluation Process (CHEP).

3. U.S. Airlines Anticipate Record Travel This Spring.

U.S. airlines will carry a record-setting 167.1 million travelers during the spring travel period this year (March 1–April 30), up 6% from the 2023 season figure of 157.4 million, reports Airlines for America (A4A).

4. DOT Proposes Rule on Wheelchair Handling.

The U.S. Department of Transportation (DOT) proposed a rule that requires airlines to “meet rigorous standards for accommodating passengers with disabilities safely and with dignity” and makes mishandling of assistive devices, like wheelchairs and scooters, an automatic violation of the Air Carrier Access Act (ACAA), to allow DOT “to more easily penalize airlines and hold them accountable when a passenger’s mobility device is damaged.” The rule mandates enhanced training for airline employees and contractors who physically assist passengers with disabilities and handle passengers’ wheelchairs, and specifies actions airlines must take to protect passengers when a wheelchair is damaged during transport. About 5.5 million Americans use a wheelchair. In 2023, 11,527 wheelchairs and scooters were mishandled by carriers required to report this data to DOT. Comments are due by May 13, 2024.

5. DOT Conducts First Privacy Review of U.S. Airlines.

DOT will review the 10 largest U.S. airlines “to ensure that passengers’ sensitive personal information is not improperly monetized or shared with third parties.” For the first of what will be periodic reviews, DOT sent letters to Allegiant, Alaska, American, Delta, Frontier, Hawaiian, JetBlue, Southwest, Spirit and United requesting information about policies and procedures relating to the collection, maintenance, handling and use of passengers’ personal information; complaints alleging that airline employees or contractors mishandled personal information; and privacy training for personnel.

6. GAO: DOT Needs a Pandemic Preparedness Plan.

DOT has not developed a national aviation preparedness plan for communicable disease outbreaks, as recommended by the U.S. Government Accountability Office (GAO) in 2015. Such a plan is needed to avoid the piecemeal response seen early in the COVID-19 pandemic, said GAO, adding that confidence in air travel could have been restored more quickly with greater federal coordination. At GAO's urging, Congress passed legislation in December 2022 requiring DOT to develop the plan. In July 2022, GAO reported that federal leadership was needed to advance research on disease transmission in air travel, including real-world situations and effectiveness of mitigation efforts. GAO recommended that Congress direct FAA to develop a research strategy, which Congress had not done as of March 2024. DOT and

FAA officials stated in 2023 and 2024 that they have actions underway to develop the preparedness plan and identify needed research. GAO also reported on federal COVID-19 aviation financial assistance programs, amounting to \$132 billion, saying funds were “quickly awarded but did not always have safeguards in place in a timely manner.”

7. FAA Grants \$13.5 Million to 32 Aviation Schools.

FAA awarded \$4.5 million to 12 schools from its Aircraft Pilots Aviation Workforce Development Grants program, to be used to create and deliver curriculums designed to prepare high school students to become pilots, aerospace engineers or drone operators, and support the professional development of teachers. Another \$9 million was awarded to 20 schools, as part of the Aviation Maintenance Technical Workers Workforce Development program, to help attract and train students for careers as pilots and aviation maintenance technicians. Some 20,000 fewer people are working in the aircraft maintenance sector than before the pandemic. Recipients can use the funding to establish new educational programs; provide scholarships or apprenticeships; conduct outreach about careers in the aviation maintenance industry; and support educational opportunities related to aviation maintenance in economically disadvantaged areas.

8. FAA NOTAM on Possible Impacts of April 8 Total Solar Eclipse.

FAA issued a notice to inform airmen (NOTAM) of possible impacts to air traffic and airports when the Great North American Eclipse transits a narrow path on April 8 from southwest to northeast across 13 U.S. states. The eclipse will begin over the South Pacific Ocean and cross North America, passing over Mexico, the U.S. and Canada. Aircraft should be prepared “for potential airborne holding, reroutes, and/or Expect Departure Clearance Times (EDCTs) that may be issued for all domestic IFR arrivals and departures.” Special security provisions may be in effect.

II. AIRPORTS

1. FAA Awards \$110 Million to 71 U.S. Airports.

FAA is awarding \$110 million to 71 airports in 32 states to help build taxiways, enhance fire-fighting and upgrade snow-removal equipment and facilities. Grants include \$43 million for Charlotte Douglas in North Carolina to construct a new 6,400-foot end-around taxiway; \$8.6 million for Gerald Ford International in Grand Rapids, Michigan, to reconstruct an aircraft rescue and fire-fighting building; and \$617,763 for Baltimore/Washington to rehabilitate a portion of a taxiway lighting system. The funding is from the Airport Infrastructure Grant (AIG) program, created by the Bipartisan Infrastructure Law. FAA is also awarding \$20 million to 20 airport-owned airport traffic control towers in 17 states. The funding is from the AIG Federal Contract Tower Competitive Grant program, “and comes on the heels of nearly \$1 billion in funding for 114 airports across the country through the Airport Terminals Program.” Airports have received nearly \$9 billion of \$15 billion in AIG funding and have until end of fiscal year 2025 to use their allocations.

2. CDC Expands Airport Pathogen Monitoring Program.

The Centers for Disease Control and Prevention (CDC) added Chicago O'Hare and Miami to its Traveler-based Genomic Surveillance program (TGS). The public-private biosecurity partnership aims to detect early signs of new SARS-CoV-2 variants and other pathogens coming into the country. International travelers arriving at participating airports volunteer to self-collect nasal swab samples that are shipped to a laboratory network. TGS now operates at nine major U.S. international airports and enrolls 300,000 travelers per year from 135 countries. CDC also is collecting airplane wastewater samples at San Francisco and Boston airports for virus testing, using an automated sampler device at the airport triturator. The triturator is a consolidation point, which captures wastewater samples from multiple flights and does not include airport terminal waste.

3. Houston Approves \$150 Million for Bush Terminal B Project.

Houston City Council approved \$150 million for the redevelopment of Bush Intercontinental Terminal B, which opened in 1969. United, the only Terminal B operator, is contributing \$1.9 billion and City of Houston is to dedicate \$625 million over time. The project, to be completed in 2026, will include 40 new domestic and international gates.

4. JFK Construction Progress Report.

Port Authority of New York and New Jersey (PANYNJ), New Terminal One (NTO), and Unibail-Rodamco-Westfield (URW) launched the commercial program for the \$9.5 billion international-only terminal. At 2.4 million square feet, NTO will be the largest terminal at John F. Kennedy International (JFK), with 23 gates and 300,000 square feet of retail, dining and lounge space. The privately funded NTO is being built on sites now occupied by Terminal 1, recently closed Terminal 2, and former Terminal 3. First phase of construction includes new arrival and departure halls and the first set of 14 new gates, scheduled to open in 2026; completion anticipated in 2030. The NTO consortium of labor, operating and financial partners is led by Ferrovial, JLC Infrastructure, Ullico and Carlyle. . . . Construction of the \$4.2 billion, 1.2 million square-foot Terminal 6 is on schedule, said PANYNJ and JFK Millennium Partners (JMP). The terminal is being built in two phases, with first five gates opening in early 2026 and construction completion expected by 2028. Lufthansa Group will move to the new terminal, and “advanced discussions with other air carriers are underway.”. . . A refreshed Skywalk was unveiled at Terminal 5 which links JetBlue operations with parking garages, AirTrain services and the metro area. Funded by Empire State Development, the redesign incorporates panels with JetBlue’s visual identity and travel tips. . . . The \$1.5 billion expansion of Terminal 4, led by Delta and JFK International Air Terminal, is under construction. The \$400 million modernization and expansion of Terminal 8, led by American Airlines, which operates the terminal, and British Airways was substantially completed in 2022. All privately financed terminal projects combined with the Port Authority’s roadway, parking and infrastructure projects represent a \$19 billion transformation of JFK.

5. Mexico’s Tulum Opens to International Flights.

Tulum Airport, officially known as Felipe Carrillo Puerto International (TQO), is now open to international flights, with American, Delta, United, JetBlue and Air Canada among airlines booking service. Officially inaugurated in December with domestic flights only, Tulum is located on Mexico’s Yucatán Peninsula on the Mayan Riviera. . . . Nearby Cancun International handles “an average of up to 800,000 passengers monthly in high season,” per its website, and operates an average 500 flights daily.

6. Delhi Terminal 1 Expansion Doubles Passenger Capacity.

India’s Prime Minister Narendra Modi dedicated the revamped Terminal 1 of Indira Gandhi International in Delhi. The facility was expanded to 206,950 square meters from 55,740 and can handle 40 million passengers annually, double its previous capacity. New features include facial recognition at all entry

gates, and amenities for passengers with reduced mobility. Modi recently inaugurated 15 airport projects in India, including 12 new terminals.

7. **ACI, Amadeus Announce Airport Service Quality Awards.**

Airport Service Quality (ASQ) Awards for 2023 were announced by Airports Council International (ACI) World and travel technology company Amadeus. ASQ surveys cover 30 performance indicators across key elements of the passenger's airport experience. New York LaGuardia and Minneapolis/St. Paul ranked highest for overall satisfaction in the 25-40 million annual passenger category in North America. In 2018, prior to an \$8 billion modernization program, LaGuardia ranked as the worst airport in North America. Cincinnati/Northern Kentucky was among airports inducted into the ACI World Director General's Roll of Excellence for having won multiple ASQ awards. Passenger feedback was provided in 600,000 surveys at 400 airports for the 2023 ASQ Awards.

8. **U.S. Reinforcing Partnerships with Regional Groups.**

In a speech to the International Aviation Club of Washington, FAA Chief Counsel Marc Nichols said the U.S. will be reinforcing partnerships with regional groups, such as the European Union Aviation Safety Agency (EASA), Association of Southeast Asian Nations (ASEAN), African Civil Aviation Commission (AFCAC) and long-standing bilateral partners, and building alliances with new partners with aligning interests. "This year, five new senior representatives will rotate into Miami, Brussels, Warsaw, Singapore, and our new office in Sydney, Australia," said Nichols. "This builds on the Mexico City office we established last year, a year in which our international team handled hefty work, including supporting Ukraine by developing virtual training courses for air traffic controllers and technicians, funding technical assistance to Africa, and monitoring global risk to help safeguard U.S. operators and citizens traveling abroad through the establishment of NOTAMs [Notice to Air Missions] and SFARs [Special Federal Aviation Regulations]."

III. SECURITY AND DATA PRIVACY

1. Self-Service Screening System Tested at Las Vegas Airport.

A self-service screening system is being tested at Harry Reid International Airport in Las Vegas. Designed, developed and tested by the Transportation Security Administration (TSA) and the Department of Homeland Security (DHS) Science and Technology Directorate (S&T), the system initially will be used by TSA PreCheck® passengers, on a volunteer basis. TSA will collect passenger feedback and data on performance, design, cybersecurity, human factors and other variables to inform future design requirements and development, and viability for future deployment to other checkpoint lanes or at other airports, and to understand how passengers and TSA officers (TSOs) interact with the system.

2. GAO: TSA Could Further Improve Officer Job Engagement.

The Government Accountability Office found that TSA officers' engagement—their sense of purpose on the job—has historically ranked among the lowest across the federal government. GAO made several recommendations, including that TSA analyze root causes of drivers of low TSO engagement, such as opportunities for career development and work-life balance, and identify and implement actions to address them. DHS concurred and TSA is taking action. . . . GAO recommended that Customs and Border Protection (CBP) include written instructions in trusted traveler program denial and revocation decision letters on how travelers can seek additional information regarding specific reason(s) for the decision. CBP included instructions in the past, but inadvertently removed them. Instructions are required by regulation. DHS is implementing the recommendation.

3. DHS Trains Aviation Personnel to Combat Human Trafficking.

DHS agencies facilitated the training of more than 260,000 aviation personnel on indicators of human trafficking and how to report suspected cases in FY2023; arrested 2,610 individuals for human trafficking-related offenses and assisted 731 human trafficking victims; and stopped 256 shipments of goods, valued at almost \$7 million, suspected to have been made wholly or in part with forced labor. Launched in 2020, the DHS Center for Countering Human Trafficking coordinates the efforts of 16 DHS offices and components to combat human trafficking.

IV. TECHNOLOGY AND EQUIPMENT

1. New Travel Tech Group Urges Fair Data Access, Sharing.

Amadeus, Booking Holdings, Expedia Group, eDreams ODIGEO, Travelport, TripAdvisor and Skyscanner are charter members of new trade association Global Travel Tech. The group wants global policies that promote fair data access and fair data sharing, said Secretary General Emmanuel Mounier. “Through cooperation and dialogue with other global industry bodies such as OECD and UN Tourism, Global Travel Tech’s ambition is to help shape a smart policy framework and to foster industry initiatives to make the travel and tourism industry more competitive and transparent,” said Mounier, a trade specialist who also heads Brussels-based EU Travel Tech.

2. EASA Publishes New Guidance for AI Machine Learning Apps.

The European Union Aviation Safety Agency (EASA) published a second issue of its Concept Paper on Artificial Intelligence (AI) and Machine Learning (ML), meant to enhance aviation safety, efficiency, sustainability, and passenger experience, and help those applying for certification of safety- or environment-related applications that use AI or machine-learning technologies.

3. Boom Conducts Successful Flight of Supersonic Demonstrator.

A successful test flight of Boom Supersonic's demonstrator, XB-1, was conducted at Mojave Air & Space Port, said founder and CEO Blake Scholl, “the same hallowed airspace where the Bell X-1 first broke the sound barrier in 1947.” The XB-1 provides the foundation for Boom’s supersonic airliner, Overture, which will carry 64-80 passengers at Mach 1.7, about twice the speed of today’s subsonic airliners, and run on up to 100% sustainable aviation fuel (SAF).

4. Joby Acquires Dayton Facility for eVTOL Parts Manufacturing.

Joby Aviation acquired a facility at Dayton International Airport where it will produce parts for its electric vertical take-off and landing (eVTOL) aircraft; the production line is in Marina, Calif. Joby plans to develop facilities capable of building up to 500 aircraft per year in Dayton, the birthplace of aviation. Its electric air taxi “will carry a pilot and four passengers at speeds of up to 200 mph, with a fraction of noise produced by helicopters and zero operating emissions.” In February, the third of five stages of the type certification process was completed.

V. ENERGY AND ENVIRONMENT

1. Fuel Bill for Global Airline Industry.

Average price of aviation jet fuel for week ending March 15 was \$107.86 per barrel, down 3.8% on prior month average, and down 4% on prior year average, according to the Jet Fuel Price Monitor, a joint IATA-Platts initiative.

2. DOE: U.S. Can Produce Enough SAF to Exceed Projected Demand.

The newly released Department of Energy (DOE) 2023 Billion-Ton Report (BT23) maintains that the U.S. could sustainably triple its production of biomass to more than 1 billion tons per year, which could satisfy over 100% of projected demand for sustainable aviation fuel (SAF). BT23 analyzes biomass production capacity of resources including winter oilseed crops, trees and brush harvested from forests to prevent wildfires, macroalgae cultivated in ocean farms, and carbon dioxide from industrial plants. The analysis notes “potential risks to soil, air and water quality, water availability, and the imperative to protect America’s forests and biodiversity [and] finds that the wide dispersion and variety of these resources will ensure that benefits of expanded biomass production extend to both rural and urban areas.”

3. Southwest Airlines Renewable Ventures Launched.

Southwest Airlines Renewable Ventures (SARV), a wholly-owned subsidiary of the airline, has been launched to “create more opportunities to obtain scalable sustainable aviation fuel (SAF).” As part of the SARV portfolio, a \$30 million investment has been made in LanzaJet, which has a patented ethanol-to-SAF technology and the world's first ethanol-to-SAF commercial plant. Southwest also recently invested in SAFFiRE Renewables, which has been working with the U.S. Department of Energy's National Renewable Energy Laboratory (NREL) on technology designed to support production of cellulosic ethanol that can be converted to SAF using LanzaJet technology. LanzaJet intends to build an ethanol-to-SAF facility primarily for Southwest.

4. Hague Court Orders State to Enforce Schiphol Noise Rules.

In a case filed by the Foundation for the Protection of Aircraft Nuisance (RBV), regarding noise around Amsterdam Schiphol, the Hague District Court ruled that the Dutch State “is systematically failing to properly consider the interests of local residents [in violation of] the European Convention on Human Rights (ECHR). In addition, current regulations are insufficiently enforced.” The Court ordered the State to enforce applicable laws and regulations within 12 months and “provide a form of practical and effective legal protection for all people who

experience severe annoyance or sleep disturbance from air traffic to and from Schiphol.”

5. **Spain Plans to Ban Some Domestic Flights.**

Spain plans to ban domestic flights with a rail alternative that takes less than two and a half hours; flights to hub airports with international routes are exempt. France enacted a similar ban last year. Restricting private jet use and taxing aviation fuel are also being considered.

6. **New Zealand Trials Hydrogen-Powered Airport Equipment.**

Air New Zealand, Wellington Airport, Toyota New Zealand, and Hiringa Energy are assessing feasibility of a new technique of charging ground vehicles with a hydrogen fuel cell power generator, and evaluating potential for future aircraft fueling.

VI. U.S. CONGRESS

1. Congress Passes FAA Reauthorization Extension.

Congress passed the “Airport and Airway Extension Act of 2024,” which extends FAA authorities through May 10. It also extends, through May 11, the authority of the Department of Homeland Security and Department of Justice “to mitigate credible threats posed by unmanned aircraft systems to covered facilities and assets,” said the White House. Meanwhile, House and Senate members are negotiating a final FAA reauthorization bill. A major obstacle continues to be the addition of beyond-perimeter flights at Washington Reagan National Airport. Both Houses began a two-week recess on March 23.

2. FY 2024 Appropriations Includes \$20 Billion for FAA.

Congress passed the “Fiscal Year 2024 Transportation, Housing and Urban Development, and Related Agencies Appropriations Act,” which includes \$106 billion in total funding for DOT. The bill provides \$20.082 billion for FAA, an increase of \$1.058 billion over fiscal year 2023. This includes: \$12.73 billion for FAA operations, which will enable FAA to hire 1,800 new air traffic controllers, improve training facilities at the air traffic controller academy, and address reliability of critical IT and telecommunications legacy systems. The bill provides funding for 125 new positions in the Office of Aviation Safety to increase oversight of Boeing and fully implement the Aircraft Certification, Safety, and Accountability Act. It also includes \$3.191 billion for FAA facilities and equipment, and \$3.882 billion for Airport Improvement Program grants.

3. Administration Releases Fiscal 2025 Budget Request

The Fiscal Year 2025 Budget request to Congress provides \$43 million to accelerate hiring and training of air traffic controllers, which will help FAA meet a goal of hiring 2,000 new controllers in 2025. A Facility Replacement and Radar Modernization proposal dedicates \$8 billion over the next five years—beginning with \$1 billion in 2025— to replace or modernize aging air traffic control facilities. This includes modernizing 377 critical radar systems. The budget also includes \$1.8 billion for the Office of Aviation Safety to support production oversight and operational safety.

4. Hearing on NTSB Investigations.

As it considered NTSB reauthorization and appropriations, the Senate Transportation Committee held a hearing on the agency’s investigations and reports, with testimony from NTSB Chair Jennifer Homendy. Regarding the Boeing 737-9 MAX in-flight structural failure over Portland, Oregon, Homendy said Boeing had not provided documentation about the door plug removal:

“They have a procedure to maintain documents on when work is performed, including when door plugs are open, closed or removed. We have not been able to verify that. And without that information that raises concerns about quality assurance, quality management, safety management systems within Boeing.” Committee Chair Maria Cantwell (D-Wash.) said she would ask Boeing for immediate delivery of the information. Boeing then issued a statement: “We have now provided the full list of individuals on the 737door team, in response to a recent request. With respect to documentation, if the door plug removal was undocumented there would be no documentation to share.”

VII. BILATERAL AND STATE DEPARTMENT NEWS

1. State Department Coordinates Evacuation of Americans from Haiti.

The U.S. State Department is coordinating evacuation flights for U.S. citizens stuck in Haiti after gang-fueled political attacks in the country's capital this month led to the closure of Toussaint Louverture (PAP), Haiti's only international airport. Government-chartered helicopter flights were scheduled to take Americans from Haiti to Santo Domingo, the capital of the Dominican Republic, to facilitate their return back to the U.S. The State Department has labeled Haiti a "Level 4 – Do Not Travel" destination due to crime, civil unrest, and poor health care infrastructure since before the 2021 assassination of former Haitian President Jovenel Moïse. . . . Secretary of State Anthony Blinken attended high-level meetings in Jamaica to facilitate an expedited Multinational Security Support (MSS) mission deployment to Haiti. At a press conference Blinken confirmed that "a Haitian-led agreement was reached to move to a new transitional administration, a presidential council, one that would be inclusive, that would bring in all the major stakeholders, all the major parties; that would have responsibility for naming a new prime minister – an interim prime minister – naming a national security council, an electoral commission – all with the objective of putting Haiti clearly on the path to elections and to restrengthening its democracy."

VIII. EUROPE AND AFRICA

1. Delta Restarts New York-Venice Service.

Delta is restarting nonstop service between New York Kennedy and Venice Marco Polo for summer 2024, in cooperation with Air France, KLM and Virgin Atlantic. The daily flights will operate with Boeing 767-300 aircraft. Delta also will offer two flights from Venice to Atlanta, and in total will operate 17 weekly flights between Venice and the U.S. during peak season with connections to some 200 cities across North America and beyond.

2. JetBlue Begins Flights to Dublin from New York, Boston.

JetBlue began daily Airbus A321neo nonstops to Dublin from New York Kennedy and Boston. The seasonal service will operate through September 30. JetBlue also flies to Paris and Amsterdam and will add seasonal flights to Edinburgh.

3. Air France Expands U.S. Service.

Air France will fly to 17 U.S. destinations this summer, as France hosts the 2024 Olympic and Paralympic Games. The carrier resumes a daily flight to Minneapolis; begins three weekly Boeing 787-9 nonstops from Phoenix; and extends direct Raleigh-Durham winter service to seven summer flights. For the Cannes Film Festival, Air France will operate two special Airbus A350-900 flights between Los Angeles and Nice.

4. Lufthansa Estimates €250 Million Loss from Strikes YTD.

Lufthansa estimates that strikes year-to-date cost the company €250 million. “We are always open to short-term negotiations with Verdi,” said company officials, “however, we bear joint responsibility for finding good solutions. Verdi must suspend strike action and be prepared to enter into constructive negotiations without preconditions.” . . . In 2023, Lufthansa Group generated operating profit of €2.7 billion, its third-best financial result ever. Revenue increased by 15% to €35.4 billion. Passenger numbers increased by 20% to over 120 million. “We are investing a record amount of €4.5 billion in new aircraft, cabin interiors, lounges, ground processes, and in personal and digital services,” said Chairman and CEO Carsten Spohr. “As part of the largest fleet modernization in our history, we expect to take delivery of at least 30 new aircraft this year, including around 20 long-haul jets.” . . . Lufthansa City Airlines will launch this summer from Munich to domestic destinations, as well as Birmingham, Bordeaux and Manchester. Four Airbus A319s will be deployed this year; 40 Airbus A220-300s are on order.

5. EC States Objections to Lufthansa Acquisition of Stake in ITA.

The European Commission (EC) informed Lufthansa and the Italian Ministry of Economy and Finance of its preliminary view that their proposed acquisition of joint control of ITA Airways may restrict competition on certain routes. The deadline for the parties to submit remedies to address concerns identified by the Commission is April 26.

6. IAG Names New Senior Executives.

International Airlines Group (IAG) announced changes to its senior management team as of April. Marco Sansavini will move from his role as CEO of Vueling to become CEO and Chairman of Iberia. Fernando Candela will step down as interim CEO of Iberia and continue as CEO of Level. Carolina Martinoli will become CEO and Chair of Vueling, moving from her current role as IAG Chief People, Corporate Affairs and Sustainability Officer.

7. British Airways Adds Asia Flights; Plans £7 Billion Transformation.

British Airways will offer three weekly Boeing 777-200ER flights from London Gatwick to Bangkok in October, and daily 787-9 flights from Heathrow to Kuala Lumpur in November. . . . More than 600 initiatives are being rolled out in a £7 billion transformation plan, said Chairman and CEO Sean Doyle. The IAG unit is investing in machine learning, automation and AI across operations. New tools help predict delays (prompting pre-emptive action to reduce disruption) and analyze real-time weather, aircraft capacity and customer connections data, resulting in improved on-time departures. “As the only European carrier to offer first class between the UK and U.S.,” British Airways will introduce a suite in 2025 and 2026 as part of its Airbus A380 refurbishment.

8. U.S. Court Approves SAS Chapter 11 Plan.

SAS won approval for its reorganization plan from the U.S. Bankruptcy Court for the Southern District of New York and expects to emerge from the chapter 11 process around mid-year, subject to approvals from regulatory authorities and completion of a Swedish company reorganization. SAS also concluded a competitive exit financing solicitation process, selecting Castlake, Air France-KLM and Lind Invest, with the Danish state, as the winning bidder consortium. Total investment in reorganized SAS of \$1.2 billion includes \$475 million in new unlisted equity and \$725 million in secured convertible debt. There will be no recovery for subordinated creditors and no value for existing shareholders, said the airline. All common shares and listed commercial hybrid bonds are expected to be cancelled, redeemed and delisted. Operations and flight schedule remain unaffected. President & CEO Anko van der Werff said the approved Chapter 11 Plan “is supported by more than 99% of our creditors that voted.”

9. Takatso Proposal to Acquire 51% Stake in SAA Terminated.

The South African Ministry of Public Enterprises and Takatso mutually agreed to terminate the share purchase agreement, in which Takatso was to acquire a 51% interest in South African Airways (SAA). SAA will revert to being 100% owned by the State, which said a newly devised corporate plan “will embrace more routes and more aircraft [and] a new form of raising finances on the basis of the assets of SAA will be explored with financial institutions.

10. Ethiopian First Boeing 777X Customer in Africa.

Ethiopian Airlines agreed to purchase eight Boeing 777-9s, which enable enables flights from Addis Ababa to as far as Seattle. The Star Alliance member and Boeing continue to explore opportunities to further develop the country's aerospace industry, including support for industrial development, training capabilities at the Ethiopian Aviation University and STEM education, as well as equipping the Ethiopian Museum of Science with aerospace exhibits. . . . Boeing's Commercial Market Outlook forecasts Africa's annual air traffic growth at more than 7% through 2042, the third-highest growth rate among global regions and above the global average of approximately 6%.

11. United Expands Global Network.

See Section IX, item 1.

IX. ASIA/PACIFIC AND MIDDLE EAST

1. United Expands Global Network.

United is adding new nonstops between Tokyo and Cebu, Philippines (July 31, daily, Boeing 737-800); between Houston and Medellin, Colombia (October 27, daily, B-737); and between New York Newark and Marrakech, Morocco, and is the first U.S. airline to fly direct to Marrakech (October 24, three weekly, B-767-300ER). United will also increase flights to Portugal, Hong Kong and South Korea. On August 29, United will add four weekly B-787-9 flights between Los Angeles and Shanghai per the recent U.S.-Chinese agreement to increase flights between the two countries; in late October, the service will increase to daily.

2. Delta to Resume New York-Tel Aviv Service in June.

Delta will resume daily nonstop service to Tel Aviv from New York Kennedy on June 7, operating an Airbus A330-900neo. The previously scheduled restart was May 1. The decision to resume the route “follows an extensive security risk assessment,” said the airline, which “continues to closely monitor the situation in Israel in conjunction with government and private-sector partners.” Since October 2023, Delta has provided access to Tel Aviv through a codeshare arrangement with EL AL from New York Kennedy and Newark, Boston, Los Angeles, Miami and Fort Lauderdale.

3. JAL to Add 42 New Aircraft from Airbus, Boeing.

Japan Airlines (JAL) will add 21 Airbus A350-900 and 11 A321neo aircraft, and 10 Boeing 787-9 aircraft, over approximately six-years, starting in FY2027. JAL will introduce 21 B737-8 aircraft to replace its current B737-800 fleet, starting from 2026. . . . JAL unit Zipair Tokyo will add seasonal service between Tokyo Narita and San Jose Mineta from June 1 to September 30, and daily flights to Honolulu from April 25 to May 5. Zipair Tokyo flies Boeing 787-8s from Narita to Seoul, Manila, Bangkok, Singapore, Honolulu, Los Angeles and San Francisco. President & CEO is Shingo Nishida.

4. Korean Air to Purchase 33 Airbus A350s.

Korean Air plans to purchase 33 Airbus A350 family aircraft for use on its long-haul routes such as twice daily flights between Seoul Incheon and New York. The transaction, which includes 27 A350-1000s and six A350-900s, is valued at \$13.7 billion. Korean Air also plans to acquire 50 A321neos, 10 Boeing 787-9s, 20 B787-10s, and 30 B737-8s. . . . Korean Air is building an aircraft engine maintenance cluster in Unbuk, near Incheon. Slated to open in 2027, the complex will have seven levels spanning 140,000 square meters. Korean Air is

the sole operator of specialized facilities for civilian aircraft engine overhauls in Korea.

5. **Etihad Begins Boston Service.**

Etihad began four weekly Boeing Dreamliner flights from Abu Dhabi to Boston, its fourth U.S. gateway (Chicago, New York, Washington), with connections to cities throughout North America in partnership with JetBlue.

6. **Air New Zealand Pauses Chicago Service.**

Air New Zealand is pausing Auckland–Chicago non-stop service from March 31 to October 25, 2024, “due to ongoing challenges with availability of serviceable Rolls-Royce Trent 1000 engines which is impacting airlines around the world.” The engines are used on its Boeing 787s. The carrier is maintaining a schedule of up to 35 flights each week to the U.S. and Canada.

7. **China Airlines to Offer Nonstops from Taipei to Seattle.**

China Airlines will launch five weekly Airbus A350-900 nonstops from Taipei to Seattle on July 14, with onward connections offered by SkyTeam partner Delta. China Airlines previously served Seattle from 2004 to 2008. Delta begins service to Taipei from Seattle in June.

8. **AirAsia Cambodia Launched.**

AirAsia Cambodia will begin daily domestic operations on May 2 with two Airbus A320s based at Phnom Penh International. “Our vision is to transform the way people travel in Cambodia and make air travel an integral part of the country’s transportation network,” said AirAsia, which flies to 130 destinations via Kuala Lumpur and Bangkok.

9. **British Airways Adds Asian Flights; Plans £7 Billion Transformation.**

See Section VIII, item 7.

X. AMERICAS

1. JetBlue, Spirit Terminate Merger Agreement.

JetBlue and Spirit mutually agreed to terminate their merger agreement on March 4, citing closing conditions that were unlikely to be met by the agreement's outside closing date of July 24, 2024. JetBlue will pay Spirit \$69 million which resolves all outstanding matters related to the transaction. While the agreement was in effect, Spirit stockholders received about \$425 million in total prepayments from JetBlue.

2. American Orders 260 New Airbus, Boeing, Embraer Aircraft.

American Airlines announced orders for 260 new aircraft, including 85 Airbus A321neos, 85 Boeing 737 MAX 10s and 90 Embraer E175s. The orders include options and purchase rights for an additional 193 aircraft. As part of the Boeing order, American changed 30 existing 737 MAX 8 orders to MAX 10 aircraft. The airline expects to retire its 50-seat single-class regional jets by end of decade and will continue to serve small and medium-size markets with larger regional jets. . . . American announced changes to its AAdvantage program, effective May 1. As many agency-booked tickets will no longer earn points, American Society of Travel Advisors (ASTA) is lobbying to prevent the change. ASTA created a website, 'Save My Miles,' where consumers and agents can state how they are negatively affected by the change; and in an ad, ASTA states: "Travel agencies account for the sale of over \$95 billion in airline tickets. Stop AA from disenfranchising customers who book through travel agencies by telling Congress now—Don't let American Airlines eliminate consumer choice." . . . American is renegotiating its cobranded AAdvantage credit card programs with Citibank and Barclays, seeking to increase revenue from the cards to 10% in 2023-2026, from 7% in 2019-2023, according to a Bloomberg report. In related news, the Consumer Financial Protection Bureau (CFPB) finalized a rule that lowers the typical credit card late fee from \$32 to \$8 and ends automatic inflation adjustments for certain issuers. The U.S. Chamber of Commerce sued to stop CFPB from implementing the rule, which is expected to take effect in May.

3. Southwest Reaches Tentative Agreement with Flight Attendants.

Southwest reached a tentative agreement with Transport Workers Union Local 556 for a new contract for its flight attendants. . . . A collective bargaining agreement was ratified by Southwest Ramp, Operations, Provisioning, and Cargo Agents.

4. Frontier Opens Crew Base at Cleveland Hopkins.

Frontier Airlines opened a new crew base at Cleveland Hopkins which is expected to employ up to 110 pilots, 250 flight attendants and 50 aircraft maintenance personnel within first year of operation. The airline will serve 30 destinations from Cleveland by summer. . . . Frontier will add several nonstops in May and June, including twice daily flights from Newark to San Juan, New York Kennedy to San Juan, and Phoenix to Los Cabos. . . . Frontier will offer UpFront Plus, a seating option with a guaranteed empty middle seat and extra leg room in first two rows of aircraft, from April 10, starting at \$49.

5. SkyWest to Fly 20 Additional E175s for United.

SkyWest announced a new agreement with United to place 20 partner-financed Embraer E175s under a four-year contract, with deliveries throughout 2024. This is in addition to a previously announced 19 SkyWest-owned E175 agreement with United. SkyWest Airlines operates through partnerships with United, Delta, American and Alaska Airlines, carrying more than 38 million passengers in 2023.

6. JetSMART Colombia Launched.

JetSMART Colombia launched operations with an initial seven domestic routes. Speaking at Routes Americas 2024 in Bogotá, JetSMART CEO Estuardo Ortiz said the failure of several airlines in Latin America since 2020 made expansion in the market feasible. JetSMART operates carriers with air operator certificates (AOCs) in Peru and Argentina, in addition to Colombia and its home market of Chile. The all-Airbus A320 family operator was created by private investment fund Indigo Partners, which has investments in Wizz Air, Volaris, Frontier and Cebu Pacific.

7. Delta Restarts New York-Venice Service.

See Section VIII, item 1.

8. JetBlue Begins Flights to Dublin from New York, Boston.

See Section VIII, item 2.

9. Air France Expands U.S. Service.

See Section VIII, item 3.

10. United Expands Global Network.

See Section IX, item 1.

11. **Delta to Resume New York-Tel Aviv Service in June.**
See Section IX, item 2.
12. **Etihad Begins Boston Service.**
See Section IX, item 5.
13. **Air New Zealand Pauses Chicago Service.**
See Section IX, item 6.
14. **China Airlines to Offer Nonstops from Taipei to Seattle.**
See Section IX, item 7.