



WASHINGTON AVIATION SUMMARY

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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. Sean Duffy Chosen for DOT Secretary.

President-elect Donald Trump announced his intention to nominate Sean Duffy as Secretary of the Department of Transportation (DOT). Duffy was a member of the U.S. House of Representatives from 2011 to 2019, after serving as District Attorney of Ashland County, Wisconsin. He currently is co-host of a Fox Business News show. Trump wrote that Duffy “will prioritize Excellence, Competence, Competitiveness, and Beauty when rebuilding America’s highways, tunnels, bridges, and airports...make our skies safe again by eliminating DEI [diversity, equity and inclusion] for pilots and air traffic controllers...fulfill our Mission of ushering in The Golden Age of Travel, focusing on Safety, Efficiency, and Innovation [and] greatly elevate the Travel Experience for all Americans!”. . . . Duffy has “a proven track record for getting things done,” said Airlines for America (A4A), adding, “we look forward to working with the new administration to address the ongoing air traffic controller shortage and modernization of the National Airspace System. Committing to expanding the Collegiate Training Initiative program to more colleges and universities across the country and ensuring swift deployment of FAA’s full Facilities & Equipment budget are crucial to mitigating those issues and to the continued safety and security of the U.S. airline industry.” . . . Delta CEO Ed Bastian said he expects the Trump DOT to “take a fresh look at the regulatory environment, the bureaucracy that exists in government, the level of overreach that we have seen over the last four years within our industry.” Southwest CEO Robert Jordan said, “We are hopeful for a DOT that is maybe a little less aggressive in terms of regulating or rule-making.” . . . “Some airline CEOs have expressed hope that the next administration will be less passenger-friendly and more corporate-friendly,” said current DOT Secretary Pete Buttigieg, “but passenger protections we have put in place enjoy broad public support and will stand the test of time.” Meanwhile, Trump appointed billionaire entrepreneurs Elon Musk and Vivek Ramaswamy to co-lead a newly created Department of Government Efficiency (DOGE). In a Wall Street Journal opinion piece, they said they will reverse government overreach and cut \$2 trillion from the federal budget.

2. Boeing Strike Ends.

Boeing workers reach a ratified agreement with IAM 751 & W24 on November 4, ending a strike that began in September. The new contract includes a 38% general wage increase over four years, said International Association of Machinists and Aerospace Workers (IAM), as well as a \$12,000 ratification bonus and 401(k) and pension plan improvements. An Aerospace Machinists

Performance Plan is reinstated, with guaranteed minimum annual payout of 4%. . . . During the Boeing strike, Spirit AeroSystems implemented a 21-day furlough for employees working on the 767 and 777 programs, as it had significant inventory and lacked room for additional storage. To address these and other concerns, Boeing committed to advance Spirit up to \$350 million to produce its products at needed rates. Airbus agreed to provide Spirit a non-interest-bearing line of credit in an amount of \$107 million to help avoid delays in receiving parts for its programs. Boeing and Airbus plan to acquire U.S. and European branches of Spirit. . . . Spirit AeroSystems workers staged a brief strike and reached agreement on a new four-year contract.

3. ATC Privatization Discussed Again.

Former Congressman Bill Shuster (R-PA) told attendees at an Aero Club of Washington event that privatization of air traffic control should be considered again. The first Trump Administration advocated privatization and Shuster, a former House Transportation Committee Chairman, unsuccessfully attempted to include a provision in an FAA reauthorization bill.

4. Audit Initiated of FAA's Issuance of STCs.

The DOT Office of Inspector General (IG) initiated an audit to determine whether the Federal Aviation Administration (FAA) has sufficient controls in place to provide reasonable assurance that inspectors are consistent in determining what aircraft alterations require a supplemental type certificate (STC), and FAA inspectors process STC applications consistently across FAA offices and geographic regions. The FAA Reauthorization Act of 2024 mandated audits focused on FAA's consistency of interpretation and application of policy regarding STCs, repair stations and technical standards orders. This will be the first in the series. A type certificate, including an STC, is a design approval issued by FAA for aircraft, engines, and propellers when an applicant demonstrates that the product meets all applicable regulations. An STC approves not only the modification to the product but also how that modification affects the product's original design.

5. FAA Adds Embry-Riddle to ATC Training Initiative.

FAA added Embry-Riddle Aeronautical University to its Enhanced Air Traffic Collegiate Training Initiative (AT-CTI), which enables graduates to be placed in an accelerated employment path at FAA facilities for air traffic controller training. Tulsa Community College and University of Oklahoma also offer the curriculum. In 2023 FAA hired 1,500 controllers, this year hired more than 1,800, and in 2025 it hopes to hire 2,000.

6. **FAA Plans Bessie Coleman Women in Aviation Advisory Committee.**

As mandated by the 2024 FAA Reauthorization Act, FAA is establishing the Bessie Coleman Women in Aviation Advisory Committee to advise the Secretary of Transportation and the FAA Administrator on matters and policies related to recruitment, employment, education, career advancement and well-being of women in the aviation industry and aviation-focused federal civil service positions. The Committee will be comprised of 25 or more leaders from aerospace stakeholders, who will convene at least twice a year and develop an annual task report for the DOT Secretary and related committees. The application period for the Bessie Coleman Women in Aviation Advisory Committee is underway.

II. AIRPORTS

1. DOT Grants to Help Small Communities Improve Air Service.

DOT will award \$11.99 million from the Small Community Air Service Development Program to help 14 communities in 14 states develop solutions to local air service needs. Since program inception, DOT has issued nearly 500 grants, used to provide financial incentives to carriers, conduct studies on the possibilities of expanded service, and carry out marketing programs to promote existing local service. The financial assistance helps communities establish first air services and restore lost service, and provides support to establish new routes to improve connectivity. Among grant awards this year are \$1,000,000 each to Huntsville, AL; Chico, CA; Alexandria, LA; Lansing, MI; Columbia, MO; Grand Forks, ND; and Toledo, OH.

2. FAA Construction-Related Scheduling Relief at Four Major U.S. Airports.

FAA issued a notification of limited waiver of slot usage requirement and limited scheduling relief at several airports, due to a Newark Liberty construction-related runway closure scheduled for 2025, for purposes of establishing a carrier's operational baseline in the next corresponding scheduling seasons. Airports affected are Chicago O'Hare, Los Angeles International and San Francisco International under FAA's Level 2 schedule facilitation process. A limited conditional waiver of minimum usage requirements is in place at Reagan Washington National for impacted flights between Newark and those airports.

3. Charlotte Service Workers Strike.

Service workers at Charlotte Douglas International staged a strike during Thanksgiving week. Service Employees International Union said they want an end to poverty wages. Contractors employing the workers expressed appreciation for "the hard work our team members put in every day to support our clients and help keep spaces clean and people healthy." The American Airlines hub estimated 1.02 million passengers between Thursday, Nov. 21, and Monday, Dec. 2, a 7% increase compared to last year and a 20% rise over pre-pandemic 2019.

4. Dallas Fort Worth Breaks Ground on Terminal F.

Dallas Fort Worth began construction on Terminal F, which will feature a 400,000 square-foot concourse with 15 gates. The \$1.6 billion project, the airport's sixth terminal, is expected to open in 2027. Modular construction is being used for several terminal projects, including Terminal F, which "increases project efficiencies and expedites construction timelines with major construction activity taking place simultaneously at two sites." In 2023, the airport served 80

million passengers. A \$9 billion multi-year capital plan is underway across terminals, airfield and roadway infrastructure. CEO is Sean Donohue.

5. **Construction Begins on Houston Hobby \$470 Million Expansion.**

Houston Hobby broke ground on its \$470 million project to expand and modernize the West Concourse, originally built by Southwest Airlines in 2015. Planned upgrades include seven new gates, an advanced baggage-handling system, additional baggage-claim carousels, and an overhead canopy along the departure curb; completion expected in 2027. “Partnering with Southwest Airlines on this project allows us to create a truly remarkable experience for all travelers,” said Jim Szczesniak, Director of Aviation for Houston Airports. Southwest accounted for over 90% of Hobby flights in 2023, and earlier this year halted operations at the larger Bush Intercontinental to focus Houston operations solely at Hobby.

6. **Court Blocks Oakland Airport from Using New Name.**

A federal judge issued a preliminary injunction order in San Francisco’s favor, enjoining Port of Oakland from using “San Francisco Bay Oakland International Airport” to refer to Oakland International Airport (OAK). The court said the new name likely infringes on San Francisco International Airport’s (SFO) trademark and is likely to imply an affiliation or business relationship between the two airports, in violation of the city’s rights. . . . Separately, Mike Nakornkhet will serve as SFO Director, replacing Ivar Satero who will retire in early 2025 after 40 years of service. Nakornkhet currently is CFO and EVP of Denver International and earlier spent 13 years at SFO in financial management positions.

7. **Dublin Airport Passenger Cap Plan Stayed.**

The Irish High Court granted a stay on the implementation of part of a decision by the Irish Aviation Authority which intended to cap Dublin Airport passenger numbers in 2025. Consequences of failing to grant a stay could include “serious disruption for the public and potential harmful effects for the broader economy,” said the court, responding to legal objections to the cap from Ryanair and Aer Lingus, with support from Airlines for America.

8. **Sydney Airport Announces \$200 Million T2 Overhaul.**

Sydney Airport is overhauling its T2 Domestic hub, with improved layout, check-in and security that will take most passengers from curb to airside in “less than 15 minutes.” The \$200 million project is expected to be completed in late 2026. Built in the 1990s to accommodate eight million passengers, today T2 Domestic hosts Virgin Airlines, Jetstar and regional airlines, with more than 17 million passengers a year. In the T1 International terminal, a major upgrade to security

screening is set for completion by late 2025, said CEO Scott Charlton. In line with government-mandated security requirements, included are 15 new screening lanes featuring advanced CT scanning technology, allowing passengers to leave liquids and aerosols in hand luggage. This upgrade will increase screening capacity by nearly 30%, boosting passenger throughput from 4,500 to 5,850 passengers per hour.

9. Singapore Changi Fee Increase to Fund S\$3 Billion Investment.

Changi Airport Group (CAG) will invest S\$3 billion over the next six years in Singapore Terminals 1 to 4 to improve services such as baggage handling, check-in, immigration and Skytrain connections between terminals. Airport charges will be progressively raised between 2025 and 2030 to fund the investment and meet higher operating costs such as manpower. This also enables recovery of significant investments made during the Covid-19 pandemic. To help airlines with the transition, a 50% rebate on increases in landing, parking and aerobridge charges will be given for the first six months. Based on current ticket prices, the increase in passenger fees is estimated to be about 1% or less for an economy class ticket on most flights departing from or connecting through Singapore. Civil Aviation Authority of Singapore will work with CAG to monitor the hub's performance "to respond nimbly and make further adjustments if needed" to ensure competitiveness.

10. Shanghai Pudong Begins Construction of Terminal 3.

Shanghai Pudong began construction of Terminal 3, part of the airport's phase-IV expansion project slated for completion in 2028. The airport will have three terminals, one satellite terminal, and four runways. Combined area of its terminals will exceed 1.7 million square meters. The expansion is expected "to enhance the interconnectivity of the Yangtze River Delta region, cater to the public's demand for high-quality transportation, and support the growth of aviation enterprises in the area," reports China Daily.

III. SECURITY AND DATA PRIVACY

1. **Bullet Hits Southwest Plane at Dallas Love Field.**

While taxiing for takeoff at Dallas Love Field on November 15, Southwest Airlines Flight 2494 was struck by gunfire near the cockpit, reported FAA. The Boeing 737-800 returned to the gate and passengers deplaned. There were no injuries.

2. **TSA Expects Record Thanksgiving Travel Period.**

The Transportation Security Administration (TSA) expected to screen 18.3 million people from Tuesday, November 26 to Monday, December 2, a 6% increase over 2023's Thanksgiving period.

3. **CBP Preclearance Facility Opens at Zayed Abu Dhabi.**

Abu Dhabi Airports inaugurated a U.S. Customs and Border Protection (CBP) preclearance facility at Zayed International Airport. The facility allows Etihad Airways flights to the United States to pre-clear U.S. customs and immigration procedures in Abu Dhabi before departure. Etihad flies to Boston, Chicago, New York and Washington, DC. CBP also has preclearance locations in Ireland, Aruba, Bermuda, the Bahamas and Canada.

4. **CBP Announces Global Entry Partnerships with Japan, UAE.**

CBP announced that Japan and United Arab Emirates (UAE) are now official Global Entry partner countries, which means their pre-vetted, low-risk citizens can expedite customs and immigration processing upon arrival to the United States. Global Entry is part of CBP's Trusted Traveler Programs. Other partner countries include Argentina, Bahrain, Brazil, Colombia, Croatia, the Dominican Republic, Germany, India, Mexico, the Netherlands, Panama, the Republic of Korea, Singapore, Switzerland, Taiwan and the UK.

IV. TECHNOLOGY AND EQUIPMENT

1. IATA Survey: More Passengers Want to Use Biometric Identification.

The International Air Transport Association (IATA) 2024 Global Passenger Survey finds that more travelers want biometric identification, use of digital wallets and the ability to complete some travel processes before reaching the airport. 85% of respondents are willing to share immigration data with authorities before departure to speed up airport process; 75% prefer using biometrics over traditional passports and boarding passes; 50% are concerned about data protection and 39% would be more open to biometric solutions if assured of data security. . . . A proof-of-concept involving two passengers using different digital wallets and travel credentials on a round trip between Hong Kong and Tokyo “demonstrated that the industry is ready to deliver a fully digital air travel experience,” said IATA, with partners Cathay Pacific, Hong Kong and Narita airports, Branchspace, Facephi, NEC, Neoke, Northern Block and SICPA. Europe is planning to issue digital identity wallets to citizens and residents by 2027,” said IATA.

2. Alaska Improves Electronic Bag Tags.

Alaska Airlines is offering an improved electronic bag tag, developed with feedback from initial users. Available for purchase, the devices enable passengers to tag their bags using phone technology before arriving at the airport. They can be used on Alaska flights, including those operated by Horizon and SkyWest, initially in the U.S., Canada and Belize. Alaska, in partnership with BAGTAG, was the first U.S. carrier to use electronic bag tags. BAGTAG devices can also be used with KLM, Air Dolomiti, Austrian, China Southern, Lufthansa, SWISS, Qatar Airways, Discover Airlines and Icelandair.

3. Sabre News.

Air India and TAP Air Portugal added New Distribution Capability (NDC) to their Sabre agreements. . . . Sabre Red Launchpad is rolling out “to simplify booking travel,” providing agents with easy access to AI-powered capabilities and multi-source content, “without the need for deep Global Distribution System expertise.”

V. ENERGY AND ENVIRONMENT

1. Fuel Bill for Global Airline Industry.

Average price of aviation jet fuel for week ending November 15 was \$89.21 per barrel, down -0.7% on prior month's average, and down -20.6% on prior year's average, according to the Jet Fuel Price Monitor, a joint IATA-Platts initiative.

2. Federal Agencies Introduce SAF Implementation Framework.

A Sustainable Aviation Fuel (SAF) Grand Challenge Roadmap Implementation Framework was released by an interagency team led by the Departments of Energy and Agriculture and FAA. It highlights current federal agency capabilities and programs and identifies gaps where additional effort, public-private partnerships, and support are needed. In 2021, the SAF Grand Challenge set a goal to produce 3 billion gallons of SAF by 2030, and 35 billion by 2050, to meet 100% of domestic jet fuel demand. By mid-2024, 13 million gallons of SAF were domestically produced. Aviation generates about 11% of U.S. transportation-based CO₂ emissions that contribute to climate change. The team is committed to supporting achievement of goals as demonstrated through: research and development of sustainable feedstock and fuel production technologies, providing support for technology scale-up and advancing environmental analysis of SAF; support of U.S. farmers with climate-smart agriculture practices and research; loan guarantees to commercial-scale SAF projects that utilize innovative technology to convert feedstock to SAF and avoid, reduce, or sequester greenhouse gas emissions; and provision of capabilities and funding to support SAF qualification, U.S. and international standard-setting, and development of infrastructure and transportation systems.

3. A4A, CARB Announce SAF Partnership.

Airlines for America and the California Air Resources Board (CARB) unveiled a new partnership at San Francisco International Airport (SFO) aimed at increasing the availability of SAF in California. They seek to expand SAF production to 200 million gallons in the state by 2035 and will establish a dedicated working group to address barriers and identify opportunities for SAF growth. A4A and CARB will explore and implement new policies to accelerate the transition from traditional petroleum fuels to SAF, and aim to incentivize production, tackle key challenges and drive innovation in SAF adoption.

4. Port of Oakland Certifies EIR for Proposed Terminal Modernization.

Oakland Board of Port Commissioners voted to certify the Final Environmental Impact Report (EIR) for the proposed OAK Terminal Modernization and Development Project, which includes demolition of part of Terminal 1 that was

built in the 1960s. A proposed new terminal would be built entirely on the airport's current footprint. No additional runways would be constructed, and no Bay fill would be required, said the Port, which owns and operates the airport. "We look forward to beginning the federal environmental review process," said Director of Aviation Craig Simon.

5. ICAO Rallies Support for Aviation Decarbonization Efforts at COP29.

The International Civil Aviation Organization (ICAO) rallied international support for aviation's decarbonization efforts at the UN Climate Change Conference (COP29), with ICAO Council President Salvatore Sciacchitano noting "the clean energy transition for aviation will require unprecedented efforts and collaboration towards capacity-building support and access to financing for the production and use of sustainable fuels." Regarding a possible aviation taxation approach, ICAO emphasized concerns centered on the need for substantial financial resources for climate action and potential adverse impacts on developing countries' air connectivity.

6. African Climate Action Program Includes Transport, Infrastructure.

The African Development Bank Group launched the Climate Action Window (CAW) Technical Assistance Facility, at COP29 in Baku, Azerbaijan. With an initial allocation of \$56 million, CAW will support the preparation, financing, and implementation of adaptation and mitigation projects across 37 low-income African countries. Funding commitments from partners including the UK, Netherlands, Germany and Switzerland will enable awards from \$260,000 to \$1.3 million per project. Proposals addressing critical needs in key sectors, including transport and infrastructure, from governments, regional organizations, NGOs, and UN agencies are due February 5, 2025.

VI. U.S. CONGRESS

1. John Thune to Lead Republican-Controlled Senate.

John Thune (SD) was elected as Majority Leader for the incoming Republican-controlled Senate, effective January 3. Thune currently serves as Ranking Member of the Finance Committee's Subcommittee on Taxation and IRS Oversight, and also sits on the Senate Agriculture and Commerce committees.

2. Senate to Hold Hearing on Airline Ancillary Fees.

In preparation for a December 4 hearing on airline fees, the Senate Permanent Subcommittee on Investigations released a staff report on the practice of unbundling the cost of optional services from the ticket price. The report found that optional seat fee revenue alone generated \$12.4 billion for five airlines collectively between 2018 and 2023, said Chair Richard Blumenthal (D-CT), who will question executives about these practices when they testify at the hearing, "The Sky's the Limit—New Revelations About Airline Fees."

3. Senators Urge Oversight of TSA Use of Facial Recognition Technology.

A bipartisan group of senators urged the Department of Homeland Security Inspector General to investigate the Transportation Security Administration's collection of facial biometric data. The technology will soon be in use at hundreds of airports without an independent evaluation of its precision or an audit of whether there are sufficient safeguards in place to protect passenger privacy, they wrote, and "TSA has not provided Congress with evidence that facial recognition technology is necessary to catch fraudulent documents, decrease wait times at security checkpoints, or stop terrorists from boarding airplanes."

4. A4A Urges Extension of SAF Tax Credits.

Airlines for America was among trade groups urging Congressional leaders to extend expiring tax incentives for SAF and other biofuels. "Particularly given the upcoming 2025 tax policy debate, enacting a modest, short-term tax package this fall would help to ensure energy and agriculture market stability and predictability while preserving grounds for an open energy and tax debate in the 119th Congress," they wrote.

VII. BILATERAL AND STATE DEPARTMENT NEWS

1. FAA Bans Flights to Port-au-Prince; Planes Damaged by Gunfire.

FAA issued a modified Notice to Air Mission (NOTAM) prohibiting operations in the entirety of the territory and airspace of Haiti below 10,000 feet for 30 days, after a Spirit Airlines plane was damaged by gunfire while trying to land at Toussaint Louverture International in Port-Au-Prince. One flight attendant was injured; the plane landed safely at Cibao International in Santiago de los Caballeros, Dominican Republic. Two other flights bound for Toussaint Louverture were diverted as a precaution. A JetBlue flight departing Port-au-Prince also was hit by a bullet, and landed safely at New York Kennedy. . . . FAA later issued a modified NOTAM allowing operations to six airports in Haiti: Port-de-Paix, Cap-Haïtien, Pignon, Jeremie, Antoine-Simon and Jacmel. Flights to Port-au-Prince were still prohibited. . . . The U.S. Embassy in Haiti in a security alert said gang-led efforts to block travel to and from Port-au-Prince “may include armed violence, and disruptions to roads, ports, and airports,” and called the security situation in Haiti “unpredictable and dangerous,” adding: “Do not travel to Haiti.”

2. Bahrain Achieves its First Safety Assessment Rating.

FAA announced that Bahrain achieved its first International Aviation Safety Assessment (IASA) with a Category 1 rating, meaning Bahrain’s civil aviation authority follows ICAO safety standards. Its airlines can provide service in the United States and enter into code share agreements with U.S. carriers without limitation.

VIII. EUROPE AND AFRICA

1. EASA Safety Conference Focus on Human Factors.

The European Union Aviation Safety Agency (EASA) Annual Safety Conference focused on the critical importance of the well-trained human in keeping aviation operations safe, and the need to apply technology prudently. EASA clarified its approach to proposals from manufacturers that foresee one pilot, rather than two, in the cockpit for specific phases of the flight. To support extended Minimum Crew Operations (eMCO), manufacturers are working on a “smart cockpit” that uses technology and automation to reduce crew workload, aid decision-making, enhance information management, and detect pilot fatigue or incapacitation. EASA “will only approve new functionalities once they have been demonstrated to bring safety benefits,” said Executive Director Florian Guillermet.

2. Fatal Crash of DHL Leipzig-to-Vilnius Flight.

A Swiftair Boeing 737-400 operating under contract for DHL crashed while approaching Vilnius from Leipzig on November 25, killing one crew member and injuring others. Investigations are underway. Speculation about sabotage referred to several fires caused by incendiary devices hidden in DHL parcels at a Leipzig warehouse earlier this year and similar incidents. However, officials said the crash likely was caused by a technical malfunction, as no outer damage to the plane was apparent. The flight data recorders were retrieved and sent to Germany.

3. American Airlines Increases Schedule to Italy in 2025.

American will become the only airline flying nonstop from Chicago to Naples, with daily Boeing 787-8 service beginning May 6. Daily 787-8 Dallas-Fort Worth to Venice begins June 5; daily 777-200 Miami to Rome (FCO) June 5; and a second daily Philadelphia to Rome (FCO) June 5, 787-9 and 787-8.

4. Delta Begins Lagos to New York in December.

Delta will introduce daily Airbus 330-200 nonstops from Lagos to New York Kennedy from December 2 through March 28. Delta also flies daily to Lagos from Atlanta.

5. Iberia Flies First A321XLR to Boston.

Launch customer Iberia flew the first Airbus A321XLR transoceanic service from Madrid Barajas to Boston. Iberia will also fly the 182-seat single-aisle aircraft to Washington, DC.

6. Spain Fines Low-Cost Airlines for Abusive Practices.

Spain's Consumer Affairs department fined Ryanair (€107.8 million), Vueling (€39.3 million), Easyjet (€29.1 million), Norwegian (€1.6 million) and Volotea (€1.2 million) for abusive practices, such as charging extra for hand luggage or reserving adjacent seats to accompany dependent persons. IATA condemned the decision "to override European law."

7. Ethiopian Takes Delivery of Africa's First Airbus A350-1000.

Ethiopian Airlines took delivery of its first of four A350-1000s from Airbus. The 395-seat aircraft will fly to destinations including Washington, London, Paris and Frankfurt.

8. News from African Airlines Association.

The 56th African Airlines Association (AFRAA) Annual General Assembly and Summit, hosted by EgyptAir and Civil Aviation Authority of Egypt, featured discussions of the development of air transport in Africa in general and development opportunities for African airlines in particular. Secretary General Abderahmane Berthé called on governments to make aviation development a priority, citing disparities and non-harmonization across the continent, and noting that taxes and charges imposed on African aviation are among the highest in the world. . . . "There is some progress on the Single African Air Transport Market (SAATM), however, the pace of implementation could be faster," Berthé told a conference in Nairobi. "The number of SAATM states is only 37, of which only some are fully compliant." He urged stakeholders to address challenges including safety and security, infrastructure, training, reducing operations costs, decreasing taxes and charges, and collaboration and cooperation.

IX. ASIA/PACIFIC AND MIDDLE EAST

1. **Hawaiian Resumes Auckland Seasonal Service.**

Hawaiian is operating seasonal service to Auckland with three weekly Airbus A330 flights through April 30.

2. **Etihad Adds Service to Boston, Atlanta.**

Etihad will begin four weekly A350 flights to Boston on July 2. . . . The Abu Dhabi flag carrier won naming rights for New York City's first soccer-specific stadium; Etihad Park will be built in Willets Point, Queens.

3. **Riyadh Air Places Firm Order for 60 A321neo Family Aircraft.**

Riyadh Air placed a firm order for 60 Airbus A321neo Family aircraft, strongly reinforcing, said CEO Tony Douglas, "the positive economic impact of Saudi Arabia's newest airline on both a global and local scale to facilitate the fast-growing Saudi aviation ecosystem." The carrier will begin operations in 2025 and has signed numerous agreements with international partners. Delta will serve as exclusive partner in North America, while Riyadh Air will be Delta's exclusive partner in Riyadh and beyond, subject to regulatory approvals.

4. **Air China Launch Carrier for COMAC C929.**

Air China signed a framework agreement with Shanghai-based Commercial Aircraft Corp of China (COMAC) at the Zhuhai air show (15th China International Aviation and Aerospace Exhibition) and is expected to become the world's first carrier to fly the widebody C929, reports China Daily. The 280-seat C929 is in its preliminary design stage. Air China flies two single-aisle C919s and 31 C909 (formerly ARJ21) regional jets, both developed by COMAC, which says "150 C909 jets have been delivered to different carriers since its commercial launch in 2016 and safely carried over 17 million passenger trips." Hainan reportedly placed a firm order for 60 C919s and 40 C909s, and Guizhou Airlines signed a purchase agreement for 30 C909s.

X. AMERICAS

1. Spirit Initiates Chapter 11 Restructuring Proceedings.

Spirit Airlines initiated Chapter 11 proceedings in the U.S. Bankruptcy Court for the Southern District of New York. Spirit said customers can continue to book and fly without interruption and use all tickets, credits and loyalty points as normal; and employees, vendors, aircraft lessors and holders of secured aircraft indebtedness will continue to be paid. “I am pleased we have reached an agreement with a supermajority of both our loyalty and convertible bondholders on a comprehensive recapitalization of the company, which is a strong vote of confidence in Spirit and our long-term plan,” said President and CEO Ted Christie. “This set of transactions will materially strengthen our balance sheet and position Spirit for the future.”

2. Airline Unbundling Pioneer Ben Baldanza Dies At 62.

Ben Baldanza, former President and CEO of Spirit Airlines, died at 62; he had amyotrophic lateral sclerosis (Lou Gehrig’s Disease). With nearly four decades of airline industry experience, he was considered a leading visionary for introducing the ultra-low-cost model to the United States, expanding air travel access to millions of Americans, said the National Aeronautic Association, which had selected him to receive the 2024 Wright Trophy. Baldanza began his career at American Airlines and helped develop the first hub-and-spoke and frequent flier system. In 2005, he joined Spirit Airlines as President and CEO. He later served on the board of JetBlue, was Chairman of Six Flags Entertainment, and co-hosted the Airlines Confidential podcast. Baldanza will be honored posthumously at the Aero Club of Washington’s 76th Annual Wright Memorial Dinner on December 13, in Washington, DC.

3. American Expands New Boarding Technology to 100 Airports.

American Airlines expanded a new boarding process to more than 100 U.S. spoke airports, after testing at Albuquerque, Reagan Washington National and Tucson airports. With the platform, if a customer boards before their assigned group is called, the new software will not accept the boarding pass and will instead make a sound to alert the gate agent and customer that the group has not yet been called; the customer will be directed to rejoin the line when their boarding group is called. For customers traveling with a companion in an earlier boarding group, a one-click solution can override the alert and accept the pass to continue boarding. The new platform informs the carrier of the number of customers in each boarding group, and helps agents pace the boarding process; displays anticipated arrival time for incoming connections, which gives team members more insight into potential misconnections; and replaces

multiple applications during boarding with one display. . . . A U.S. appeals court held that trial judge Leo Sorokin correctly found, in 2023, that American's Northeast Alliance with JetBlue violated federal antitrust law, a ruling aligned with that of the Department of Justice.

4. **Rakesh Gangwal Named Chair of Southwest Board.**

Rakesh Gangwal was appointed independent Chair of the Board of Directors of Southwest Airlines, effective immediately. President and CEO Bob Jordan is Vice Chairman. Gangwal was a co-founder of InterGlobe Aviation (IndiGo), and CEO of Worldspan Technologies and US Airways Group.

5. **Alaska Adds West Coast Service to Winter Destinations.**

Alaska Airlines announced 10 new nonstop routes from the West Coast to winter destinations, including Los Angeles to La Paz, Mexico, and connecting places like Fresno to Guadalajara and Boise to Bozeman.

6. **Frontier Adds 16 New Routes.**

Frontier will launch 16 new routes across the United States and the Caribbean in February and March, with some one-way fares starting at \$19.

7. **Allegiant Air Pilots Vote to Authorize Strike.**

Allegiant Air pilots voted to authorize a strike if the carrier fails "to provide industry standards on compensation, scheduling, and quality of life." They have been in contract negotiations for over four years, and in federal mediation for the past two years. The airline has offered an immediate 50% average increase in hourly wages that scales to 70% over five years, a 50% increase in direct contribution to retirement benefits, improvements in long-term disability benefits, and scheduling and quality-of-life improvements designed to honor seniority and "protect our business model." . . . Allegiant amended its December 2021 agreement with Boeing to acquire 50 newly manufactured 737 MAX aircraft by end of 2025, to end of 2027. . . . Allegiant announced 44 new nonstop routes, including eleven to three new cities, starting in February with one-way fares from \$39.

8. **Volaris Adds Service to Oakland.**

Mexican ultra-low-cost carrier Volaris announced new Airbus A320/A321neo nonstops to Oakland, including three times weekly from Monterrey, now operating, and Zacatecas, beginning July 2, and daily from Los Cabos, beginning March 20. Volaris also flies three daily flights to Oakland from Guadalajara, and daily from Mexico City, Leon and Morelia.

9. ATSG to be Acquired by Stonepeak for \$3.1 Billion.

Air Transport Services Group (ATSG) entered into a definitive agreement to be acquired by investment firm Stonepeak, in an all-cash transaction with an enterprise valuation of approximately \$3.1 billion. ATSG provides aircraft leasing and cargo and passenger air transportation solutions, with a fleet that includes Boeing 767 and Airbus A321 and A330 converted freighters. Transaction expected to close in first half 2025, subject to customary closing conditions.

10. American Airlines Increases Schedule to Italy in 2025.

See Section VIII, item 3.

11. Delta Begins Lagos to New York in December.

See Section VIII, item 4.

12. Iberia Flies First A321XLR to Boston.

See Section VIII, item 5.

13. Hawaiian Resumes Auckland Seasonal Service.

See Section IX, item 1.

14. Etihad Adds Service to Boston, Atlanta.

See Section IX, item 2.