



WASHINGTON AVIATION SUMMARY

MAY 2026 EDITION

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For further information, including documents referenced, contact:

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

<http://www.yklaw.com>

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

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I. REGULATORY NEWS

1. February Global Air Passenger Demand Up 6.1%.

Global passenger demand for February (revenue passenger kilometers) was up 6.1%, compared to February 2025, reports the International Air Transport Association (IATA); total capacity (available seat kilometers) increased 5.6%; load factor was 81.4% (+0.3 ppt), the highest February figure on record. International demand rose 5.9%, capacity was up 5.3%, and load factor was 80.5% (+0.5 ppt). Domestic demand increased 6.3%, capacity increased 6.2%, and load factor was 82.8% (+0.1 ppt). . . . “February was a strong month, showing that the fundamentals for demand growth were in place for a positive year,” said Willie Walsh, IATA Director General. “However, without knowing the length and intensity of the war in the Middle East, it is impossible to quantify the full impact that it will have on airline prospects. But some things are already clear. Fuel costs have risen sharply. With tight capacity and thin margins, air fares are already rising. Capacity deployment is also adjusting, particularly for traffic to, from, or through the Middle East, or in areas where fuel supply is an issue. Capacity growth scheduled for March, for example, has eased to 3.3% from earlier predictions of more than 5%.”

2. DOT Convenes Modern Skies Summit.

The U.S. Department of Transportation (DOT) held a Modern Skies Summit, in which Secretary Sean Duffy and Federal Aviation Administration (FAA) Chief Bryan Bedford provided updates on the “Brand New Air Traffic Control System (BNATCS).” The work is on schedule to be completed in 2028, they said, and urged Congress to supplement the initial \$12.5 billion investment. . . . Airlines for America (A4A) President and CEO Chris Sununu applauded the Administration “for cutting red tape, saying ‘no’ to bureaucratic dysfunction. . . . Fiber, radios, radar, displays, training simulators, flight management innovations . . . accomplished while we have all been dealing with multiple government shutdowns, a jet fuel crunch and ATC staffing shortages . . . because they are not doing it the old way with a bunch of bureaucrats behind closed doors, but instead they are working as a team, partnering with every aspect of the national airspace and the private sector including the 50+ groups represented by the Modern Skies Coalition.”

3. Budget Airlines Seek \$2.5 Billion in Gov’t Aid To Offset Fuel Costs.

The Association of Value Airlines (AVA), comprised of Allegiant, Avelo, Frontier, Spirit, and Sun Country, asked the Administration “to consider a program that would create a \$2.5 billion liquidity pool, used exclusively to offset incremental

fuel costs, as a necessary and targeted measure to stabilize operations and keep airfares affordable during this period of volatility.” The proposal followed remarks by President Trump suggesting federal assistance to Spirit Airlines. “Since February, jet fuel prices have increased by nearly one hundred percent and are placing significant financial pressure on value airlines,” said AVA, which met with DOT Secretary Sean Duffy to discuss this impact on U.S. travelers and airlines.

4. NTSB Issues Preliminary Report on Fatal LaGuardia Runway Collision.

The National Transportation Safety Board (NTSB) issued a preliminary report on the March 22 collision of an Air Canada Express (Jazz Aviation) CRJ-900 and an aircraft rescue firefighting (ARFF) vehicle on a LaGuardia runway. The captain and first officer of the regional jet were killed and many were injured. Prior to the accident, six ARFF vehicles and a Port Authority police vehicle were responding to another incident involving a United Airlines plane, with coordination by one of two air traffic controllers in the tower. The other controller was managing airplanes and ground vehicles. Amid confusion, the Jazz flight was cleared to land, and the fire truck was cleared to cross the runway and misunderstood instructions to stop. The airport was equipped with the Airport Surface Detection Equipment, Model X (ASDE-X), which provides visual and aural alerts to ATC when it detects potential runway incursions or conflicts, giving controllers the ability to intervene before an accident occurs. But the ground vehicles were not equipped with transponders, without which the ASDE-X system could not uniquely identify each of them or reliably determine their positions, or tracks. As a result, the system was unable to correlate the track of the airplane with the track of the other vehicles and did not predict a potential conflict with the landing airplane. This is an ongoing investigation, notes NTSB; information is subject to change.

5. FAA, Dep’t of War Test Counter-Drone Risk to Passenger Aircraft.

FAA and the Department of War said a Safety Risk Assessment determined that a high-energy laser counter-drone system does not present an increased risk to passenger aircraft. “We will continue working with our interagency partners to ensure the National Airspace System remains safe while addressing emerging drone threats,” said FAA Administrator Bryan Bedford. . . . During a March congressional briefing on incidents involving counter-drone high energy laser systems near the Texas-Mexico border, FAA acknowledged interagency coordination failures, one of which led to a shutdown of airspace near El Paso and Fort Hancock Texas, and Santa Teresa, New Mexico. “These incidents highlighted serious process failures that expose the flying public to unacceptable safety risks,” said Maria Cantwell (D-Wash.), Ranking Member of the Senate Commerce Committee.

6. FAA Program Accelerates Enforcement of Minor Drone Violations.

FAA announced a new enforcement initiative “to resolve certain minor drone violations more quickly while maintaining safety.” Under the Drone Expedited and Targeted Enforcement Response (DETER) program, eligible first-time operators may resolve cases through reduced civil penalties or certificate suspensions; participants must admit liability and waive the right to appeal to receive expedited resolution; and law enforcement partners will be able to notify FAA of drone violations in real time. The program is limited to less serious operational violations and will be implemented in select locations and timeframes. FAA will continue to handle violations involving significant safety risks, including unauthorized operations in restricted airspace, through standard enforcement procedures; these violations are not eligible for expedited resolution.

7. FAA Proposes Fines Against American, Southwest.

FAA proposed civil penalties against American Airlines and Southwest Airlines for allegedly violating drug and alcohol testing regulations. The \$304,272 fine for Southwest is for failing to conduct all required follow-up drug or alcohol testing for 11 employees, including pilots, flight attendants and aircraft mechanics, who had previously tested positive for alcohol or drugs including marijuana, cocaine and amphetamines. The \$255,000 fine for American is for allowing 12 flight attendants who tested positive on drug and alcohol tests to resume performing safety-sensitive duties without completing all required follow-up testing.

8. ICAO: Mental Health Risks in Conflict Zones.

The International Civil Aviation Organization (ICAO) issued urgent guidance for significant mental stress among aviation personnel operating in or near conflict zones, and called on States, organizations and public health partners to collaborate to implement strategies that promote mental well-being and resilience. Flight and cabin crews, air traffic controllers, maintenance and ground staff may experience elevated stress, anxiety and fatigue when working under conflict-related pressures. ICAO also encourages aviation stakeholders to extend support to passengers who may be affected by conflict-related stressors. . . . A new Marrakech Call to Action supports ICAO’s “No Country Left Behind” strategic goal, to ensure expansion of aviation’s contributions to the prosperity of nations.

II. AIRPORTS

1. IATA Calls for Slot Relief During Iran Crisis.

IATA urged governments to apply the Justified Non-Use of Slots (JNUS) exemption for a rolling six-week period during the war in the Middle East, until it is clear normal operations are possible. A provision in the Worldwide Airport Slot Guidelines (WASG), the JNUS freezes the 80-20 rule, which requires a slot to be used 80% of the time for an airline to keep it; 20% non-utilization provides flexibility for cancellations for weather, mechanical or other issues. The war has led to closed airspace, reduced operations at some airports, major re-routing to avoid conflict zones, and fuel shortages, said IATA. Implementing JNUS avoids unnecessary flying, saving scarce fuel, and reducing disruption; keeps airport capacity available, allowing airlines that can operate to step in; and protects historic slot rights, so today's crisis doesn't create long-term damage to airline networks and the customers who depend on those connections.

2. World's Busiest Airports in ACI 2025 Global Rankings.

Hartsfield-Jackson Atlanta remains the world's busiest airport for passenger traffic, with 106.3 million passengers in 2025, reports Airports Council International (ACI) World. Dubai remains second with 95.2 million, and Tokyo Haneda rose to third with 91.7 million. Chicago O'Hare leads in aircraft movements, followed by Atlanta, and Dallas Fort Worth. Global total passengers are estimated at 9.8 billion, an increase of 3.6% from 2024 and 7.3% from 2019 results.

3. FAA Limits Chicago O'Hare Summer Flights To Reduce Delays.

FAA announced a summer season scheduling reduction at Chicago O'Hare to address capacity and delay concerns. From May 17 to October 24, flights will be capped at 2,708 per day. More than 3,080 flights were planned for peak days for summer 2026, a 14.9% increase over summer 2025, when less than 60% of O'Hare arrivals and departures were on time. Airlines worked with FAA "to reach a responsible level of operations that strengthens," said Administrator Bryan Bedford. The FAA order allocates operations among airlines based on their approved summer 2025 schedules.

4. FAA Ends Parallel Approaches at San Francisco.

FAA prohibited side-by-side approaches to San Francisco International's parallel east-west runways in clear weather when pilots acknowledge having the other aircraft in sight; they were never allowed in bad weather. Staggered approaches are required, with one aircraft offset from the aircraft on the parallel

runway. Additionally, a runway repaving project has put the two north-south runways out of service for six months. The new procedures and closures will reduce maximum arrival rate from 54 aircraft per hour to 36, said airport officials, who expect 25% of arriving flights to experience a delay of at least 30 minutes. FAA is “exploring ways to safely increase the airport arrival rate.”

5. American to Launch Electronic Boarding Gates at DFW.

American Airlines will launch electronic boarding gates at Dallas Fort Worth this summer, after a successful pilot in November 2025. The dormakaba Argus Air XS gates will debut at American’s new Terminals A and C pier expansions. Swiss company dormakaba is a global provider in the access solutions market.

6. Palm Beach Renamed President Donald J. Trump Int’l Airport.

Florida Governor Ron DeSantis signed legislation transferring to the state the authority to name major commercial service airports, effective July 1, 2026. Under the law, Palm Beach International Airport will be renamed “President Donald J. Trump International Airport,” pending FAA and other required approvals. The legislation affects only the airport name and does not change the airport code, PBI. Operations, ownership and governance by Palm Beach County remain unchanged. Separate federal legislation regarding the code has been introduced. Transition activities, including updates to signage, branding and public-facing materials, will occur in phases; a state appropriation to support these efforts is pending. PBI serves approximately 8.6 million passengers a year.

7. Anchorage Debuts Self-Driving Wheelchairs.

WHILL self-driving wheelchairs are available at Ted Stevens Anchorage, in partnership with NANA Management Services (NMS) and Alaska Airlines. Available at 15 airports globally, the service enables passengers with limited mobility to navigate the terminal independently at a comfortable speed. Alaska Airlines passengers can request the service at time of booking, prior to arrival, or upon entering the terminal. After being screened by NMS staff to confirm they meet mobility requirements, passengers are assisted through security screening and transferred to a WHILL wheelchair.

8. UK CAA Proposes Heathrow Fees.

The UK Civil Aviation Authority (CAA) published initial proposals for maximum fees that Heathrow Airport can charge airlines for regulatory period of January 2027 to end of 2031. CAA proposes to set the cap at between £27.20 and £30.50 per passenger, and sets incentives for improved service quality standards and environmental performance. Final proposals will be published in November, and final decision in April 2027. . . . In a draft decision, subject to

statutory consultation, CAA said it will allow Heathrow “to recover efficient early costs incurred during 2025 and 2026, up to a cap of £320 million (2024 prices),” for expanding the airport. The decision would also allow Heathrow West Ltd to recover up to £4.3 million of early costs it had incurred up to November 25, 2025.

9. Frankfurt Airport Opens €4 Billion Terminal 3.

Terminal 3 at Frankfurt Airport officially opened with the arrival of a China Southern flight from Shenyang. Relocation of 57 airlines from Terminal 2 will take place in four phases, with completion by June 9. Operator Fraport invested €4 billion in the construction of Terminal 3, Europe's largest privately financed infrastructure project. In first phase, three concourses, G, H, and J, offer capacity of up to 19 million passengers per year. In second phase, with the addition of concourse K, annual capacity is capped at 25 million.

III. **SECURITY AND DATA PRIVACY**

1. **DHS Funding Stalemate Continues.**

Funding for the Department of Homeland Security (DHS) remained in limbo, as the House failed to pass a Senate-approved bill.

2. **Digital Identity Replacing Paper Documents.**

IATA published results of digital identity Proofs of Concept completed with support of airlines, airports, technology providers and governments in Europe and Asia-Pacific. They show that contactless, biometric-enabled international travel is achievable with digital identity replacing paper documentation, and that interoperability of systems is sufficiently advanced to support contactless journeys involving multiple carriers and using different digital identity wallets (including Digital ID in Apple Wallet for U.S. passport holders and Google ID Pass for UK and U.S. passport holders) and national digital identity programs such as India's Digi Yatra. This includes enabling passengers to securely share identity data in advance to facilitate travel.

3. **Groups Discourage World Cup Travel.**

Organizations including Amnesty International issued a travel advisory for visitors to the 2026 FIFA World Cup, citing potential risks such as arbitrary denial of entry, racial profiling and mistreatment by immigration authorities. . . . We oppose potential visa fees, social media screening, among other policies, said U.S. Travel Association President and CEO Geoff Freeman, "but discouraging travel by calling the U.S. unsafe for visitors is a different thing entirely." The number of travelers detained at Customs to have their devices searched is a difference of less than 0.01% between the Biden and Trump Administrations, said Freeman, noting that 67 million international travelers came to the United States last year. . . . In related news, Homeland Security Secretary Markwayne Mullin said he would consider repealing the designation of international airports in sanctuary cities as ports of entry.

4. **Duckworth Wants 'Shoes On' Airport Screening Policy Rescinded.**

Senator Tammy Duckworth (D-IL) demanded the Administration rescind former DHS Secretary Kristi Noem's "dangerous policy that allows travelers to keep their shoes on at airport security screening checkpoints." The DHS Office of Inspector General found that Noem's policy "created a new security vulnerability in the system," added Duckworth, who is Ranking Member of the Aviation Subcommittee. The Transportation Security Administration's (TSA) policy that required all passengers to remove shoes was implemented after the failed

“Shoe Bomber” terrorist attack in 2001, when a man successfully snuck an explosive onto a plane by hiding it in his shoe. “If he had been able to detonate his explosive during the flight, it would have killed all 197 passengers and the flight crew,” said Duckworth.

5. EU Entry Exit System Operations Begin.

The European Union Entry-Exit System (EES) was fully implemented on April 9, causing some delays and missed flights. ACI Europe and Airlines for Europe (A4E) reported some passenger wait times of two to three hours, “despite border authorities making extensive use of partial suspension measures, which allow biometrics data not to be captured.” The EES requires non-EU travelers to submit facial images and fingerprints when entering or exiting the Schengen Zone. Another process, the European Travel Information and Authorization System (ETIAS), will require pre-travel authorization for non-EU travelers from visa-exempt countries.

IV. TECHNOLOGY AND EQUIPMENT

1. Joby, ASI Partner To Prepare U.S. Airspace for Scaled Electric Flight.

Joby Aviation and Air Space Intelligence (ASI) announced a partnership to examine how scaled electric vertical take-off and landing (eVTOL) operations “can be safely integrated into dynamic, increasingly complex and high-traffic airspace.” . . . Joby and Port Authority of New York and New Jersey conducted the first demonstration of an electric air taxi in New York, flying from John F. Kennedy International Airport to and from Manhattan and back.

2. Delta To Install Amazon Leo on 500 Aircraft.

Delta plans to introduce Amazon Leo with initial installation on 500 aircraft beginning in 2028. The high-speed technology is built around a constellation of thousands of satellites in low Earth orbit around the planet, and connects directly to global terrestrial networking and infrastructure powered by Amazon Web Services (AWS), said Delta. Amazon Leo in-flight solutions are powered by an aviation-grade version of its most powerful antenna, Leo Ultra. Delta uses AWS across its operation and also partners with Viasat and Hughes for Wi-Fi from gate to gate.

V. ENERGY AND ENVIRONMENT

1. Fuel Bill for Global Airline Industry.

The global average jet fuel price for week ending April 17 was \$184.63 per barrel, up 0.5% from prior month's average, and up 105.1% on prior year's average, according to the Jet Fuel Price Monitor, a joint IATA-Platts initiative.

2. War-Related Fuel Shortages Disrupt Aviation Industry.

The International Energy Agency (IEA) April 14 Oil Market Report assumes a resumption of regular deliveries of oil and gas from the Middle East to international markets by mid-year, although not back to pre-conflict levels. If risks to energy production and trade in the Middle East remain high due to a prolonged conflict, "energy markets and economies around the world need to brace for significant disruptions in the months to come," said IEA. . . . IATA estimated that by end of May we could start to see cancellations in Europe for lack of jet fuel. "This is already happening in parts of Asia," said IATA Director General Willie Walsh. "Along with doing everything possible to secure alternative supply lines, it's important that authorities have well-communicated and well-coordinated plans in place in case rationing becomes necessary, including for slot relief." . . . The European Federation for Transport and Environment (T&E) called the Middle East crisis a moment of reckoning for European aviation, as some industry players are using geopolitical instability to lobby against initiatives like the EU Emissions Trading System (EU ETS) and ReFuelEU, which requires the aviation industry to adopt sustainable aviation fuel (SAF) to reduce emissions. "Weakening this legislation now would only deepen the sector's exposure to global oil shocks," said T&E.

3. EU Proposes Actions for Jet Fuel Access During Crisis.

With the Middle East conflict, the EU has spent an additional €24 billion on energy imports due to higher prices, "without receiving a single extra molecule of energy," said the European Commission, while announcing national emergency measures. An AccelerateEU Plan will step up coordination to optimize transport fuel distribution across Europe, starting with jet fuel. The plan also provides clarity on flexibilities that should help the EU's aviation sector deal with consequences of flight cancellations and other disruptions.

4. Sora To Scale Air-To-Jet Fuel Production.

Sora Fuel closed a \$14.6 million round that will fund construction and operation of a pilot facility designed to scale daily unit production of drop-in SAF from gallons to barrels. The company makes jet fuel from air, water and renewable

energy. Its proprietary system “can capture CO₂ directly from ambient air and convert it into syngas in a single integrated step — co-producing hydrogen and completely bypassing the energy-intensive sorbent regeneration that accounts for over 90% of the cost and capital in conventional direct air capture.”

5. Wisconsin Supports SAF Project.

Wisconsin-based Johnson Timbers and German firm Synthec Fuels are partnering on a project to convert timber mill residuals and forest byproducts into SAF using gasification and Fischer-Tropsch technology. The state’s recently enacted Forestry Revitalization Bill authorizes the Wisconsin Economic Development Corporation to administer up to \$120 million in tax credits for the project.

VI. U.S. CONGRESS

1. House Approves “ALERT Act.”

The House approved the “Airspace Location and Enhanced Risk Transparency (ALERT) Act of 2026.” The bipartisan legislation addresses all 50 recommendations raised by NTSB’s investigation of the 2025 midair collision between a PSA Airlines CRJ700 (American Airlines Flight 5342) and a UH-60 Army Black Hawk helicopter at Reagan Washington National Airport (DCA), which killed 67 people. Among other things, the bill requires ADS-B (Automatic Dependent Surveillance–Broadcast In) and a corresponding collision prevention technology to be equipped and operating on virtually all aircraft that are required to have ADS-B Out, by December 31, 2031. The bill also requires greater flight data sharing between the Secretary of War and FAA. A similar bill, the “Rotor Act,” is pending in the Senate.

2. “Mental Health in Aviation Act” Advanced in Senate.

The “Mental Health in Aviation Act,” bipartisan legislation that would enable pilots and air traffic controllers to seek mental health care without fear of reprisal, was unanimously approved by the Senate Commerce Committee. The House passed a companion bill in September 2025.

3. Committee Approves “SAFEGUARDS Act.”

The “Spending Aviation Fees for Equipment, Guaranteeing Upgraded and Advanced Risk Detection and Safety (SAFEGUARDS) Act” was passed by the Senate Commerce Aviation Subcommittee. The bipartisan legislation would ensure that revenue collected through the 9/11 Passenger Security Fee (PSF) is invested in aviation and airport security. The bill next goes to full Senate for consideration.

4. Senators Call For Investigation Into FAA Chief Stock Divestiture.

Senators have asked the DOT Inspector General to investigate whether FAA Administrator and former Republic Airways CEO Bryan Bedford “intentionally held on to his Republic stock until the company completed a lucrative merger, turning his original 16,733 shares into more than 652,470 shares in the new public company.” Maria Cantwell (D-Wash.), Ranking Member of the Senate Commerce Committee, Tammy Duckworth (D-Ill.), Ranking Member of the Aviation Subcommittee and Edward Markey (D-Mass.) want to know if Bedford “deliberately violated his ethics agreement to boost his stock payout, and misled Congress and the Office of Government Ethics about his actions.” Bedford sold

his Republic stock after the merger closed for potentially more than \$25 million, according to a recent financial disclosure.

5. Lawmakers Question JetBlue About Surveillance Pricing.

Responding to a proposed class action lawsuit alleging that JetBlue collects passenger personal data and uses it to set airfares, a practice described as “dynamic surveillance pricing,” lawmakers Rep. Greg Casar (D-Texas) and Sen. Ruben Gallego (D-Ariz.) wrote to CEO Joanna Geraghty asking for the airline’s definition of personal data; if it is working with external vendors to set prices using personal data; and whether personal data is used in any capacity to inform prices. JetBlue said an employee’s response to a question on X was incorrect and led to the charges; fares are determined by demand and seat availability.

VII. BILATERAL AND STATE DEPARTMENT NEWS

1. IATA: Aviation Potential in Uzbekistan, Kazakhstan.

IATA is establishing a permanent presence in Tashkent, Uzbekistan, opening an office and launching a Billing and Settlement Plan (BSP) this year. IATA's BSP tracks and manages sales of air tickets and financial transactions for hundreds of airlines and tens of thousands of agents, globally. Uzbekistan is looking to leverage its Central Asia location to become a key regional hub with links to Asia, the Caucasus and Europe. Necessary elements will be alignment with global standards and best practices, particularly adoption of the IATA Operational Safety Audit. Airports being constructed in Tashkent, Bukhara and Urgench need consultation with airlines to address user needs. Refining SAF to international standards will support aviation development, energy security and potential for developing an export business; Uzbekistan has Gas-to-Liquids experience with a focus on renewable or low-carbon gases. Tourism directly supported by aviation contributes \$282.9 million to the country's GDP. 66,600 tonnes of air cargo were transported through airports in Uzbekistan in 2023; with the opening of a dedicated cargo terminal at Tashkent Airport and continued growth at Navoi's dedicated cargo airport, further growth in cargo volumes is expected. . . . IATA urged policymakers to consider three key priorities for Kazakhstan's aviation sector that would support its growth and attractiveness as a regional hub. (1) Alignment with global safety standards and operational best practices is vital; Air Astana and Scat are among the only Kazakh carriers permitted to fly to the EU. (2) With passenger growth averaging more than 10% per year over the past three years, investing in affordable infrastructure is key; note Almaty's \$362 million investment to overhaul its airport and a proposed second airport for Astana. (3) Production of SAF that meets Jet A-1 standards presents an excellent opportunity for Kazakhstan, which has great potential in terms of feedstock.

VIII. EUROPE AND AFRICA

1. New EU Aviation and Aeronautics Strategy Planned.

The European Commission launched work on an EU Aviation and Aeronautics Strategy meant to strengthen the sectors at a time of heightened uncertainty, with rising energy costs, geopolitical tensions, supply chain disruptions, and intensifying global competition. In 2015, the EU adopted its first Aviation Strategy for Europe. Since then, the global aviation landscape has evolved significantly, and the sector must adapt to a more volatile and uncertain global context. A comment period ends May 21.

2. JetBlue Begins Service from Boston to Barcelona.

JetBlue launched new summer seasonal service between Boston Logan and Barcelona–El Prat, its second destination in Spain following Madrid. The Airbus A321 flights will operate through October 25. The airline will begin seasonal service between Boston and Milan on May 11.

3. Lufthansa Cutting 20,000 Flights To Save Jet Fuel.

Lufthansa Group announced reductions of 20,000 flights this summer, resulting in savings of more than 40,000 metric tons of jet fuel, which has doubled in price since the outbreak of the Iran conflict. . . . Lufthansa CityLine has ceased operations. "We had already identified the prospective removal of CityLine from our program as part of our strategic development," said the company. "The current crisis is now forcing us to implement this measure earlier."

4. Air France-KLM, Lufthansa Submit Bids for TAP Air Portugal Stake.

Air France-KLM Group submitted a non-binding offer for a minority stake in TAP Air Portugal. "Lisbon would become the Group's unique Southern European hub, offering extensive connectivity notably to the Americas, including Brazil, a key market for both TAP and Air France-KLM, as well as Africa," said AF-KLM Group CEO Benjamin Smith, and TAP would benefit from integration into a worldwide commercial organization, covering Air France, KLM and Transavia, and close engagement with transatlantic joint venture partners Delta and Virgin Atlantic. . . . In November, Lufthansa Group formally expressed interest in participating as a bidder in the TAP privatization process. "Cooperation would strengthen Lisbon's position as an Atlantic hub in the Lufthansa Group network," said Chairman and CEO Carsten Spohr. "Connectivity between Europe and other regions of the world, such as South America, Africa, and North America, could be expanded." TAP and Lufthansa are members of Star Alliance; Air

France-KLM is a oneworld member. . . . The Portuguese government has invited both groups to submit binding bids.

5. ITA Airways Joins Star Alliance.

ITA Airways became the 26th member of Star Alliance. The Italian flag carrier is 59% owned by Italy's Ministry of Economy and Finance and 41% by Deutsche Lufthansa AG.

6. SAA Group CEO John Lamola Resigns.

South African Airways Group CEO John Lamola has resigned. He joined the airline in 2021 as a Non-Executive Director and Board Chair and became Group CEO in 2022. Matshela Seshibe, CEO of SAA subsidiary Air Chefs, will serve as Acting Group CEO during a recruitment process. Three Board members also resigned. The Minister of Transport "expressed confidence that the remaining 10 Board members possess the requisite expertise and experience to continue discharging their fiduciary duties effectively."

7. Qatar Announces Updated Schedule.

See Section IX, item 8.

IX. ASIA/PACIFIC AND MIDDLE EAST

1. Willie Walsh Named CEO of IndiGo.

William Walsh was named CEO of InterGlobe Aviation Limited (IndiGo), subject to regulatory approvals; he replaces Pieter Elbers, who resigned in March. Walsh currently is Director General of International Air Transport Association, where his tenure ends on July 31. He began his airline career as a pilot with Aer Lingus and rose to CEO. He then was CEO of British Airways and of International Airlines Group (IAG), which includes Aer Lingus, British Airways, Iberia, Level and Vueling.

2. Campbell Wilson Resigns as Air India CEO, Managing Director.

Air India CEO and Managing Director Campbell Wilson has resigned and will remain until a successor is appointed. Wilson joined Air India in 2022 after it was purchased by Tata Group from the Indian government. He was a Singapore Airlines (SIA) executive for 26 years. SIA, a minority partner in Air India, reportedly has deployed its employees to Air India in flight operations, engineering and maintenance. . . . In other news from India, Vir Vikram Yadav was appointed Director General of Civil Aviation, replacing Faiz Ahmed Kidwai.

3. Qantas-American Cooperation To Continue.

The Australian Competition and Consumer Commission granted interim authorization to enable Qantas and American Airlines to continue to cooperate on trans-Pacific routes between Australia/New Zealand and the United States, Canada and Mexico.

4. Cathay Pacific Begins Seattle Service.

Cathay Pacific is operating five weekly Airbus A350-900 nonstops between Hong Kong and Seattle. Flight schedules are March 30 to May 31, and September 16 to October 24.

5. First PAL Manila-Chicago Nonstops Begin in November.

Philippine Airlines will begin three weekly nonstops between Manila and Chicago on November 9. The route will be operated with Airbus A350-900 aircraft.

6. Air New Zealand Launches Economy Skynest.

Air New Zealand is introducing lie-flat pods in a bunk-style layout on new Boeing 787-9 Dreamliners. Customers who book Economy or Premium Economy can add four-hour Economy Skynest™ sessions, “designed around natural sleep

cycles to allow time to settle, sleep and wake gradually.” Each pod provides a full-length mattress, bedding, ambient lighting, ventilation and charging ports. Sessions are priced at \$495 NZD. Bookings begin May 18; flights start in November.

7. **Executive Management Changes at Turkish Airlines.**

Murat Şeker was named Chairman of the Board and the Executive Committee of Turkish Airlines. After working as an economist at the World Bank and other financial institutions he joined the airline as Chief Financial Officer in 2016, and has served on the Board and Executive Committee since 2021. Ahmet Olmuştur succeeded Bilal Eksi as CEO. He joined the company in 2000 as a part-time employee in the Call Center and progressed to senior positions, most recently as Chief Commercial Officer.

8. **Qatar Announces Updated Schedule.**

Qatar Airways announced flights to 150 destinations, from June 16 through September 15, including new routes and increased frequencies. U.S. destinations are Atlanta, Boston, San Francisco and Los Angeles. Travelers with confirmed bookings between February 28, when Qatari airspace was closed due to the Iran war, and September 15 are eligible for complimentary changes to a new travel date. . . . Qatar Civil Aviation Authority announced gradual resumption of operations for foreign airlines via Hamad International Airport, following “a comprehensive assessment of the situation, conducted in coordination with all relevant national entities, to ensure the highest levels of readiness and operational efficiency.”

9. **ITA Airways Joins Star Alliance.**

See Section VIII, item 5.

X. AMERICAS

1. United Reaches Tentative Agreement with Flight Attendants.

United and Association of Flight Attendants-CWA announced a new tentative agreement that if ratified will provide immediate raises, wage rates that reach \$100 per hour by end of agreement, boarding pay, new pay for long gaps between flights, and a signing bonus. Voting began April 23 and closes May 12. . . . United announced a new tiered fare structure, offering base, standard and flexible fare options for United Polaris® and United Premium Plus® on long-haul international, transcontinental U.S. and select Hawaii flights. Customers can select options related to seat selection, checked bags, refundable tickets, and club and lounge access.

2. American Resumes Venezuela Service.

American planned to resume daily nonstop service between Miami and Caracas, Venezuela on April 30. Wholly owned subsidiary Envoy will operate the Embraer 175 flights. . . . American increased checked bag fees and is further differentiating Basic Economy fare from standard Main Cabin offering, “in light of the current operating environment.” The new bag fee for domestic flights is \$50 for first checked bag, \$60 for second checked bag and \$200 for third checked bag when purchased at the airport. Customers who prepay on aa.com or through American’s mobile app receive a \$5 discount.

3. American Rejects United Merger Efforts.

American stated it is “not engaged with or interested in any discussions regarding a merger with United Airlines,” in response to an overture by United CEO Scott Kirby. “While changes in the broader airline marketplace may be necessary, a combination with United would be negative for competition and for consumers, and therefore inconsistent with our understanding of the Administration’s philosophy toward the industry and principles of antitrust law,” said American. . . . Senators Mike Lee (R-Utah), Chairman of the Subcommittee on Antitrust, Competition Policy and Consumer Rights, and Elizabeth Warren (D-Mass.) announced a probe, saying a merger would exacerbate “bipartisan concerns that consolidation of the airline industry could potentially harm consumers [and] would enable the massive combined carrier to exercise monopsony power over airline workers, potentially suppressing wages and benefits industry-wide.” . . . American reportedly is exploring a strategic partnership with Alaska Air Group, including adding Alaska to American’s transatlantic partnership with British Airways and its Pacific venture with Japan Airlines.

4. Southwest Pairs Santa Rosa Service with Sip and Ship Program.

Southwest began service to Charles M. Schulz Sonoma County Airport with a Sip and Ship™ program, which allows customers to check one case of wine at no cost from select West Coast locations. The nonstop Santa Rosa, California service connects daily to San Diego and Las Vegas, five times weekly to Burbank and once, on Saturdays, to Denver. . . . As part of an ongoing analysis of the business and against the evolving global backdrop, Southwest increased fees on first checked bag from \$35 to \$45 and second checked bag from \$45 to \$55. Changes do not apply to A-List Preferred and Choice Extra Customers or active-duty military.

5. JetBlue Secures \$500 Million Loan Commitment.

Under an agreement with SKY Leasing and UMB Bank, \$500 million of debt financing commitments will be made available for JetBlue to borrow, secured by a mix of up to 22 of the company's currently owned Airbus A320 and A220 aircraft, with an option to raise another \$250 million. . . . High fuel prices could plunge JetBlue into bankruptcy, speculated founder and former Chairman CEO David Neeleman. Current CEO Joanna Geraghty said the airline is not considering bankruptcy and has sufficient liquidity, noting the recently secured loan.

6. Alaska Unveils International Business Class Suites.

Alaska Airlines will debut International Business Class on new Boeing 787-9 Dreamliners, beginning with nonstop service from Seattle to Rome and Seoul starting in April and Tokyo this fall. The offering includes fully lie-flat suites with privacy doors, direct aisle access and "restaurant-quality" dining. . . . Alaska begins 737 MAX 8 service to Reykjavík on May 28.

7. Allegiant, Sun Country Merger Update.

DOT approved the joint interim exemption application of Allegiant and Sun Country that will allow them to continue to operate as separate carriers under common ownership after the merger close, while advancing toward a single operating certificate. Closing expected following May shareholder meetings.

8. FedEx, Pilots Reach Tentative Contract Agreement.

Federal Express Corp. and Air Line Pilots Association (ALPA) reached a tentative agreement that, if ratified, will provide the carrier's 5,000+ pilots with "an industry-leading collective bargaining agreement." Negotiations were conducted under National Mediation Board supervision.

9. **Air Canada President, CEO Michael Rousseau Resigns.**

Air Canada announced that President and CEO Michael Rousseau will leave the company by end of third quarter. Rousseau has held executive positions at Air Canada for nearly 20 years. The government called for his resignation after he failed to address the public in French regarding the March 22 runway collision at LaGuardia in which two Air Canada Express pilots were killed. A search for a successor who speaks French is underway.

10. **Avianca Expands U.S. Summer Service.**

Avianca will increase weekly summer season frequencies between the U.S. and Colombia, Ecuador and Central America, with a focus on the upcoming World Cup. The company will resume Miami–Cali, New York–Pereira, Orlando–Medellín, Las Vegas–San Salvador, and Chicago–San Salvador, and add new routes, such as San Francisco–Guatemala.

11. **JetBlue Begins Service from Boston to Barcelona.**

See Section VIII, item 2.

12. **ITA Airways Joins Star Alliance.**

See Section VIII, item 5.

13. **Qantas-American Cooperation To Continue.**

See Section IX, item 3.

14. **Cathay Pacific Begins Seattle Service.**

See Section IX, item 4.

15. **First PAL Manila-Chicago Nonstops Begin in November.**

See Section IX, item 5.

16. **Qatar Announces Updated Schedule.**

See Section IX, item 8.