



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. Bryan Bedford Sworn In As FAA Administrator.

Bryan Bedford was sworn in as Federal Aviation Administration (FAA) Administrator, following Senate confirmation. As a 35-year aviation industry veteran, Bedford most recently was President and CEO of Republic Airways, where he created a training academy, LIFT. He earlier held executive positions at Mesaba, Business Express and West Air. A licensed pilot, Bedford was Chairman of Regional Airline Association for multiple terms and was named Airline Executive of the Year several times. . . . Air Line Pilots Association, Int'l (ALPA) expressed concerns about Bedford's "past efforts to lower pilot training requirements," adding, "we will continue to bring the line pilot's perspective to any discussions about changing these life-saving measures and hold him to his word that safety is his top priority. Maintaining rigorous training requirements and keeping two pilots on the flight deck at all times remain top priorities for ALPA."

2. DOT Secretary Sean Duffy Named Acting NASA Administrator.

Sean Duffy, Secretary of the Department of Transportation (DOT), was named to serve concurrently as Acting Administrator of the National Aeronautics and Space Administration (NASA). At its 20 centers and facilities and with U.S. commercial companies and international partners, NASA studies Earth science and conducts research to advance technology and aeronautics. NASA operates the International Space Station and is working to establish "a sustainable and strong exploration presence on the Moon this decade through the Artemis campaign."

3. DOT Advisory Board Formed To Address Transportation Issues.

Former FAA Administrator Steve Dickson is among 12 leaders in infrastructure development, finance, project delivery, transportation operations, economics, law and policy selected to serve a two-year term on a DOT Advisory Board that will develop recommendations for infrastructure modernization and expansion; identify key investment opportunities in transportation technology and innovation; provide insights into regulatory and policy improvements to enhance efficiency and reduce bureaucratic obstacles; and advise on public-private partnerships to maximize funding and impact. The inaugural meeting was held on July 16; next meeting is October 15.

4. Industry Convenes at ATC Modernization Summit.

Aviation leaders gathered at the 2025 Air Traffic Control Modernization Summit to discuss immediate investments, policies, technologies and actions needed to transform the ATC system. The one-day event was hosted by American Association of Airport Executives (AAAE), in partnership with Airlines for America (A4A), General Aviation Manufacturers Association (GAMA), National Air Traffic Controllers Association (NATCA), and National Business Aviation Association (NBAA). Among remarks: A4A officials stressed that “accountability must stay front and center” as FAA and stakeholders implement an historic \$12.5 billion investment. “We have to push them [the FAA] to scale at a quicker pace.” NATCA said a modern ATC system must be matched with increased and proper training on new technology. NBAA highlighted the effectiveness of collaboration among industry stakeholders in adopting advanced technologies, improving procedures and transitioning to a modernized system. Speakers included Congressional aviation leaders Ted Cruz, Rick Larsen, Steve Womack and Tammy Duckworth.

5. FAA Delays Secondary Cockpit Barrier Mandate.

FAA announced another one-year delay in implementing the 2023 final rule mandating a secondary barrier on the flight deck of new commercial airplanes, meant to prevent cockpit intrusion, to allow further time for certification and installation. A4A had requested a two-year delay. “This pattern of endless delays must stop,” said ALPA. “Airlines . . . are shirking their responsibility to implement this critical security measure.”

6. Training Increases at FAA Academy With New Process.

Since the rollout of a new process at the FAA Academy in Oklahoma City, onsite training has increased by 30%, announced DOT, with a record-breaking 550 in July. FAA said it also shaved five months off the administrative process, ensuring students who scored in the top percentile are seated quickly; previous average time from application to admission exceeded 12 months. . . . The Enhanced Air Traffic–Collegiate Training Initiative (AT-CTI) is now offered at Middle Georgia State University. FAA has authorized eight programs at seven schools to provide the curriculum and advanced training technology offered at the FAA Academy.

7. Request for Solutions Published for ATC Modernization.

FAA published a draft Request for Solutions (RFS) outlining guidance for proposals presenting ATC modernization solutions. An accelerated timeline for the overhaul anticipates full implementation in three to four years. FAA also requested comments on what acquisition policies it should tailor or waive to achieve that goal, and alternative funding arrangements, including

public/private partnerships. FAA expects to award a contract for the new ATC system integrator and solution by September 30.

8. Delta Pays \$8.1 Million To Settle PSP Misuse Lawsuit.

Delta paid the United States \$8.1 million to settle claims that it violated conditions Congress placed on funds provided under the Payroll Support Program, created by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Companies that accepted federal relief money had to impose compensation caps on highly paid executives. The United States alleges that Delta paid some corporate officers amounts that exceeded the caps and then allegedly falsely certified its compliance with the caps and failed to notify the Treasury Department of its breach of the agreement.

9. Study Warns of Drone Risks To Aircraft.

Uncrewed aircraft systems (UAS), are flying above the 400-foot ceiling established by FAA, according to Embry-Riddle Aeronautical University research, and flew in airspace typically used by manned aircraft about 10% of flying time observed. An analysis of 43 airports of all types found that small UAS were operating within 3,000 feet of heliports; the report recommends including heliport locations on aeronautical charts to make drone operators aware of them. Researchers said the analysis creates “a real-world, data-driven picture of how small UAS are actually being used in the National Airspace System,” which is “essential for shaping informed, practical policies and technologies that will enable safe, scalable integration of UAS as operations and autonomy continue to expand.” The study used sensors placed across the country to collect data from signals that FAA has required registered drones to transmit since 2023.

II. **AIRPORTS**

1. **FAA Extends Slot Usage Waiver at New York Airports.**

FAA is extending a limited waiver of slot usage at airports in the New York City area (Kennedy and LaGuardia) until October 24, 2026; and also is extending flexibility for certain flights operating between Reagan Washington National and New York airports. The limited waiver allows carriers to reduce schedules by 10% without penalties for non-use.

2. **Tech Upgrade in Newark Area.**

DOT Secretary Sean Duffy announced that FAA transitioned to a new fiber optic communications network between New York and the Philadelphia Terminal Radar Approach Control (TRACON), which directs aircraft into and out of Newark. . . . FAA is limiting the Newark arrival and departure rate to 34 each per hour through October 25. The rate is limited to 28 each per hour when the airport installs additional runway infrastructure on weekends from September 1 through December 31. Because an airport lighting system will be out of service until mid-August, delays could occur when visibility is low.

3. **Airlines Set To Move To Kennedy's New Terminal One Next Year.**

Taiwan-based China Airlines announced it will move its New York Kennedy operations to The New Terminal One in 2026, when phase one of Port Authority of New York and New Jersey's \$19 billion transformation project is expected to open with arrivals and departures halls and 14 gates. The 2.6 million square foot facility, upon full completion in 2030, will have 23 gates. Other airlines planning to relocate to The New Terminal One are China Airlines' fellow SkyTeam members Air France, KLM, Korean Air and SAS, as well as Etihad, LOT Polish, EVA, Air Serbia, Neos, Philippine Airlines, Turkish Airlines, Air New Zealand, Royal Air Maroc and Air China.

4. **DFW Contracts for Cloud-Based RMS.**

Dallas Fort Worth contracted with Copenhagen Optimization for provision of a Resource Management System (RMS) that will improve baggage handling, check-in, and gate management operations. The company's cloud-based RMS integrates with data sources across the airport and enables long-term capacity planning and scenario analysis. "Its advanced algorithms facilitate rapid re-planning, even during disruptions." The new venture goes live this autumn. Copenhagen Optimization also recently agreed to implement its RMS to augment operations at New York Kennedy Terminal 4.

5. **Washington Dulles Plan Adds Fifth Runway, Expands Terminal.**

Metropolitan Washington Airports Authority approved an update to Dulles International's Master Plan, a vision for future airport facilities, including a fifth runway, expanded aircraft aprons and taxiways, an expanded main terminal and new concourses and parking garages. The time horizon extends beyond the current airline use and premises lease agreement, which goes through 2039. Upon FAA concurrence, the Master Plan will become the official FAA-compliant document guiding future development options for Dulles.

6. **Nashville Opens Concourse D Extension.**

Nashville International opened its Concourse D extension, the first project to be completed under New Horizon, a \$3 billion growth and renovation plan. The project features five new gates, eight new concession locations, a moving walkway and a rotunda with an outdoor terrace and views of the airfield and city. Upcoming projects include demolition and reconstruction of Concourse A, creation of a Central Ramp and improved terminal roadways.

7. **San Antonio's \$2.5 Billion Expansion Program Underway.**

San Antonio International received a \$13.3 million grant from FAA to support Phase 4 construction of a new terminal, part of a \$2.5 billion program that will include 17 new domestic and international gates and 850,000 square feet of terminal space. The grant is from the Infrastructure Investment and Jobs Act (IIJA) Airport Infrastructure Grant (AIG) program.

8. **Charleston Begins West Gates Expansion Project.**

Charleston International broke ground on its \$105 million West Gates Expansion project, which will increase gate capacity by 15% and expand terminal space, adding international arrival capabilities. Construction activities continue through 2026 with minimal disruption to operations.

9. **Miami Breaks Ground on Private Terminal for Airline Passengers.**

Miami International broke ground for a private terminal for commercial airline passengers on the site of the former Pan Am headquarters, set to open as PS MIA next spring. Formerly known as The Private Suite, Los Angeles-based PS MIA will offer five private suites, two salons with dining options, a central outdoor courtyard and a day spa; amenities include chauffeur service. The building is a Miami-Dade County-designated Historic Site, and PS intends to preserve the mid-century architecture and restore such iconic features as Pan Am logos, gold paneling and original reflecting pools. PS also operates at Los Angeles International, Atlanta and Paris, with Dallas Fort Worth coming soon.

10. Oakland Airport Seeks Name Change Again.

'Oakland San Francisco Bay Airport' is the latest name change approved by Port of Oakland. A move last year to rename the airport 'San Francisco Bay Oakland International Airport' prompted a lawsuit by the city of San Francisco, which said any name change that would incorporate the use of 'San Francisco' would result in confusion.

11. Heathrow Plans £10 Billion Transformation.

London Heathrow announced a five-year, £10 billion private investment plan that "unlocks the growth capacity airlines want with stretching efficiency targets and a like-for-like lower airport charge than a decade ago." The upgrade will include new terminal space for lounges, shops and restaurants within existing terminals. Once complete, Heathrow can serve 10 million more passengers a year, "a 12% increase in capacity that supports our airlines' growth plans." Freight capacity will increase by 20%. Heathrow is also planning to redevelop the Central Terminal Area.

12. New Lima Airport Operations Underway.

Lima operations fully moved to the new Jorge Chávez International in Callao in June. The \$2 billion project includes a larger terminal, a second runway, a new ATC tower, aircraft parking positions and parking facilities. The terminal will be expanded to 270,000 square meters, with capacity for 40 million passengers annually. Operator is Fraport subsidiary Lima Airport Partners (LAP), owned by Fraport Group (80.01%) and International Finance Corporation (IFC), part of the World Bank (19.99%). They are building the first Airport City in South America.

13. 'Marshmallow' Runway Stops Aircraft in Emergency Landings.

Chinese researchers have created a runway safety system using ultra-lightweight foam concrete, nicknamed marshmallow concrete, that "gently arrests hundred-tonne class aircraft during emergency landings," reports Xinhua. The material creates a soft barrier that absorbs kinetic energy through controlled crushing. The system has been applied in 14 Chinese airports.

III. **SECURITY AND DATA PRIVACY**

1. **DHS Ends Shoes-Off Airport Security Policy.**

Passengers at U.S. domestic airports can keep their shoes on while passing through security, said the Department of Homeland Security (DHS). . . . The Transportation Security Administration (TSA) and TSA PreCheck providers, CLEAR, IDEMIA and Telos, are waiving the PreCheck enrollment fee for Gold Star family members (families that have lost a loved one in U.S. military service). In addition, TSA is offering a \$25 discount on enrollment for spouses of military and uniformed service members. Expedited access is offered for military members in TSA PreCheck lanes at select airports near larger military installations, including dedicated screening lanes, or front-of-line privileges. . . . The “Families on the Fly” campaign is being rolled out at select airports. Features include dedicated family lanes and a \$15 discount on TSA PreCheck enrollment. . . . TSA issued a Request for Information (RFI) for development and deployment of turnkey solutions “to deliver a curated, secure, customer-centric experience” at security checkpoints.

2. **American Airlines Trials “One Stop Security” in the U.S.**

In partnership with TSA, U.S. Customs and Border Protection (CBP) and the UK Department for Transport, American Airlines is trialing a process that allows customers traveling from London Heathrow and connecting through Dallas Fort Worth to clear U.S. Customs at the arrival gate and proceed to a connecting flight without reclaiming and rechecking checked baggage or passing through TSA security. Checked bags are automatically transferred to the connecting flight. The program, known as One Stop Security (OSS), is expected to cut connection times by more than half. The U.S. launch follows a successful pilot at Heathrow, where OSS was introduced for travelers connecting to non-UK destinations.

3. **FBI: Cybercriminals Targeting Aviation Sector.**

Cybercriminal group Scattered Spider expanded targets to include the airline sector, said the FBI. “These actors rely on social engineering techniques, often impersonating employees or contractors to deceive IT help desks into granting access,” said the FBI. “Once inside, they steal sensitive data for extortion and often deploy ransomware.” . . . Hawaiian Airlines and WestJet reported cybersecurity events in June.

IV. TECHNOLOGY AND EQUIPMENT

1. Sabre Tackles Growing Content Fragmentation.

A new global study commissioned by Sabre reveals that more than 91% of agencies operate with four or more booking systems, and over half are managing seven or more. “In today’s multi-sourced content environment, fragmentation is creating new levels of complexity,” said Sabre, as it introduced SabreMosaic Travel Marketplace, a platform that is artificial intelligence (AI) enabled “to surface relevant content faster, automate key booking and servicing workflows, and help agencies convert more efficiently across air, hotel, car and rail.”

2. Airlines Testing AI-Driven Pricing.

Airlines are testing AI-driven pricing offered by Israeli startup Fetcherr, which says its technology enables them “to adapt to dynamic market conditions, personalize offers, and maximize profitability.” Customers include Delta, WestJet, Virgin Atlantic, Azul and Royal Air Maroc. . . . In a letter to Delta CEO Ed Bastian, Senators expressed concerns about plans to use AI to set individualized fares. “Consumers have no way of knowing what data and personal information your company and Fetcherr plan to collect or how the AI algorithm will be trained. Prices could be dictated not by supply and demand, but by individual need. While Delta has stated that the airline will ‘maintain strict safeguards to ensure compliance with federal law,’ your company has not shared what those safeguards are or how you plan to protect American families against pricing discrimination in the evolving AI landscape.” Senators Richard Blumenthal (D-CT), Ruben Gallego (D-AZ) and Mark Warner (D-VA) asked Bastian to provide answers to several questions by August 4.

3. NASA’s X-59 Supersonic Aircraft Begins Taxi Tests.

NASA’s X-59 supersonic research aircraft began taxi tests, during which engineers and flight crews monitored how it handled and worked to validate critical systems like steering and braking. The X-59 is the centerpiece of NASA’s Quesst mission, which aims to reduce the loud sonic boom to a quieter “thump.” Data will be shared with regulators to inform establishment of acceptable noise thresholds related to supersonic commercial flight over land.

V. ENERGY AND ENVIRONMENT

1. Fuel Bill for Global Airline Industry.

The global average jet fuel price for week ending July 11 was \$92.51 per barrel, up +4.4% on prior month's average, and down -6.6% on prior year's average, according to the Jet Fuel Price Monitor, a joint IATA-Platts initiative.

2. Coalition Launched To Tax Premium Flyers.

The Global Solidarity Levies Task Force (GSLTF) plans to tap premium flyers (first- and business-class, and private jets) for funds for climate and development. The coalition was launched by France, Kenya, Barbados, Spain, Somalia, Benin, Sierra Leone and Antigua & Barbuda. In response, Willie Walsh, Director General of the International Air Transport Association (IATA), said: "The airline industry is an economic catalyst, not a cash cow. Yet governments casually suggest a tax on flyers that is three times the airline industry's annual profit without considering the real-world side effects for an industry that is a lifeline for remote communities, invigorates tourism markets and links local products to global markets. Moreover, while the modalities for the GSLTF proposal are not specified, history shows us that these taxes simply go to the general exchequer, with little, if any, of the revenues generated going to climate change adaptation."

VI. U.S. CONGRESS

1. \$12.5 Billion for ATC Modernization in “One Big Beautiful Bill Act.”

The “One Big Beautiful Bill Act” signed into law on July 4 includes \$12.5 billion in total federal spending for ATC modernization. Homeland Security funding includes \$625 million for the 2026 FIFA World Cup and \$1 billion for the 2028 LA Olympic and Paralympic Games.

2. FY26 Appropriations Bills Increase FAA Funding.

The Senate-passed FY26 Transportation, Housing and Urban Development Appropriations bill includes \$22 billion for FAA, an increase of \$1.4 billion over FY25, with \$13.8 billion for Operations, which will allow FAA to hire 2,500 air traffic controllers, improve controller training, and hire 91 new aviation safety inspectors and engineers to strengthen oversight of Boeing and other manufacturers. The bill continues to provide full funding for FAA to mitigate telecommunications and IT disruptions. It provides \$4 billion for Facilities and Equipment, a historic funding level; \$4.3 billion for Airport Improvement Program (AIP) grants, of which \$4 billion is from the Airport and Airway Trust Fund; and \$514 million for Essential Air Service, an increase of \$64 million over FY25. The bill includes \$2 million for an independent study of airspace in the National Capital Region and coordination between FAA and Department of Defense in response to the fatal Flight 5342 accident in January. . . . The House Appropriations bill includes \$23.3 billion for FAA, \$2.3 billion above the FY25 enacted level, with \$10.3 billion to fully fund ATC operations and allow FAA to hire 2,500 controllers, \$5 billion for facilities and equipment, and \$284 million for 88 airport improvement projects. Both bills state they do not support efforts to privatize ATC.

3. House Hearing on DOT Policies, Programs, Budget.

The House Committee on Transportation and Infrastructure held a hearing with DOT Secretary Sean Duffy to discuss policies, programs and the FY26 budget request. Duffy applauded the \$12.5 billion allocated by Congress for ATC modernization in the new budget bill, but stressed that \$31.5 billion will be needed to complete the project. He said he has no plans to change the 1,500-hour requirement for airline pilots, which newly confirmed FAA Administrator Bryan Bedford has not supported in the past. . . . “To do the critical work ahead,” Committee Ranking Member Rick Larsen (D-WA) told Duffy, “we must rise above the chaos”: DOT’s job is to implement the laws that Congress has passed; review 1,300 approved grants because we are leaving construction jobs on the table; and consider how you are going to expedite

project delivery and advance safety with a decimated workforce. Larsen said a top priority is expediting deployment of critical runway safety technology and asked for specifics on DOT's plans to improve our ATC system and ensure the safety of the flying public.

4. Senator Blumenthal Questions Impact of United/JetBlue Partnership.

Prior to DOT's approval of the Blue Sky partnership, Senator Richard Blumenthal (D-CT) expressed concern, in a letter to United CEO Scott Kirby and JetBlue CEO Joanna Geraghty, about "higher costs, fewer options, and worse service for consumers." He requested contracts or agreements executed as part of the partnership; a detailed explanation of specific changes to consumer experience in booking a trip; and a description of all future phases of the pact. "Although you have denied any plans to merge and explained that United and JetBlue will not code share flights or share revenue as part of Blue Sky, I remain ready to strongly oppose any collaboration," he wrote. "As the court in the JetBlue-American Airlines Northeast Alliance (NEA) case wrote, 'The airline industry is an oligopoly that has become more concentrated due to a series of mergers in the first decades of the twenty-first century, with a small group of firms in control of the vast majority of the market.'" . . . A complaint filed by Spirit Airlines urged DOT to extend the JetBlue-United Blue Sky review period, allow for public comment and determine whether to investigate the joint venture as an unfair method of competition. JetBlue and United asked DOT to dismiss or disregard Spirit's complaint and close the docket.

5. Senators Question FAA on Impact of Staff Cuts, AI Use on Safety.

Twelve Democratic Senators wrote to FAA Administrator Bryan Bedford about workforce reductions, including among analytical staff who proactively identify safety risks. They also asked about FAA's announcement that it is using AI to analyze data. "While we support the use of technology to improve how aviation safety data is used," they wrote, "the decision to rely on technological fixes while simultaneously moving ahead with staffing reductions is deeply worrisome." They requested a response by August 11.

VII. **BILATERAL AND STATE DEPARTMENT NEWS**

1. **Former Delta Pilot Nominated as ICAO Ambassador.**

The White House nominated former Delta pilot Jeffrey Anderson to be U.S. Ambassador to the International Civil Aviation Organization (ICAO), a position vacant since the 2022 resignation of Capt. Sully Sullenberger. . . . ALPA opposes the nomination of Anderson, as he supports raising the mandatory pilot retirement age.

2. **U.S. Trade Talks Benefit Aviation Products.**

The United States and the European Union agreed to zero-for-zero tariffs for aircraft and components, in preliminary trade talks. Japan committed to purchase U.S.-made commercial aircraft, including 100 Boeing aircraft, in trade talks with the U.S.

3. **U.S. Announces Actions Against Mexico.**

Mexico has not been in compliance with the 2015 U.S.-Mexico Air Transport Agreement since 2022, when it rescinded slots at Benito Juarez International and forced U.S. all-cargo carriers to relocate operations, said DOT Secretary Sean Duffy, announcing actions that require Mexican airlines to file schedules with DOT for U.S. operations and obtain prior DOT approval before operating large passenger or cargo aircraft charter flights to the U.S. A Supplemental Show Cause Order proposes withdrawal of the Delta/Aeromexico joint venture antitrust immunity; if finalized, they would be required to discontinue common pricing, capacity management and revenue sharing, but could continue code sharing, marketing and frequent flyer cooperation. Delta could retain its equity stake in Aeromexico and fly in the U.S.-Mexico market. IATA urged Mexico and the U.S. to resolve the dispute, citing economic value. . . . As for countries that disregard “terms of our air transport agreements,” Duffy said he is “monitoring European States to ensure that they apply the Balanced Approach process for noise abatement at their airports and do not implement unjustified operational restrictions.” The Dutch, for example, plan flight cuts at Schiphol that are being contested by airlines and IATA.

VIII. EUROPE AND AFRICA

1. European Airlines Oppose Proposed ETIAS Fee Increase.

The European travel and tourism industry expressed “deep concern” over a proposal to increase the European Travel Information and Authorization System (ETIAS) fee from €7 to €20 per application, nearly three times the original amount agreed to in 2018. Expected to go into effect in late 2026, the fee will require visa-exempt non-EU travelers to obtain online authorization and pay a fee prior to travelling to the Schengen Area. The industry asked the European Council and Parliament to request a more proportionate, evidence-based fee, and want surplus revenue to be assigned to a specific budget line or earmarked for the travel and tourism sector.

2. Air France-KLM To Take Majority Stake in SAS.

Air France-KLM intends to increase its stake in SAS from the current 19.9% to 60.5%, via full acquisition of stakes held by Castlake (32%) and Lind Invest (8.6%). The Danish State would retain its 26.4% and seats on the Board of Directors. Upon close expected in second half 2026, subject to regulatory clearances and other conditions, SAS would become a subsidiary of Air France-KLM Group, allowing “a comprehensive integration in all areas of business, including loyalty.”

3. TAP Air Portugal To Be Privatized.

TAP Air Portugal will be privatized, said the government, which plans to sell a 49.9% stake by mid-2026. Prime Minister Luis Montenegro said Lufthansa, Air France-KLM and International Airlines Group (IAG) have expressed interest and he expects interest from airlines outside the European Union. . . . Separately, JetBlue and TAP have ended their reciprocal mileage partnership.

4. Oman Air Joins oneworld Alliance.

See Section IX, item 6.

5. Wizz Air To Exit Abu Dhabi Joint Venture.

See Section IX, item 7.

IX. ASIA/PACIFIC AND MIDDLE EAST

1. Air India Flight 171 Preliminary Investigation Completed.

A preliminary investigation of the fatal crash of Air India Flight 171 was released by India's Aircraft Accident Investigation Bureau (AAIB). Immediately after the Boeing 787 took off from Ahmedabad, the engine fuel switches cut off and, in the cockpit voice recording, one pilot asked the other why he did the cutoff. That pilot responded that he did not do so. There was an attempt to restart the fuel switches. The aircraft started to lose altitude before crossing the airport perimeter wall. One of the pilots transmitted "Mayday Mayday Mayday." The aircraft crashed outside the airport boundary, hitting buildings and killing all but one of the 242 people on board and 19 on the ground. . . . India's Directorate General of Civil Aviation (DGCA) ordered the country's airlines to inspect fuel control switches on Boeing aircraft. Air India completed voluntary inspections and directives of the DGCA and partially resumed flight schedules, with full restoration planned from October 1. . . . Amid speculation that the event was a deliberate action, AAIB urged the public and media to refrain from spreading premature narratives that risk undermining the integrity of the investigative process. National Transportation Safety Board (NTSB) concurred. NTSB, FAA and Boeing continue to support the investigation. There have been no recommended actions for operators of Boeing 787s or GE GEnx-1B engines. . . . Tata Sons formed the AI-171 Memorial and Welfare Trust "to provide immediate and continuing support to the dependents/next-of-kin of the deceased, to those who were injured, and to all others who are directly or collaterally affected by the accident."

2. Delta To Launch Los Angeles–Hong Kong Nonstop.

Delta will offer daily Airbus A350-900 nonstops between Hong Kong and Los Angeles International beginning June 8, 2026. The service "strengthens the Delta–Korean Air Joint Venture partnership, further expanding the partnership's reach."

3. China Airlines To Launch Taipei–Phoenix, With Southwest Connections.

China Airlines will inaugurate three weekly Airbus A350-900 flights from Taipei to Phoenix, on December 3. The airline and Southwest will offer interline ticketing for connecting flights to 30 inland American cities.

4. AirAsia Signs \$12.25 Billion Airbus Order.

AirAsia signed a memorandum of understanding with Airbus for 70 A321XLRs, 50 confirmed and 20 optional, worth a total of \$12.25 billion. The single-aisle,

ultra-long-range aircraft will be delivered from 2028 to 2032. AirAsia Aviation Group “aims to transport a total of 1.5 billion cumulative passengers by 2030 [and] expand its route continents to not only Central Asia, the Middle East, and Africa but also Europe and the Americas in the future, using Kuala Lumpur, Malaysia and Bangkok, Thailand as mega hub airports.” Introduction of the A321XLR will help AirAsia become the world’s first low-cost narrow-body network airline, said Tony Fernandes, CEO of Capital A, AirAsia’s parent company.

5. U.S.–Israel Flights Increase.

Israir Airlines received final DOT approval to offer scheduled and charter services between Israel and the U.S., and plans up to six weekly Airbus A330-200 nonstops to New York. Arkia launched nonstops to New York in February and United has resumed flights with twice daily Boeing 787 service. “We are also working to bring back Delta on the route,” said Transportation Minister Miri Regev.

6. Oman Air Joins oneworld Alliance.

Oman Air became the 15th member airline of oneworld. The Muscat-based flag carrier serves 42 destinations across 22 countries and territories with “a young and modern fleet” including Boeing 737s and 787s.

7. Wizz Air To Exit Abu Dhabi Joint Venture.

Wizz Air will exit its Abu Dhabi-based joint venture on September 1, citing supply chain constraints, geopolitical instability and limited market access. The Hungarian carrier will intensify its focus on European markets. “While this was a difficult decision, it is the right one given the circumstances,” said CEO József Váradi. The Chairman of Wizz Air is William Franke, Managing Partner of Indigo Partners; he is also Chairman of Frontier Airlines, JetSMART, EnerJet and software company APiJET, and serves on the board of the Mexican airline that does business as Volaris. He earlier served as Chairman of America West and Spirit Airlines.

8. Etihad To Increase Atlanta Service to Daily.

Etihad began four weekly Airbus A350-1000 flights from Abu Dhabi to Atlanta, its fifth U.S. gateway, joining New York, Chicago, Washington D.C. and Boston. Due to “record-high load factors and remarkable early bookings,” the service will increase to daily in November; demand from both leisure and corporate segments “exceeded expectations.” . . . Etihad announced several new routes that formerly were served by Wizz Air Abu Dhabi.

9. Gulf Air To Begin New York Flights.

Gulf Air will offer three weekly Boeing 787-9 flights to New York Kennedy from October 1, subject to government approval. The Bahrain-based airline signed an agreement to purchase 12 Dreamliners with options for six more, with officials from the U.S. and Bahrain governments and Boeing and Gulf Air present.

10. Consortium Wins Bid To Establish Low-Cost Saudi Carrier.

A consortium comprising Air Arabia, Nesma Group and KUN Holding was selected by Saudi Arabia's General Authority of Civil Aviation (GACA) to establish and operate a low-cost airline, which will be based at King Fahd International in Dammam, in the Eastern Province. The new airline will fly to 24 domestic and 57 international destinations with 45 aircraft by 2030, aiming to serve around 10 million passengers annually. Sharjah-based Air Arabia operates from hubs in United Arab Emirates, Morocco, Egypt and Pakistan, with a fleet of 74 Airbus aircraft.

X. AMERICAS

1. **JetBlue, United Complete DOT Waiting Period of Blue Sky Collaboration.**

DOT completed its review of Blue Sky within the 30 days provided by the statute, and Blue Sky is proceeding to implementation. This will include interlining and reciprocal loyalty program benefits. JetBlue will provide United access to New York Kennedy slots for up to seven daily round-trip flights out of Terminal 6 to begin as early as 2027, and they will exchange eight flight timings at Newark. United will move its website and mobile app's ability to sell hotels, rental cars, cruises and travel insurance, on both a stand-alone and package basis, to new technology and services provided by JetBlue's Paisly platform.
2. **Delta To Offer Salt Lake City–Lima, Peru Service.**

Delta will offer daily Boeing 767-300ER nonstops from Salt Lake City to Lima, Peru from December 4, 2025 through January 25, 2026, with connections to major South American cities via LATAM, subject to foreign government approval. This is the first nonstop gateway between Utah and South America.
3. **Hawaiian-Alaska Merger Update.**

DOT approved the transfer of Hawaiian's international route authorities to Alaska Air Group. Hawaiian filed notice of its third round of layoffs related to the merger, affecting 252 noncontract jobs in Honolulu.
4. **Southwest To Start Assigned Seating in January.**

Southwest customers can now select their seat when booking flights from January 27. The carrier plans to operate with new fare bundles and a reconfigured fleet, including extra legroom seating, in first quarter 2026. A new advertising campaign "Are You Sitting Down?" was created to build excitement around the launch of assigned seating. . . . Southwest plans to begin service to St. Thomas, in the Caribbean, in early 2026.
5. **Allegiant Sells Resort for \$200 Million.**

Blackstone Real Estate agreed to acquire Sunseeker Resort Charlotte Harbor from Allegiant Travel Company for \$200 million. Allegiant CEO Gregory Anderson said the sale "supports Allegiant's strategy centered around the airline and we plan to use the proceeds from the sale to repay debt and strengthen our balance sheet." The transaction is expected to close in third quarter 2025, subject to satisfying customary conditions.

6. Avelo Adds East Coast, Sheds West Coast Flights.

Avelo Airlines is extending its East Coast flight schedule through mid-February 2026, with one-way fares starting at \$37. The airline is ending West Coast operations, including its original base in Burbank, said CEO Andrew Levy, who has faced calls for boycotts since agreeing to provide charter flights for the federal government's immigrant deportation scheme.

7. Breeze Expands West Coast Service.

Breeze Airways will expand its West Coast network with flights from Burbank and Arcata in California, Redmond and Eugene in Oregon, and Pasco/Tri-Cities in Washington, scheduled to begin in March 2026, and, said founder and CEO David Neeleman, bringing "more options and convenience to these underserved communities." Flights begin at \$39 or \$49 one-way.

8. Republic Names New President, CEO To Replace Bedford.

Republic Airways Board Chair David Grizzle was named CEO and Matt Koscal was promoted to President, effective immediately, to replace Bryan Bedford who is now FAA Administrator. Grizzle has four decades of aviation industry experience, including senior executive roles at Continental and FAA. Koscal has held senior positions at Republic since 2014 and will continue to oversee the company's merger with Mesa Air Group. Republic provides fixed-fee flights operated under its code share partners' brands: American Eagle, Delta Connection and United Express.

9. Association of Value Airlines Appoints Executive Director.

Jonathon Freye was named Executive Director of the Association of Value Airlines (AVA). He replaces Interim Executive Director Chris Brown, who helped launch AVA. Freye most recently led government affairs for an aerospace division of Hyundai Motor Group, and previously was Vice President of Government and Public Affairs for National Air Transportation Association, Senior Policy Advisor to Congressman Dan Lipinski on the House Aviation Subcommittee, and Federal Government Affairs Representative for Metropolitan Washington Airports Authority. Washington, D.C.-based AVA was formed by Allegiant, Avelo, Frontier, Spirit and Sun Country to "serve as a united, independent voice for the low-fare airline sector before Congress, the Executive Branch, and state governments."

10. Azul Receives Court Approval for \$1.6 Billion in DIP Financing.

Azul received final U.S. Court approval for motions in its Chapter 11 proceedings, including \$1.6 billion in debtor-in-possession (DIP) financing. The company also filed its previously announced agreement with AerCap, which represents most of its aircraft lease liabilities and generates contractual

benefits to Azul of \$1 billion; agreement scheduled to be heard August 13. The Court also authorized Azul to reject two engine leases, which are tied to nonactive engines. The Brazilian airline was founded by David Neeleman.

11. **Delta To Launch Los Angeles–Hong Kong Nonstop.**
See Section IX, item 2.
12. **China Airlines To Launch Taipei–Phoenix, With Southwest Connections.**
See Section IX, item 3.
13. **U.S.–Israel Flights Increase.**
See Section IX, item 5.
14. **Oman Air Joins oneworld Alliance.**
See Section IX, item 6.
15. **Etihad To Increase Atlanta Service to Daily.**
See Section IX, item 8.
16. **Gulf Air To Begin New York Flights.**
See Section IX, item 9.