



# WASHINGTON AVIATION SUMMARY

## November 2024 EDITION

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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.

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## I. REGULATORY NEWS

### 1. American Fined \$50 Million for Violating Disability Laws.

The U.S. Department of Transportation (DOT) announced a \$50 million penalty against American Airlines for numerous serious violations of laws protecting airline passengers with disabilities between 2019 and 2023. Among violations were unsafe physical assistance that resulted in injuries and undignified treatment of wheelchair users, repeated failures to provide prompt wheelchair assistance, and damaging or delaying return of thousands of wheelchairs, leaving travelers without the device they need for mobility. American will be required to pay \$25 million of the fine, and will be credited \$25 million for investments in equipment to reduce incidents of wheelchair damage; a systemwide wheelchair tagging system, deployment of hub control center employees to coordinate wheelchair handling at large airports; and compensation for affected passengers. This is the largest penalty DOT has lodged against an airline for disability rule violations. “By setting penalties at levels beyond a mere cost of doing business for airlines, we’re aiming to change how the industry behaves and prevent these kinds of abuses,” said DOT Secretary Pete Buttigieg. . . . In response, American said it has improved its wheelchair and scooter handling rate by more than 20% since 2022, and its disability-related complaint rate for wheelchair assistance services is less than 0.1% (less than one complaint for every 1,000 requests). . . . DOT has active investigations into similar violations at other U.S. airlines. A proposed rule would set new standards for assistance, mandate enhanced training for airline employees and contractors who physically assist passengers with disabilities and handle passengers’ wheelchairs, and outline actions that airlines must take to protect passengers when a wheelchair is damaged during transport. . . . The International Air Transport Association (IATA), International Civil Aviation Organization (ICAO) and Airports Council International (ACI) will jointly host a Symposium on Accessibility in International Civil Aviation, December 2-3, at ICAO Headquarters in Montréal. Current regulations focus predominantly on addressing concerns through individual jurisdictions, they said; “achieving significant progress will require shifting the focus to the establishment of a cohesive global framework.”

### 2. Boeing Machinists Reject New Offer, Continue Strike.

Boeing machinists rejected a new proposal and 33,000 IAM District 751 and W24 members in Washington, Oregon and California continued their strike. They were not satisfied with a 35% wage increase spread over four years, and insist on reinstatement of a traditional pension plan. . . . Boeing President and

CEO Kelly Ortberg announced “structural changes to ensure we can stay competitive and deliver for our customers over the long term.” These include a reduction of total workforce by roughly 10%, to include executives, managers and employees, and a delay in the 777X program, with first delivery now expected in 2026. Current orders for 767 Freighters will be delivered and production of the commercial program will conclude in 2027. . . . Boeing launched a nearly \$19 billion share sale, saying “Work stoppages by our employees are currently adversely affecting our business, financial condition, results of operations and/or cash flows. Future work stoppages by our or our suppliers’ employees could also adversely impact our business.” Boeing intends to use net proceeds for general corporate purposes, such as repayment of debt, additions to working capital, capital expenditures, and funding and investments in subsidiaries.

**3. DOT, DOJ Examine State of Competition in Air Travel.**

DOT and the Justice Department’s Antitrust Division issued a joint Request for Information, seeking public comment on airline consolidation, anticompetitive conduct, and issues affecting availability and affordability of air travel options. Passengers, consumer advocates, pilots, in-flight and ground crews, airport authorities, employers, airlines, private and charter aircraft operators, travel agents, trade groups, industry analysts, purchasers of corporate travel services, and other entities that provide or rely upon air travel services are invited to provide comments, which are due December 23, 2024.

**4. FAA Concludes United Audit.**

The Federal Aviation Administration (FAA) finished its Certificate Holder Evaluation Program of United Airlines and said the review did not identify any significant safety issues. The airline was able to resume adding aircraft and services. The review was announced in March following several incidents.

**5. DOT IG Audit Report: FAA Oversight of Boeing Ineffective.**

The DOT Inspector General (IG) found that FAA oversight processes for identifying and resolving Boeing 737 and 787 production issues are not effective, in an audit requested by the House and Senate aviation leaders. Among findings, FAA has not adequately ensured that Boeing and its suppliers can produce parts that conform to the approved design, has not established criteria to return delegated authority to Boeing’s Organization Designation Authorization (ODA), and continues to face challenges addressing allegations of undue pressure on staff. The IG made 16 recommendations to improve FAA oversight of Boeing aircraft production. . . . FAA announced it will review Boeing’s Continued Operational Safety processes, such as response time, risk-

assessment quality, resource allocation, and adherence to regulatory requirements and FAA policy. FAA expects the review to take three months.

**6. FAA Accepts Delta Plan to Use Drones for Maintenance Inspections.**

Delta is the first U.S. commercial operator to receive FAA Certificate Management Office acceptance for utilizing camera-based, small drones to conduct visual aircraft maintenance inspections. Drone technology removes risks associated with technicians and inspectors working from heights, helps technicians and inspectors make decisions on aircraft conditions up to 82% faster, and enables aircraft to be returned to service more quickly.

**7. FAA Conducts Audit of Runway Incursion Risk.**

FAA's Air Traffic Safety Oversight Service (AOV) is auditing runway incursion risk at the 45 busiest U.S. airports, to be concluded in early 2025. The audit was recommended by the independent Safety Review Team, comprised of aviation safety experts who examined ways to enhance safety and reliability in the U.S. air traffic system. "FAA continues to be asked to do more with less in an already strained system, and the series of serious incidents in early 2023 illuminate significant challenges to the provision and safety oversight of air traffic services," they found. "These challenges, in the areas of process integrity, staffing, and facilities, equipment, and technology, all have ties to inadequate, inconsistent funding."

**8. FAA Signs Two Schools for Enhanced Air Traffic Training Initiative.**

FAA signed agreements with Tulsa Community College and University of Oklahoma to become the first two schools for the Enhanced Air Traffic–Collegiate Training Initiative (AT-CTI). The program will provide the same curriculum and advanced technology offered at the FAA Air Traffic Controller Academy at Oklahoma City, and enable graduates to go directly to an FAA facility for training; they will still need to pass the Air Traffic Skills Assessment (ATSA) exam and meet medical and security requirements.

**9. Coalition Recommends Actions on Unapproved Parts.**

The Aviation Supply Chain Integrity Coalition released a report recommending industry actions to help prevent unapproved parts from entering the propulsion supply chain. Strengthening vendor accreditation, digitizing documents and improving part traceability are among recommendations. GE Aerospace led formation of the coalition after AOG Technics was found to have sold parts with counterfeit documents. Former NTSB Chairman Robert Sumwalt and former DOT Deputy Secretary John Porcari were co-chairs. Founding members included senior representatives from Airbus, American, Boeing, Delta, GE Aerospace, Safran, StandardAero and United.

**10. FAA Final Rule Paves Way for eVTOL Operations.**

FAA issued a final rule for qualifications and training that instructors and pilots must have to fly a new category of aircraft with characteristics of both airplanes and helicopters, paving the way for electric vertical-takeoff-and-landing (eVTOL) services. FAA previously determined it could certify powered-lift using existing regulations and updated other regulations so air taxis could be used commercially, and last year released a blueprint for how Urban Air Mobility vehicles will operate, which is a key element in maturing the overall Advanced Air Mobility concept.

**11. DOT Fines Lufthansa for Discriminating Against Jewish Passengers.**

DOT fined Lufthansa \$4 million for discriminating against Jewish passengers traveling from New York Kennedy through Frankfurt to Budapest in 2022. Based on alleged misconduct of some passengers, Lufthansa prohibited 128 Jewish passengers from boarding their connecting flight. “Despite many of the passengers not knowing each other nor traveling together,” said DOT, “Lufthansa treated them all as if they were a single group and denied them boarding for the alleged misbehavior of a few.” The penalty is the largest ever issued by DOT against an airline for civil rights violations.

**12. Justice Dept. Charges Nigerian Airline CEO with Obstruction.**

The U.S. Department of Justice charged Allen Onyema, Chairman, CEO and founder of Nigerian airline Air Peace, with obstruction of justice for submitting false documents to the U.S. government related to earlier charges of bank fraud and money laundering. Ejiroghene Eghagha, the airline’s Chief of Administration and Finance, was also charged. The Drug Enforcement Administration, Internal Revenue Service Criminal Investigation, U.S. Immigration and Customs Enforcement’s Homeland Security Investigations, FAA, Department of Commerce, and Department of Treasury are investigating the case. Assistant U.S. Attorneys are prosecuting the case. The effort is part of an Organized Crime Drug Enforcement Task Forces operation.

**13. Airlines for America Petitions for Rulemaking on BTS Categories.**

Airlines for America (A4A) petitioned the DOT Bureau of Transportation Statistics (BTS) to initiate a rulemaking revising the “On-Time Flight Performance Report” reporting categories for cancellations and delays. Section 511 of the 2024 FAA Reauthorization Act mandated BTS to initiate this rulemaking by July 15, 2024. The required changes will ensure certain incidents beyond carriers’ control are not reported as caused by carriers.

## II. AIRPORTS

### 1. FAA Awards \$970 Million to Modernize Airport Terminals.

FAA is awarding \$970 million to 125 U.S. airports to fund new baggage systems, larger security checkpoints, increased gate capacity, and modernizing aging infrastructure throughout terminals and ground transportation. Among airports receiving grants are Tampa International, \$40 million to connect Terminal D to main terminal; Denver International, \$15 million to reconstruct baggage handling system; Austin-Bergstrom, \$33.2 million to fund a portion of the new Midfield Terminal B construction project, which will add at least 20 new gates; and Salt Lake City International, \$15 million for construction of 16 new gates as part of the Concourse B expansion. Funding is from one of three aviation programs created by the Bipartisan Infrastructure Law, which provided \$25 billion to modernize airport infrastructure.

### 2. New Reagan National Beyond-Perimeter Flights Tentatively Granted.

DOT tentatively granted two slot exemptions at Reagan Washington National Airport (DCA) to each of five carriers, to operate new daily service to destinations beyond the airport's 1,250-mile flight limit. The carriers awarded the slots are Alaska for service to San Diego, American (San Antonio), Delta (Seattle), Southwest (Las Vegas), and United (San Francisco). The new beyond-perimeter exemptions were enabled by the FAA Modernization and Reauthorization Act of 2024.

### 3. Newark Liberty Renewal Planned.

Port Authority of New York and New Jersey announced "a comprehensive reimagining" of 96-year-old Newark Liberty, which includes a new international terminal to replace the current Terminal B and a new taxiway network that would accommodate larger aircraft and feature safety standards like straight taxiway segments and minimal need for crossings. Landside development includes expanded frontage space for passenger waiting, loading and unloading while minimizing walking distances. AirTrain access would be simplified, and connectivity and amenities for cyclists, pedestrians, and service vehicles would be improved. Port Authority will begin a two- to three-year planning process in 2025 for major elements of the redevelopment, including cost projections and project delivery alternatives. A record 49 million passengers passed through the airport in 2023. Major recurring issues, including insufficient terminal capacity, congested roadways, and airside delays, often lead to inefficient operations and a subpar passenger experience, said the Port Authority, which also owns and manages LaGuardia and Kennedy airports. The EWR Vision Plan was developed in partnership with design firm Arup and architecture firm Skidmore,

Owings & Merrill, following outreach to airport tenants, operational partners and the public.

4. **Dallas Fort Worth CEO Sean Donohue to Retire.**

Dallas Fort Worth (DFW) CEO Sean Donohue announced his retirement. He joined DFW in 2013, having held executive roles with Virgin Australia and United; he is co-chair of the Aviation and Aerospace Committee, World Economic Forum. Donohue expects to remain until next year; a global search is underway for his successor. . . . DFW completed a major rehabilitation of one of its largest of seven runways, using an innovative approach in partnership with FAA and American Airlines. Runway 17R/35L reopened in a shortened configuration in May and in full operational configuration October. This allowed crews to work on the full length of the runway while airline partners were able to use the shortened runway during the airport's record-breaking summer travel season. The 13,400 ft. long by 200 ft. wide runway took more than 350,000 work hours to build "and was achieved with no recordable safety accidents, with work including a complete reconstruction of the runway with a high-density asphalt overlay, and new and improved drainage, lighting, signage and deicing infrastructure." Sustainable initiatives include replacement of runway lights with energy-efficient LED fixtures, and recycling 300,000 cubic yards of reclaimed concrete. The runway project is a part of a \$9 billion capital improvement plan.

5. **Expanded Houston Bush Terminal D-West Opens.**

Houston's George Bush Intercontinental (IAH) opened an expanded Terminal D-West Pier, part of the \$1.458 billion IAH Terminal Redevelopment Program. The 160,000-sq.-ft. facility includes six new widebody gates and 16 new concessions.

6. **London Stansted Unveils £1.1 Billion Investment Program.**

London Stansted will build a £600 million terminal extension as part of a five-year £1.1 billion investment program, enabling the airport to handle up to 43 million passengers a year. The extension will add three bays and include a larger immigration hall, departure lounge and security hall and increased baggage capacity. Also included in the investment program are an on-site solar farm and a taxiway upgrade. Stansted served a record-breaking 29.3 million passengers in year to September 2024, with new airlines including Royal Jordanian and the return of British Airways, and, said Managing Director Gareth Powell, more airlines to come. "We are unique among major airports in operating a single terminal, which means we can give people a simple, efficient and seamless experience."

7. **Changi Airports to Manage Haikou Meilan Concessions.**

Changi Airports International (CAI) will manage non-aeronautical commercial operations at Haikou Meilan International (HAK) under a joint venture, in which Hainan Meilan International Airport Co., Ltd. owns 51% and CAI 49%. CAI will have exclusive rights to manage retail, food and beverage, advertising, leisure and lounge services for 10 years, from January 2025. CAI-Meilan aims to transform HAK into a premier travel hub. Located in Haikou city, the capital of Hainan Province, HAK handled 24 million passengers in 2023, ranking 18th among China's airports, with capacity to handle 35 million.



### **III. SECURITY AND DATA PRIVACY**

#### **1. TSA Update.**

The Transportation Security Administration (TSA) announced that Caribbean Airlines and RED Air were added to the nearly 100 airlines now participating in the TSA PreCheck expedited screening program. . . . TSA intercepted 5,028 firearms at airport security checkpoints during first nine months 2024, representing an average of 18.3 detected per day, more than 93% of which were loaded. Transportation Security Officers (TSOs) screened 678 million passengers through first three quarters 2024, which comprised record-setting summer travel volumes, compared to 638 million passengers in same period 2023, an increase of nearly 6.3%. The rate of firearms discoveries at TSA checkpoints during the July–September quarter was 7.5 per one million passengers, compared to 8.1 in same period 2023. . . . TSA issued a final rule that enables continued use of mobile driver’s licenses (mDLs) for identity verification in support of REAL ID enforcement, which begins May 7, 2025, at airport security checkpoints and federal buildings. . . .

TSA was named Innovator of the Year in Forbes Travel Guide’s inaugural Verified Air Travel Awards for implementation of facial recognition technology. TSA deploys the technology at select airports through its second-generation Credential Authentication Technology (CAT-2) scanners as travelers enter the screening process by comparing the live image with the passenger’s credentials.

#### **2. EU Entry/Exit System Delayed Again.**

The European Union’s Entry/Exit System (EES) will not roll out in November as expected, after numerous delays. Once implemented, EES will replace manual passport stamping with electronic registration for all non-EU nationals entering the Schengen Area for short stays; collect and store facial images and fingerprints; track entry and exit dates to identify visa overstays; and facilitate information sharing between Schengen countries. The ETIAS delay could affect the launch of the European Travel Information and Authorization System (ETIAS), expected in early 2025, which affects checks for visa-exempt travelers.

## **IV. TECHNOLOGY AND EQUIPMENT**

### **1. IATA to Offer Digital Currencies in Financial Settlement Systems**

IATA will offer digital currencies in financial settlement systems it operates for the industry. Initially, the digital Renminbi will be available in the China Billing and Settlement Plan (BSP) by end of 2024, as “China is one of the most advanced countries in the world in the adoption of digital currency.” The Renminbi Offshore (CNH) currency was added to IATA’s Currency Clearance Service (ICCS) in July, bringing total number of currencies handled by the global cash management service to 74. The ICCS enables airlines to repatriate their sales funds worldwide to their preferred nominated currencies.

### **2. CrowdStrike, Delta Countersue Over Global IT Outage.**

Delta sued CrowdStrike for releasing a faulty software update that caused a global IT outage in July and led the airline to cancel 7,000 flights over a five-day period, losing, as a result, more than \$500 million. CrowdStrike countersued, saying Delta was responsible for its inability to resume normal operations.

### **3. American Awarded \$9.4 Million in Skiplagged Suit.**

American Airlines was awarded \$9.4 million by a jury in its lawsuit against Skiplagged. The travel website promotes “hidden-city” or “throwaway” ticketing; i.e., travelers book an itinerary with a connecting city, which is cheaper than a direct flight, and deplane on the layover. In its suit, American claimed Skiplagged’s actions violate airline policies.

### **4. Alaska to Launch Airline Venture Lab.**

Alaska Airlines established the Airline Venture Lab, in partnership with UP.Labs, to launch startups to enhance network optimization and routing, aircraft maintenance and revenue management. Sean Menke is Senior Advisor and Investment Committee member. He is Executive Chairman of Sabre and a former CEO of Frontier and Pinnacle. He also held executive roles with Air Canada and Hawaiian. . . . UP.Labs with UP.Ventures and UP.Summit are part of UP.Partners, which builds and invests in “companies that move people and goods cleaner, faster, safer, and at lower cost — on the ground, in the air, on the sea, and in space.” Alaska Airlines is a limited partner in UP.Ventures. John Kuolt, founder and CEO of UP.Labs, is the grandson of Milt Kuolt, a founder of Alaska’s regional unit Horizon Air. UP.Summit is jointly organized by UP.Partners, Tom and Steuart Walton and Ross Perot Jr.

**5. Toyota to Invest \$500 Million in Joby Aviation.**

Toyota Motor Corp. will invest an additional \$500 million in Joby Aviation to support certification and commercial production of Joby's electric air taxi for commercial passenger service, bringing Toyota's total investment to \$894 million. Terms include plans to establish a manufacturing alliance for the first phase of commercialization. Joby recently rolled its third aircraft off its pilot production line in Marina, California, and broke ground on an expanded facility. Toyota engineers work with the Joby team and Toyota will supply powertrain and actuation components. Joby launched an underwritten public offering to sell up to \$200 million shares of common stock.

**6. Lilium Declares Bankruptcy.**

Electric aircraft manufacturer Lilium announced that its principal German subsidiaries would apply for self-administration proceedings after failing to obtain a government loan guarantee. The company expected to begin deliveries of 780 Lilium Jets in 2026. The first piloted flight was planned for early 2025. "While there is no guarantee for success in insolvency proceedings, we hope that the Lilium Jet will get a chance for a fresh start after the self-administration process is completed," said CEO Klaus Roewe. Munich-based Lilium has teams based across Europe and the U.S. . . . Just days earlier, Lilium and GE Aerospace announced they would combine their "respective flight data and analytics platforms to build scalable flight data management solutions that inform the right safety standards and guidelines for eVTOL operators."

## **V. ENERGY AND ENVIRONMENT**

### **1. Fuel Bill for Global Airline Industry.**

Average price of aviation jet fuel for week ending October 18 was \$88.47 per barrel, up 2.8% on prior month's average, and down 21.2% on prior year's average, according to the Jet Fuel Price Monitor, a joint IATA-Platts initiative.

### **2. Conditional \$1.46 Billion Loan Guarantee to Gevo Net-Zero 1 from DOE.**

The Department of Energy (DOE) Loan Programs Office announced a conditional commitment for a \$1.46 billion loan guarantee to Gevo Net-Zero 1 to help finance a large-scale corn starch-to-jet fuel facility in Lake Preston, South Dakota. The facility will benefit from significant access to a wide base of local farmers and growers offering U.S.-grown, low-cost, low-carbon field corn, which it will utilize to produce sustainable aviation fuel (SAF), renewable diesel, and renewable naphtha, and also use carbon capture and sequestration and renewable power to lower emissions. Annually, Gevo NZ-1 would also produce 1.3 billion pounds of high-value protein products, used in animal feed, and 30 million pounds of corn oil. Gevo would be the first integrated, commercial-scale facility in the United States to convert corn starch to SAF with carbon capture and renewable power. The Gevo NZ-1 facility would produce up to 60 million gallons of SAF per year. DOE must complete an environmental review, and the company must satisfy certain technical, legal, environmental, commercial and financial conditions before the Department can decide whether to enter into definitive financing documents and fund the loan guarantee.

### **3. Southwest Bringing SAF to Chicago Midway.**

Southwest Airlines announced a two-year supply agreement with Valero to bring SAF to Chicago Midway. Southwest will purchase a minimum of 3.6 million gallons of neat SAF (about 12 million gallons blended) for use in its operations as early as Q4 2024, with option to purchase up to 25 million gallons (about 84 million gallons blended) over the agreement's term. On a blended basis, this would represent up to 35% of Southwest's jet fuel out of Midway. The neat SAF is expected to be produced from waste-based feedstocks, including used cooking oil, animal tallow, and distiller's corn oil, with a lifecycle greenhouse gas emission reduction ranging from 74% to 84% compared to conventional jet fuel. Diamond Green Diesel, a joint venture between a Valero affiliate and Darling Ingredients, will supply the neat SAF, which will be blended with Valero's conventional jet fuel and delivered via existing fuel delivery infrastructure, including Explorer Pipeline and West Shore's Chicagoland pipeline network. Illinois is making an SAF Purchase Credit available to airlines serving the state.

**4. Travel & Tourism Sector's Emissions Decrease.**

Travel & Tourism accounted for 6.7% of all emissions globally in 2023, down from 7.8% in 2019, according to World Travel & Tourism Council (WTTC), while the sector's contribution to global GDP almost reached pre-pandemic levels at \$9.9 trillion. WTTC's Environmental & Social Research (ESR) was created in partnership with the Ministry of Tourism of Saudi Arabia and delivered at its 24th Global Summit in Perth. "Our sector is proving that we can grow responsibly," said WTTC President & CEO Julia Simpson. "We're decoupling growth from emissions."

## **VI. U.S. CONGRESS**

### **1. Congress Calls for BVLOS Drone Operations Rulemaking.**

House Transportation Committee members urged DOT Secretary Pete Buttigieg and FAA Administrator Michael Whitaker to “move forward expeditiously with an overdue rulemaking providing for scaled, safe beyond visual line of sight (BVLOS) drone operations in U.S. airspace.” The FAA Reauthorization Act of 2024, which became law on May 16, 2024, included a provision directing FAA to establish a performance-based framework for BVLOS operations of unmanned aircraft systems (UAS), requiring publication of a notice of proposed rulemaking (NPRM) within four months of enactment and a final rule within 20 months of enactment. Although FAA has provided waivers and exemptions for some BVLOS operations, said Committee Members, “the current process continues to stifle innovation with regulatory uncertainty and complexity.” A final rule “will help unlock the full benefits of BVLOS operations across local communities and our national economy, including in the public safety, medical, logistics, and agricultural industries [and] build on years of work by the FAA, the industry, conventional airspace users, and other stakeholders to ensure the necessary standards and processes are in place to safely foster advanced drone operations into United States skies.”

### **2. Senate Leaders Urge Resolution of Boeing Strike.**

Members of Congress urged Boeing President and CEO Kelly Ortberg and IAM Local leaders to reach a mutually beneficial resolution, as strike negotiations stalled. “With over 42,000 single-aisle and widebody commercial aircraft projected to be manufactured over the next twenty years, valued at \$8 trillion, now is the time to rebuild the historic partnership between management and workers in order to restore Boeing’s reputation for engineering and manufacturing excellence,” they wrote. “This will require investing in next generation manufacturing techniques, innovative new materials, and providing workers with wages and benefits that acknowledge the essential and irreplaceable work they perform for the company.” The letter was signed by Washington State Democratic leaders of the Senate Commerce and Appropriations Committees and the House Armed Services and Transportation Committees.

## **VII. BILATERAL AND STATE DEPARTMENT NEWS**

### **1. Asian Regulators Agree to Form Safety Data Sharing Initiative.**

Aviation regulators of Indonesia, Malaysia, the Philippines, Singapore and Thailand will launch a Regional Aviation Safety Data and Information Sharing Initiative to identify safety hazards and trends and develop mitigating measures to better manage safety risks. The Memorandum of Understanding (MOU) was signed on the sidelines of the 59th Conference of Directors General of Civil Aviation, Asia and Pacific Regions, in Cebu, Philippines, with launch hoped for by end of year. Shared data will come from each State's mandatory reporting systems, covering scheduled international and domestic commercial air transport, including airlines, air navigation service providers and aerodrome operators. Categories of safety occurrences include traffic collision avoidance system—resolution advisory, deviations from air traffic controller assigned altitude, ground proximity warning system or terrain awareness and warning system activations, severe turbulence, windshear, bird strikes, and dangerous goods incidents. Data will be utilized for advancing safety goals as outlined in the MOU and not for any other purposes. Each contributor will retain ownership of data it provided.

## VIII. EUROPE AND AFRICA

### 1. Delta Launches Minneapolis-St. Paul to Copenhagen Nonstops.

Delta will begin Airbus A330-300 service from its hub in Minneapolis-St. Paul to Copenhagen in May. The three weekly nonstops will operate with support from code share partner SAS. . . . Delta introduced the A330-900neo on daily nonstops from New York Kennedy to Accra, increasing its seat capacity by 30% between Ghana and the United States.

### 2. United Announces Europe, Africa Expansion.

United is extending service to European destinations including Greece, Spain, Italy and Portugal this winter, and added three times weekly Boeing 767-300ER nonstops to Marrakesh from New York Newark. Increased service from Washington Dulles to Accra, Lagos and Senegal was announced.

### 3. Aer Lingus Offers Dublin to Nashville, Indianapolis Nonstops.

Aer Lingus begins four weekly Airbus A321XLR nonstops from Dublin to Nashville on April 12, and four flights a week from Dublin to Indianapolis on May 3.

### 4. Southwest, Icelandair Announce Partnership.

Southwest and Icelandair signed an MoU to begin a bilateral partnership in 2025. Icelandair will be Southwest's first airline partner. The initial North American gateway will be Baltimore (BWI), with other destinations to follow. From these gateways, Icelandair customers can connect to numerous Southwest destinations. Southwest customers can connect to Icelandair's network, which includes five airports in Iceland, four in Greenland, and 34 destinations in Europe.

### 5. Virgin Atlantic Adds Destinations for Summer 2025.

Virgin Atlantic will launch daily Airbus A330neo flights from London Heathrow to Riyadh, on March 30. The market is expected to have a predominantly Saudi Arabian point of sale, which will see customers visiting the UK, as well as seamlessly connecting to 12 destinations in North America, on Virgin Atlantic and Delta networks, including Atlanta, New York, Los Angeles, Miami, Seattle, Boston and Detroit. SkyTeam partner Saudia will offer onward connections to Islamabad, Lahore and Karachi. In 2023, annual trade between the UK and Saudi Arabia was worth £17.1 billion; air travel is forecast to grow 24% between 2019-2035. . . . Virgin Atlantic will return to Ghana for the first time since 2013, with daily Boeing 787 flights to Accra, from May; 10% of customers are expected to connect through London onto Virgin Atlantic's New York Kennedy service. . .



. Virgin Atlantic will fly to Canada for the first time in more than a decade, with direct flights between London Heathrow and Toronto Pearson, starting March 30, operated via the joint venture with Air France, Delta and KLM, and in partnership with Canadian airline Westjet.

**6. Lufthansa to Collaborate on Future Aviation Research Project.**

Lufthansa Group, Technical University of Munich (TUM) and Munich Airport are planning a new center of cooperation and innovation, to be located at the airport. Research priorities of the TUM Sustainable and Future Aviation Center include key areas of aviation, mobility, robotics and security.

**7. DOT Fines Lufthansa for Discriminating Against Jewish Passengers.**

See Section I, item 11.

**8. Justice Dept. Charges Nigerian Airline CEO with Obstruction.**

See Section I, item 12.

## **IX. ASIA/PACIFIC AND MIDDLE EAST**

### **1. Indian Airlines Besieged by Hoax Bomb Threats.**

Airlines in India has received hundreds of bomb threats leading to grounded domestic and international flights, with some diverted flights escorted by fighter jets. The threats were phoned, emailed or posted on social media. In one instance, an Air India Boeing 777 flying from Delhi to Chicago was diverted to a small Canadian town, where 200 passengers were grounded for three days before being flown to Chicago on a Canadian air force plane. India's Civil Aviation Ministry said those responsible for the disruptions will be identified and duly prosecuted, warning that a change in rules could put perpetrators on a no-fly list.

### **2. United to Serve Mongolia, Taiwan, Palau from Narita.**

United will be the only U.S. airline to serve Mongolia, with seasonal nonstops to Ulaanbaatar from Tokyo Narita launching May 1. Also from Narita, year-round service to Kaohsiung, Taiwan and to Koror, Palau.

### **3. Delta Offers Los Angeles-Shanghai, Salt Lake City-Seoul Nonstops.**

Delta plans three weekly Airbus A350 nonstops between Los Angeles and Shanghai (PVG) in June, bringing number of weekly U.S.-China flights it operates to 17. . . . Delta will begin daily, year-round Airbus A350 service from Salt Lake City to Seoul Incheon on June 12, the only direct flight linking Salt Lake City to Asia. With joint venture partner Korean Air, Delta offers access to Seoul from 14 U.S. gateways.

### **4. Delta Signs Code Share Agreement with Saudia.**

Delta signed a code share agreement with Saudia Airlines, building on their existing interline relationship. Subject to government approvals, Delta customers gain access to nine destinations in Saudi Arabia and the Middle East beyond Saudia's hubs in Jeddah and Riyadh. Saudia guests gain access to 12 destinations in the U.S. beyond Delta's New York Kennedy and Los Angeles hubs.

### **5. Qantas Changes U.S. Service.**

Qantas announced changes to U.S. routes. Melbourne-Dallas flights increase from three to four per week on February 6, when Sydney-New York (via Auckland) flights decrease from six to five per week. The Boeing 787 Dreamliner returns to the Brisbane-Los Angeles route, more than doubling premium seat capacity and offering Premium Economy, with daily flights also operated by the

Airbus A330s, from August 11, when the Sydney-Dallas route resumes post-COVID, with daily flights operated by a mix of A380s and 787s.

6. **Qatar to Acquire 25% Stake in Virgin Australia from Bain Capital.**

Qatar Airways Group announced its intention to acquire a 25% equity stake in Virgin Australia from Bain Capital. Subject to regulatory authorization, the cooperation will enable Virgin Australia to launch flights from Brisbane, Melbourne, Perth and Sydney to Doha, connecting to Qatar's global network. The flights will open up more than 100 new connecting itineraries across Europe, the Middle East and Africa for Australian travelers. Proposed wet-lease services (aircraft and essential operating staff) will begin in mid-2025. Virgin Group and Queensland Investment Corporation (QIC) remain shareholders in Virgin Australia.

7. **Asian Regulators Agree to Form Safety Data Sharing Initiative.**

See Section VII, item 1.

## **X. AMERICAS**

### **1. Southwest Reconstitutes Board, Kelly Retires.**

Southwest Airlines reached a “collaborative resolution” with Elliott Investment Management and announced the accelerated retirement of Executive Chairman Gary Kelly and the appointments of David Cush, Sarah Feinberg, Dave Grissen, Gregg Saretsky and Patricia Watson as independent directors of the Board. Kelly will assume the title of Chairman Emeritus. Chevron CFO Pierre Breber was also appointed to the Board. These changes take effect November 1, as do previously announced retirements of six Southwest directors. Southwest entered into a Cooperation Agreement under which Elliott “agreed to standstill, voting, confidentiality, and other provisions, and an Information Sharing Agreement to enable Southwest to share confidential information regarding upcoming company announcements and other matters. Elliott withdrew its request to call a Special Meeting of Shareholders.”

### **2. United Announces Record Third Quarter.**

United Airlines operated its busiest third quarter (revenue passenger volumes) in company history, with most passengers carried for July 4 and Labor Day holidays, most carried in a day in July, and highest daily customer average in a month of September. . . . United will fly a weekly, year-round nonstop to Puerto Escondido from Houston operated by United Express partner Mesa Airlines, and new daily service between San Francisco and San Jose, Costa Rica. . . . SkyWest will begin operating the CRJ550 as part of the United Express portfolio, with 11 initial aircraft to start entering the fleet in December.

### **3. Frontier Pilots Vote to Authorize Strike.**

Frontier Airlines pilots voted in favor of authorizing a strike, if necessary, said Air Line Pilots Association, Int'l (ALPA), “signaling their readiness to act should negotiations with management break down.” They have been engaged in mediated talks since their contract became amendable in January.

### **4. Spirit Announces Cost Reductions, Aircraft Sale.**

As part of its continued strategy to return to profitability, Spirit Airlines identified approximately \$80 million of annualized cost reductions that it plans to begin implementing in early 2025, driven primarily by a reduction in workforce commensurate with expected flight volume. Third quarter 2024 capacity was down 1.2% year over year, and fourth quarter 2024 capacity is expected to be down about 20% year over year. Spirit is selling 23 Airbus A320ceo/A321ceo aircraft to GA Telesis (GAT) for about \$519 million.

5. **Air Canada Pilots Ratify Collective Agreement.**

Air Canada pilots ratified a new four-year contract, which, said ALPA, includes significant improvements to compensation and quality of life. Air Canada said the agreement, which is immediately effective and expires September 29, 2027, keeps its pilots “the best compensated in Canada [and] creates a framework for future growth of the airline and its network.”

6. **LATAM Returns to NY Stock Exchange, Updates Guidance.**

LATAM Airlines Group returned to the New York Stock Exchange, which it exited in 2020 “due to the pandemic’s impacts and a financial restructuring process,” and updated its 2024 guidance. Capacity (available seat kilometers) increased around 16% compared to previous year. LATAM purchased 10 Boeing 787s, with options for five more. LATAM has commercial agreements with 57 airlines and code share agreements with 27 airlines. Since the start of their joint venture in 2022, Delta and LATAM have inaugurated six routes (Atlanta-Cartagena and seasonal New York Kennedy-Rio de Janeiro, operated by Delta; and Bogotá-Orlando, São Paulo-Los Angeles, seasonal Santiago-Orlando, and Quito-Miami, operated by LATAM group); and added frequencies, such as a second daily frequency on Atlanta-Bogotá (Delta) and Lima-Atlanta (LATAM).

7. **LATAM’s CEO Roberto Alvo Named President of ALTA.**

Roberto Alvo, CEO of LATAM Airlines Group, was elected President of the Latin American and Caribbean Air Transport Association (ALTA). As Chairman of the Executive Committee for the period 2024-2025, he joins Adrian Neuhauser (Abra Group), Pedro Heilbron (Copa), John Rodgerson (Azul), Tracy Cooper (Bahamasair) and Andres Conesa (Aeromexico). . . . “The year 2024 will be historic for Latin America and the Caribbean, with 479 million passengers, the highest volume recorded to date,” said José Ricardo Botelho, ALTA’s CEO, at the organization’s AGM & Airline Leaders Forum, in Nassau, Bahamas. “Of this total, 54% is domestic traffic, 35% corresponds to extra-LAC international flights, and 11% is intra-LAC, highlighting opportunities to improve regional connectivity. The Caribbean, in particular, will see a 5.75% increase in passenger numbers.”

8. **American Fined \$50 Million for Violating Disability Laws.**

See Section I, item 1.

9. **Delta Launches Minneapolis-St. Paul to Copenhagen Nonstops.**

See Section VIII, item 1.

10. **United Announces Europe, Africa Expansion.**  
See Section VIII, item 2.
11. **Aer Lingus Offers Dublin to Nashville, Indianapolis Nonstops.**  
See Section VIII, item 3.
12. **Southwest, Icelandair Announce Partnership.**  
See Section VIII, item 4.
13. **Virgin Atlantic Adds Destinations for Summer 2025.**  
See Section VIII, item 5.
14. **United to Serve Mongolia, Taiwan, Palau from Narita.**  
See Section IX, item 2.
15. **Delta Offers Los Angeles-Shanghai, Salt Lake City-Seoul Nonstops.**  
See Section IX, item 3.
16. **Delta Signs Code Share Agreement with Saudia.**  
See Section IX, item 4.
17. **Qantas Changes U.S. Service.**  
See Section IX, item 5.