



## 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. **DOT Provides ATC Modernization Progress Reports.**

The U.S. Department of Transportation (DOT) is investing \$750 million to replace eight air traffic control (ATC) towers and Terminal Radar Approach Controls (TRACONs), and the Federal Aviation Administration (FAA) is providing \$85.8 million to upgrade Federal Contract Towers (FCTs) at 41 airports across 24 states. . . . FAA's 2026 Air Traffic Controller Workforce Plan identifies a full staffing target of 12,563 Certified Professional Controllers (CPCs). As of April 2026, 11,000 CPCs were deployed across 300 FAA air traffic facilities, with another 4,000 in the training pipeline. Among goals, FAA expects to achieve or exceed hiring targets of 2,200, 2,300, and 2,400 new air traffic controllers in Fiscal Years 2026, 2027 and 2028, respectively. A new staffing model assesses how much time controllers are available for operational duties; automated scheduling tools will improve efficiency and reduce mandatory overtime requirements, which will help alleviate fatigue and burnout. Expanded simulator-based training can increase proficiency and reduce training time by up to 27%. Artificial intelligence and machine learning tools to better simulate and manage National Airspace System performance before day of departure will improve routing efficiency and traffic management. . . . A pilot program transitions select high-activity federal contract towers, staffed by private-sector employees operating under FAA safety standards, to FAA-owned towers. The first are Bozeman Yellowstone International in Montana and Mesa Gateway in Arizona. The initiative, required by the 2024 FAA Reauthorization Act, will assess feasibility, benefits and challenges. . . . A new Modern Skies website displays ATC projects "to ensure the flying public has an unprecedented level of transparency into how their tax dollars are being spent."

### 2. **WHO Declares Ebola a Public Health Emergency.**

The World Health Organization (WHO) declared the Ebola outbreak in the Democratic Republic of Congo (DRC) and Uganda a Public Health Emergency of International Concern, but not a pandemic emergency, and assessed the risk as very high at the national level, high at the regional level, and low at the global level. As of May 26, the DRC had 906 suspected and 105 confirmed cases, and 223 suspected and 10 confirmed deaths, said the U.S. Centers for Disease Control and Prevention (CDC). Uganda had seven confirmed cases and one confirmed death. An American national working in DRC was confirmed positive and transferred to Germany for care. Another American national who is a high-risk contact was transferred to the Czech Republic. The

U.S. reportedly is preparing a facility in Kenya where American citizens will quarantine or be treated. CDC suspended entry of foreign nationals who were in the DRC, Uganda or South Sudan within 21 days before arrival. Airlines are contacting U.S. citizens, U.S. nationals, and lawful permanent residents for rebooking to Washington Dulles, Hartsfield Jackson Atlanta and Houston Bush airports for enhanced public health screening. The outbreak is caused by the Bundibugyo virus, for which there are no approved vaccines or therapeutics. . . . The hantavirus outbreak is now stable, said WHO, with no new deaths since May 2. There were 12 reported cases and three reported deaths. Persons were at high risk if they were on the MV Hondius cruise ship between April 6 and May 10, said CDC, or seated in close proximity to a person sick with the virus during air travel. Hantavirus does not transmit easily. It spreads via close prolonged contact.

**3. FAA Completes First Phase of New NOTAM System.**

FAA implemented phase one of an overhaul of the Notice to Airmen (NOTAM) system, which communicates changes such as runway closures, airspace restrictions and obstructions to pilots and flight planners. The new cloud-based NOTAM Management Service (NMS) was deployed in September, then tested. The next phase will occur later this year with retirement of the Federal NOTAM Service (FNS). The NMS will then be the single authoritative source for all NOTAMs.

**4. FAA Rule Would Protect Critical Infrastructure from Drone Threats.**

FAA proposed rules that would allow specific categories of critical infrastructure sites to apply for restrictions on drone operations around their facilities. Sectors eligible include energy production, transportation systems, chemical facilities, water treatment plants, and defense industrial complexes. Restrictions would be submitted and approved via a new FAA web portal. The Notice of Proposed Rulemaking (NPRM), requested by Congress in 2016, was applauded by the Commercial Drone Alliance (CDA). “This is an important step in creating a low altitude airspace ecosystem that enables authorized drone operations while protecting important national security assets from the dangers of malicious drone use,” said CDA, which expects to review the draft rule and provide comment “to ensure that an appropriate balance is maintained, and that unauthorized drone operations do not hamper the potential for commercial and public safety drone operations to provide public benefits.”

**5. FAA Closes Probe Into Airline Shutdown Flight Mandates.**

FAA closed an investigation into airlines that did not comply with required flight cuts at 40 major airports during the 2025 government shutdown without

seeking fines, reported Reuters. All airlines except one were in substantial compliance with the restrictions; the unnamed airline received an administrative warning. FAA had warned airlines, in letters sent in early December, of fines of up to \$75,000 for each flight over required reductions.

**6. FAA Invests \$26 Million in Pilot, Maintenance Tech Training.**

FAA is investing \$26 million to “strengthen the workforce pipeline for the aerospace industry—from mechanics and technicians to pilots and drone operators.” The initiative will cover training programs to equip future pilots with technical skills, apprenticeships, and internships, to provide new pilots with hands-on experience, and proactive student outreach for recruitment.

**7. FAA Installing Transponders on Airport Rescue Vehicles.**

FAA is investing \$16.5 million to equip airport vehicles with Vehicle Movement Area Transmitters (VMATs), transponders that track vehicles at airports that have surface surveillance systems. FAA is equipping its approximately 1,900 vehicles at the 44 airports that have ASDE-X and ASSC and the 220 airports that have or will be getting Surface Awareness Initiative (SAI) surveillance systems. Work will be completed as soon as possible based on availability of transponder units. A National Transportation Safety Board (NTSB) investigation of the March 22 runway collision at LaGuardia, which killed two pilots, found that firefighting vehicles on the runway were not equipped with transponders that might have alerted air traffic controllers of a potential collision with the Air Canada Express (Jazz Aviation) CRJ-900.

**8. NTSB Investigative Hearing on Fatal Crash of UPS Flight 2976.**

NTSB held an investigative hearing on United Parcel Service (UPS) flight 2976, which crashed when the left engine separated during takeoff from Louisville Muhammad Ali on November 4, 2025. The three crewmembers onboard and 12 persons on the ground were killed; 23 others on the ground were injured. NTSB determined early that fatigue cracks in the pylon holding the engine to the wing likely caused the engine to separate from the Boeing MD-11F. The two-part hearing, which covered Fleet Safety Processes and Pylon Design, addressed a failure to report similar flaws found for years in maintenance records of other planes, and asked why FAA, UPS, Boeing and others had not recognized and addressed the trend. . . . In related news, FAA grounded MD-11 cargo aircraft after the accident and recently approved Boeing’s protocol for safely returning them to service.

**9. NTSB Study Finds Fatally Injured Pilots Often Test Positive for Drugs.**

An NTSB study found that 52.8% of fatally injured pilots tested positive for at least one drug of any type, and 27.7% for two or more drugs, continuing an

upward trend. The “2018–2022 Update to Drug Use Trends in Aviation” says drug prevalence varied by pilot age, certification level and type of operation. Drug presence was lower among pilots on Part 135 operations than those in general aviation, lower among pilots with an active medical certificate, and lower among pilots holding airline transport and commercial pilot certificates. The most commonly detected drug categories are cardiovascular, sedating antihistamines, nonsedating over-the-counter drugs, cholesterol-lowering medications, prostate or erectile dysfunction drugs and illicit drugs.

**10. NTSB Issues Recommendations for Smoke-in-Cockpit Training.**

NTSB issued three safety recommendations aimed at improving pilot preparedness for smoke-in-cockpit emergencies through realistic, scenario-based training. Although FAA receives nearly daily notifications of flights in which crews declare emergencies due to smoke in the cockpit, passenger airlines are not currently required to conduct realistic smoke-in-cockpit simulation training, said NTSB. Existing training often consists only of verbal discussion of a smoke event rather than immersive simulation involving reduced visibility or elevated workload. Recommendations stem from NTSB’s investigation of a 2023 incident in which a bird was ingested into the left engine of a Southwest Boeing 737-8 shortly after takeoff from New Orleans and smoke rapidly filled the cockpit; none of the 139 people aboard were injured. Investigators said current recurrent pilot training may not adequately prepare crews for the workload, stress, limited visibility and time-critical decision-making associated with actual smoke emergencies in the cockpit.

**11. NTSB Enhances Civil Aviation Accident Dashboard With Findings Data.**

NTSB enhanced its U.S. Civil Aviation Accident Dashboard to include findings data, expanding public access to key safety information derived from its investigations. The General Aviation Accident Dashboard, introduced in 2023, has been retired and its functionality incorporated into the Civil Aviation Accident Dashboard. The Dashboard covers U.S. civil aviation accidents and allows users to filter and visualize data by year, aircraft category, phase of flight, defining event and findings.

## II. AIRPORTS

### 1. Funds Approved for Immediate Newark Terminal B Upgrades.

Port Authority of New York and New Jersey authorized \$75 million in near-term improvements at Newark Liberty Terminal B, the first phase of a three-year, \$200 million program to modernize and maintain the 53-year-old facility until the new Terminal B opens in the mid-2030s. Designed to serve 6.8 million annual passengers, the terminal served 11.5 million in 2025.

### 2. Southwest, San Antonio Settle Dispute.

Southwest Airlines and San Antonio International settled a dispute over the airport's Airline Use and Lease Agreement (AULA) and the Terminal Development Project. Southwest signed a new AULA that retains no fewer than six gates at SAT, "reinforcing its presence as San Antonio's largest carrier and ensuring continued access to a broad network of destinations." Three Southwest gates will be located in the new Terminal C when it is completed, and three gates will be in the renovated Terminal B. The settlement also resolves all outstanding issues related to rates and charges since October 2024. Southwest will withdraw pending litigation against the airport in federal court and before FAA.

### 3. Miami Plans Operations Center, Digital Monitoring Hub.

Miami International unveiled plans and renderings for an Airport Operations Center (AOC) and Digital Monitoring Hub, the first of its kind in the U.S. Scheduled for completion in 2027, the \$33-million, 13,254-square-foot operations and emergency response facility will be equipped with AI-powered long-range pan-tilt-zoom cameras, real-time digital tower technology, and an HD-quality integrated panoramic video wall, providing 360-degree visibility of airside, landside and terminal areas. Hurricane-resistant towers, vibration-controlled platforms, cyber-secure architecture, and accommodations for co-locating representatives from 30 agencies will allow the AOC to seamlessly transition to an emergency operations center during crisis situations. . . . More than 200 projects in a \$14 billion Modernization in Action Plan are planned for the next five years, including a Concourse K expansion, scheduled to open in 2029, and a Gate D60 expansion, scheduled for completion in 2030. . . . Miami "leapfrogged Louisville and Memphis – the global hubs for UPS and FedEx, respectively – to become the busiest airport for total freight in the U.S. [and] ranked third behind only the Asian cargo hubs in Hong Kong and Shanghai," in new rankings by Airports Council International (ACI). Freight shipments rose by 13.6% to nearly 3.5 million tons in 2025.

**4. SFO, OAK Resolve Trademark Lawsuit.**

San Francisco and Port of Oakland settled a trademark infringement lawsuit regarding the renaming of Oakland's airport. Port of Oakland will continue to use "Oakland San Francisco Bay Airport" and will retain its current International Air Transport Association (IATA) code, OAK.

**5. FAA Awards \$10 Million to Palm Beach Airport.**

Palm Beach Airport, newly named Donald J. Trump International, was awarded \$10 million to add restrooms, mothers' rooms and a new sensory room for families. The grant is one of 133 made to airports in 45 states by FAA, which invested \$970 million "to enhance the travel experience for families" through the Infrastructure Investment and Jobs Act–Airport Terminal Program. Projects also include \$8 million to Dallas/Ft. Worth to modernize 37 restrooms across five terminals with family-friendly features.

**6. Charlotte Douglas Extends Lease Talks With Airlines.**

Charlotte Douglas and airlines including American, Southwest, Delta, United and Frontier agreed to extend negotiations on the current Airline Use and Lease Agreement for up to one year. The agreement took effect on July 1, 2016, and was set to expire on June 30, 2026.

**7. UK Temporarily Relaxes Slot Rules.**

UK airlines can "proactively hand back a limited proportion of their allocated take-off and landing slots without losing the right to operate them the following season," said Transport Minister Heidi Alexander. The temporary measures will "help cut the likelihood of last-minute flight cancellations this summer in the event of significant disruption due to ongoing global uncertainty caused by the Middle East conflict." Airlines can also consolidate schedules on routes where there are multiple flights to the same destination on the same day. There are no immediate supply issues, she said, but the measures allow airlines "to plan ahead and act on the best information they have available on fuel supply or wider impacts of the Middle East conflict, rather than wait for a shortage to occur."

**8. India's Noida International Set To Open in June.**

Noida International will begin domestic commercial operations on June 15 in the National Capital Region and North India. IndiGo will operate the first flight, followed by Akasa Air and Air India Express. International destinations will be added later. Currently designed for 12 million passengers per year with one runway, the airport will be developed in phases and ultimately include two runways and capacity for up to 70 million passengers. Noida will relieve Delhi's Indira Gandhi. Yamuna International Airport Private Limited, a unit of

Zurich Airport International, was established for development, construction and operation of the public-private partnership project.

**9. Veovo Acquires Dubai Technology Partners.**

Veovo is acquiring Dubai Technology Partners (DTP), “strengthening its presence in the Middle East and expanding the operational and intelligent capabilities of its Intelligent Airport Platform.” DTP has “a team of around 60 highly experienced airport specialists, with hands on expertise across some of the world’s busiest and most complex airports, including Dubai, Abu Dhabi and major hubs across Saudi Arabia.” DTP Managing Director Abdul Razzak Mikati said joining Veovo “feels like the right next chapter. . . . For me, staying on to lead this means continuing to back the people who made DTP what it is, and helping them grow into something bigger.” Veovo’s global network includes more than 150 airports.

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

#### 1. **David Cummins Nominated as TSA Administrator.**

President Trump nominated David Cummins to be Administrator of the Transportation Security Administration (TSA) for a term of five years. He has been a government contracting specialist, holding executive positions with Serco and Conduent (formerly Xerox). If confirmed by the Senate, Cummins will replace Acting Administrator Ha Nguyen McNeill. The last confirmed Administrator was David Pekoske, who left in January 2025. . . . In other news, TSA said it is staffed and ready for the summer travel season. On June 11, FIFA World Cup begins in North America and is expected to bring 6 million visitors from around the world. And America 250, the U.S. anniversary celebration, will require the agency to work closely with federal, state and local partners to manage security for large-scale public events.

#### 2. **TSA Gold+ Launched to Recruit Private Investors for Airport Screening.**

A new initiative, TSA Gold+, seeks private partners to conduct airport screening. The public-private Screening Partnership Program “will redirect funds into the investable partnerships where leading industry operators can manage both technology and screening workforce,” according to the TSA Gold+ website. Airports that opt in will work with TSA and vendors “to quickly deploy advanced security technology . . . without lengthy federal budget cycles [and will] receive staffing, technology, and maintenance at no additional cost.” . . . The President's FY 2027 budget requests \$805.5 million for the Screening Partnership Program, compared to less than \$300 million in each of two previous years, while proposing massive cuts in TSA staffing. Twenty airports, including San Francisco, currently participate in the Screening Partnership Program.

#### 3. **Boston Logan Remote Terminal Opens June 1.**

Massachusetts Port Authority (Massport) is launching Logan Airport Remote Terminal Pilot Program, which allows Boston Logan passengers coming from the MetroWest region to go through TSA security in Framingham, board a dedicated secure bus, and arrive at the airport beyond the security checkpoint. The service is \$9 each way; reservations are made on the Massport website. Passengers flying on Delta and JetBlue between 5:30 a.m. and 4 p.m. can participate in the pilot. Massport owns and operates Boston Logan.

## **IV. TECHNOLOGY AND EQUIPMENT**

### **1. Boeing To Offer Gilat Sidewinder Line-Fit Multi-Orbit Solution.**

Gilat Satellite Networks said Boeing will offer its multi-orbit Sidewinder electronically steered antenna (ESA) as a future line-fit solution for in-flight connectivity service providers. The compact ESA architecture simplifies installation, reduces long-term maintenance, and eliminates cost and downtime associated with retrofit programs, said Gilat.

### **2. American to Install Starlink.**

American Airlines will install Starlink on 500 narrowbody Airbus aircraft beginning in Q1 2027. Starlink uses a low Earth orbit to deliver broadband internet capable of supporting inflight streaming, online gaming, collaborative meeting tools and more. Starlink is engineered and operated by launch services provider SpaceX.

### **3. Japan Tests Use of Humanoid Robots at Airports.**

Japan Airlines, JAL Ground Service and GMO AI & Robotics are testing use of humanoid robots in ground handling operations, which require highly skilled personnel to maintain safety, such as aircraft marshalling and baggage/cargo handling, while also imposing significant physical burdens. The initiative will determine if robots can operate safely and effectively on the frontlines of airport operations. Conventional fixed automated facilities and single-function robots have had difficulty adapting flexibly to existing infrastructures and complex operational workflows. Humanoid robots possess a range of motion and adaptability comparable to humans, allowing their introduction without significant modifications to existing airport facilities or aircraft structures. In the future, the robots are expected to be used for tasks from loading baggage to cabin cleaning, and operating ground support equipment. “The project aims to realize a sustainable operational structure through labor savings and workload reduction,” said JAL, and alleviate “a serious challenge in ground handling labor shortages due to factors such as an increase in inbound tourism coupled with a declining working-age population.”

## V. **ENERGY AND ENVIRONMENT**

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

The global average jet fuel price for week ending May 15 was \$162.55 per barrel, down -13.7% from prior month's average, and up +80.5% on prior year's average, according to the Jet Fuel Price Monitor, a joint IATA-Platts initiative.

### 2. **Lawmakers Ask DOT To Address Noise, Safety Concerns at Dulles.**

Members of the Virginia Congressional Delegation asked DOT and FAA to address noise, operational and safety concerns at Washington Dulles. Aircraft departing or arriving routinely overfly communities in Northern Virginia, Washington D.C., and Maryland, subjecting residents to persistent noise, said U.S. Representative Suhas Subramanyam (VA-10) and U.S. Senator Tim Kaine, and in the past two years there have been six reports of engine failures at the airport shortly after takeoff, one igniting a significant brush fire on airport property, and another resulting in a crash landing on Loudoun County Parkway. They asked FAA to consider recommendations from Loudoun County's Runway 30 Aviation Noise Mitigation Project, which included consolidating departure routes over industrial and commercial areas, having aircraft climb at a steeper angle to reduce noise over residential areas, and implementing a nighttime noise procedure.

### 3. **LaGuardia Expands GSE Charging Capacity at New Terminal B.**

Electric ground support equipment (eGSE) charging infrastructure will be installed across airside and baggage areas of LaGuardia's new Terminal B. Port Authority of New York and New Jersey said the 164 new eGSE charging ports will more than double current charging capacity. "LaGuardia Gateway Partners has prioritized sustainability throughout the redevelopment and operation of Terminal B," said CEO Suzette Noble. Partner for the eGSE project is Conrac Solutions, which is providing interim financing and will install the new charging ports through a five-phase rollout. Upon completion, it will maintain the charging ports under an eight-year operations and maintenance agreement. The project is also pursuing funding through FAA's Voluntary Airport Low Emissions program.

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

### **1. Bill Funds Most DHS Agencies, Ends TSA Shutdown.**

Congress passed a bill to fund most agencies in the Department of Homeland Security (DHS), ending a shutdown that began on February 14. Immigration and Customs Enforcement (ICE) and Customs and Border Protection (CBP) are excluded from the bill, which also authorizes back pay for federal employees who were affected. On April 30, the “Homeland Security and Further Additional Continuing Appropriations Act, 2026” was signed into law by the President.

### **2. Hearing on FAA Progress on NTSB Recommendations After DCA Crash.**

The Senate Commerce Aviation Subcommittee held a hearing on FAA progress in implementing safety recommendations following the midair collision between Flight 5342 and a Black Hawk helicopter in January 2025, near Reagan Washington National Airport, which resulted in the deaths of 67 individuals. After a year-long investigation, NTSB issued 50 safety recommendations, two-thirds of which were directed at FAA. In his testimony, FAA Administrator Bryan Bedford said the NTSB report confirms that “our airspace system was providing warning signals prior to that tragedy. The issue was not a lack of data—it was a failure to translate that data into action. We are urgently closing that gap through a reorganization that includes streamlining leadership roles, eliminating silos which hinder transparency and information sharing, and developing a clear and measurable Flight Plan to guide agency-wide focus and accountability.” Among other remarks, Bedford said FAA restricted helicopter operations in the National Capital Region immediately following the accident, eliminated high-risk mixed traffic procedures, and closed routes that introduced unnecessary operational complexity.

### **3. House Hearing on TSA Modernization.**

A hearing entitled “TSA Modernization: Industry Perspectives on Key Security and Travel Reforms 25 Years After 9/11” was convened by the House Homeland Security Committee. In his testimony, Christopher Sununu, President and CEO, Airlines for America (A4A), called for a permanent solution to “disastrous” government shutdowns, noting that from October to November 2025, the 43-day shutdown and FAA-mandated schedule reductions resulted in 9,000 flight cancellations and TSA losing over 1,100 Transportation Security Officers (TSOs). During this year’s 76-day shutdown of DHS, security lines exceeded four hours and another 1,500 TSOs left

federal service. “A durable solution should provide standard rates of pay, allowances, pay differentials, benefits . . . to employees of the TSA engaged in screening operations, aviation security duties or related mission support functions necessary to carry out security screening,” said Sununu. Among other things, he also called for funding and full deployment of critical systems like computed tomography machines and credential authentication technology.

**4. “Safeguards Act” Would End Diversion of 9/11 Security Fee.**

The “Spending Aviation Fees for Equipment, Guaranteeing Upgraded and Advanced Risk Detection and Safety (Safeguards) Act” was introduced in the House Homeland Security Committee. The bipartisan bill would mandate revenue collected via the 9/11 Passenger Security Fee (PSF) be dedicated to aviation and airport security. Since 2014, about \$15 billion of PSF revenue, currently \$5.60 per one-way fare, has been diverted to the U.S. Treasury for deficit reduction. Similar legislation was introduced in the Senate Commerce Committee.

**5. Senator Urges DOT Ban of Airline Family Seating Fees.**

DOT Secretary Sean Duffy was urged to finalize a draft rule to ban family seating fees on airlines within 60 days, in a letter from Senate Commerce Committee member Ed Markey. In 2024, Markey, with now-Vice President JD Vance, worked to pass the bipartisan proposal into law in the FAA Reauthorization Act. “The failure to advance this common-sense, family-friendly protection stands in stark contrast to the Department’s own campaign to ‘Make Travel Family Friendly Again,’” wrote Markey.

**6. Senators Probe Major Airlines on Price Spikes Due to War.**

Flights are almost 20% more expensive this year than at the same time last year, wrote the Senators to major airline CEOs. “Before the start of the war, the average jet fuel price was \$2.50. By end of April, it had climbed to \$4.51, increasing by 80%,” wrote Elizabeth Warren (D-Mass.), Bernie Sanders (I-Vt.), Richard Blumenthal (D-Conn.), and Martin Heinrich (D-N.M.). They asked airlines to answer by May 29 about profit margins in 2025, how they determine fares, whether they plan to offset rising costs by reducing CEO pay or limiting stock buybacks and dividends, and if and when airlines will bring fares and fees back down if jet fuel costs decrease.

## VII. BILATERAL AND STATE DEPARTMENT NEWS

### 1. China To Purchase 200 Boeing Aircraft.

China approved an initial purchase of 200 Boeing aircraft during a visit to Beijing by President Trump, said the White House. Boeing CEO Kelly Ortberg, who was part of the U.S. delegation to China, said further commitments are expected to follow this initial tranche.

### 2. U.S., Mexico Reach Preliminary Aviation Understanding.

DOT and Mexico's Foreign Ministry and Ministry of Infrastructure, Communications and Transportation (SICT) agreed on measures to advance the 2015 U.S.-Mexico Air Transport Agreement, following several rounds of bilateral consultation. DOT said Mexico committed to guarantee that "U.S. carriers will have fair and transparent access to request and operate slots at Benito Juarez International Airport (MEX)." Mexico said the understanding affirms Felipe Ángeles International Airport (NLU) will be included under the 2015 Air Transportation Agreement, and talks will be held on the future of air service between NLU and the United States. On air cargo, conditions were established to ensure equitable and transparent access to the airport infrastructure at MEX and NLU, expanding operational options and strengthening cargo links between the two countries, to the benefit of both airports. SICT and DOT officials will establish a bilateral working group to oversee implementation of these commitments and, in due course, review current U.S. regulatory measures. The group may also draw on industry input, including from Mexican and U.S. airlines interested in continuing to consolidate their cargo operations at NLU. "This is a step in the right direction," said DOT Secretary Sean Duffy, "but we need to see these promises turn into action. Until then, our restriction on Mexican carriers will remain in place." Last year, Duffy cut 13 Mexican carrier routes to the U.S., froze growth of Mexican carrier combination services between the U.S. and MEX, and prohibited Mexican passenger airlines from transporting belly cargo between MEX and the United States. This was in response to actions in 2022 by Mexico, which had "abruptly rescinded U.S. passenger carriers' slots and then forced U.S. all-cargo carriers to relocate operations," said Duffy. "By restricting slots and mandating that all-cargo operations move out of MEX, Mexico broke its promise, disrupted the market, and left American businesses holding the bag for millions in increased costs."

## VIII. EUROPE AND AFRICA

### 1. IATA: EU Air Connectivity Flatlined in 2025.

IATA attributed a flattening in European air connectivity in 2025 to an “onerous” regulatory burden, and called for reform of passenger rights regulation, specifically, increasing time thresholds for compensation; reducing costs of sustainable aviation fuel; strengthening regulation of airport and air navigation charges to improve cost efficiency; allowing more flexibility for slot relief in periods of crisis; and eliminating national passenger taxes. A net 1% growth in total number of routes connecting the continent (internally and with other parts of the world) in 2025 was below the compound annual growth of 1.5% over the last decade. . . . In related news, the European Commission clarified how EU rules can help deal with the impact of the Middle East conflict, particularly with potential jet fuel shortages. Passengers affected by cancellations are entitled to reimbursement, re-routing, or return, assistance at the airport and compensation for last-minute cancellations; airlines may be exempt from financial compensation if the cancellation was caused by extraordinary circumstances. Airlines are required to display final ticket prices upfront, to ensure transparent pricing and cannot charge extra fees retroactively due to fuel surcharges. Airlines may be exempted from the 90% fuel uplift rule to help avoid closure of certain routes and from airport slot obligations due to fuel supply issues at airports.

### 2. Lufthansa Set To Acquire Majority Stake in ITA.

Lufthansa will exercise its option to acquire a majority share of ITA Airways in June, bringing its 41% stake to 90%, subject to regulatory approvals. The €325 million transaction close is expected in first quarter 2027. The Italian Ministry of Economy and Finance will hold the remaining 10% of ITA. Chairman and CEO Carsten Spohr said integration of ITA is largely completed, “with the exception of North Atlantic flights, where, as is well known, regulatory approval for our merger is still pending.” . . . In other news, Lufthansa passengers on Singapore and U.S. routes can extend Munich stopovers for up to seven days; hotels and other tourist offerings can be included in the booking. The program will be gradually expanded.

### 3. LOT Begins Warsaw to San Francisco Service.

LOT Polish Airlines launched service from Warsaw to San Francisco, with up to four Boeing 787 Dreamliner flights per week for the summer season. LOT also flies to Chicago, New York, Newark, Miami and Los Angeles.

4. **American Resumes Philadelphia-Budapest Service.**

American Airlines returned to Budapest after a seven-year hiatus, with daily direct Boeing 787-8 summer service from Philadelphia. American is also adding service from Philadelphia to Prague; Miami to Milan; and Dallas to Athens, Greece and Zurich.

5. **Delta Now Serves 12 European Destinations from Boston.**

Delta now serves 12 European destinations from Boston, having started flights to Madrid and Nice, and expanded service to Barcelona and Milan. . . . Delta extended its pause of Atlanta–Tel Aviv service through December 18; New York Kennedy service is still planned for September 6; a Boston launch is delayed until further notice.

6. **United Adds European Destinations.**

United's summer schedule began with new European routes including New York Newark to Split, Santiago de Compostela, Bari and Glasgow, as well as Washington Dulles to Reykjavik. United resumed seasonal service from Newark to Faro, Madeira Island, Palermo, Bilbao and Nuuk.

7. **JetBlue Launches Boston-Milan Service.**

JetBlue launched service to Italy with daily Airbus A321 summer-season flights from Boston to Milan. JetBlue's transatlantic destinations from Boston also include Amsterdam, London Heathrow and Gatwick, Paris, Barcelona, Dublin, Edinburgh and Madrid.

8. **Biman Bangladesh Orders 14 Boeing Jets.**

Flag carrier Biman Bangladesh Airlines ordered 14 Boeing 787 Dreamliner and 737 MAX airplanes. Eight 787-10s will serve high-demand flights to the Middle East; two 787-9s will support long-haul service to Europe and North America (Toronto via Istanbul), and four 737-8s will serve destinations across the Middle East, India and Southeast Asia, said recently appointed Managing Director and CEO Kaizer Sohel Ahmed.

9. **WHO Declares Ebola a Public Health Emergency.**

See Section I, item 2.

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

### **1. United Expanding Service to Japan.**

United will launch the first nonstop service from the continental U.S. to Sapporo on December 11, with three weekly winter seasonal flights from San Francisco. New daily year-round nonstop service between Chicago and Tokyo-Narita begins October 24. Both routes are expected to operate on Boeing 787-8 Dreamliner aircraft.

### **2. JetBlue-China Airlines Partnership Adds Redemption Benefits.**

JetBlue and Taiwan-based China Airlines added redemption benefits to their interline partnership for members of their loyalty programs, TrueBlue and Dynasty Flyer, respectively.

### **3. China Southern Orders 137 Airbus A320neo Aircraft.**

China Southern agreed to buy 137 Airbus A320neo family aircraft, worth about \$21.4 billion at list prices. The airline and its majority-owned subsidiary, Xiamen Airlines, signed separate agreements with Airbus to purchase 102 and 35 A320neo jets, respectively. Deliveries are scheduled between 2028 and 2032. Airbus confirmed the order to the Chinese press and said it holds approximately 55% of market share in China, which is its largest single-country market, representing about 20% of its global deliveries, with more than 2,200 aircraft in service with Chinese carriers. In December, privately owned carriers Juneyao Air and Spring Airlines ordered 25 and 30 A320 family jets, respectively, and state-owned Air China agreed to buy 60 A320neos; China Eastern announced an order for 101 aircraft in March. Including the latest purchase, total catalogue value of Airbus orders from major Chinese airlines since 2025 has approached \$55 billion. . . . Separately, reports China Daily, China Southern plans to raise up to \$2.06 billion through a private share placement to fund the introduction of 46 aircraft and supplement working capital. Aircraft to be introduced include A320neo jets, domestically produced C919 planes, and Boeing 737 MAX aircraft, all of which had been previously ordered. The carrier also reported a return to profitability in the first quarter, posting net profit of 1.48 billion yuan compared with a loss a year earlier, as revenue rose 10.1% year-on-year.

### **4. AirAsia Orders 150 Airbus A220s.**

Malaysia's AirAsia ordered 150 Airbus A220-300 aircraft, the largest single firm order placed for the A220. AirAsia is a new customer for the A220 and the launch customer for a new cabin configuration of 160 seats. The addition of 10

seats is made possible by adding an extra overwing exit on each side of the aircraft. The A220 will service destinations across ASEAN and into Central Asia, freeing up larger aircraft to fly longer routes. This order reflects “the scale of our ambitions,” said Tony Fernandes, CEO of Capital A and Advisor to Air Asia Group, “and brings us closer to building the world’s first true low-cost network carrier.”

**5. Air India Trims International Routes.**

Air India temporarily suspended service from Delhi to Chicago and Newark, and Mumbai to New York Kennedy, in response to factors including record high jet fuel prices. Delhi service to San Francisco was reduced from 10x weekly to 7x weekly through August; to Toronto from 10x weekly to 5x weekly through July, increasing to daily from August; and to Vancouver, from 7x weekly to 5x weekly. Mumbai-Newark service increases from 3x weekly to 7x weekly and Delhi-New York Kennedy remains at 7x weekly. . . . India’s Civil Aviation Ministry released standard operating procedures for a hub and spoke model which, said Air India, will shift the country’s aviation landscape from a predominantly end destination market to a global transit ecosystem, help airlines optimize aircraft utilization, and contribute to decongestion at major airports by decentralizing passenger processing, including customs and immigration, across spoke locations. “This is a transformative step for Indian aviation,” said CEO & Managing Director Campbell Wilson, that will “create a strong multiplier effect and act as a catalyst for India’s broader growth.”

**6. WHO Declares Ebola a Public Health Emergency.**

See Section I, item 2.

## **X. AMERICAS**

### **1. Spirit Ceases Operations.**

Spirit Airlines ceased operations on May 2, following extensive efforts to restructure and pursue transactions to strengthen its financial position and create a sustainable path forward. “Unfortunately,” said the company, “the recent material increase in oil prices and other pressures on the business have significantly impacted Spirit’s financial outlook.” For more than 30 years, Spirit played a pioneering role in making travel more accessible and driving affordability across the industry, said President and CEO Dave Davis.

### **2. United Flight Attendants Ratify New Contract.**

United flight attendants ratified a new contract, which provides a 31% average wage increase plus boarding pay (additional 7-8% compensation on average), and retroactive pay. The five-year agreement adds “expanded job security aligned with United Pilots including limits on Express flying, code and revenue share,” said Association of Flight Attendants-CWA.

### **3. United Resumes Venezuela Service.**

United will resume service to Venezuela with nonstop daily Boeing 737 MAX 8 flights between Houston Bush and Simón Bolívar in Caracas, from August 11, subject to government approval. “This specific flight will be critical to ferrying oil sector workers into the country as the U.S. and Venezuela work together to expand production and generate new economic opportunities,” said DOT Secretary Sean Duffy.

### **4. JetBlue Expands Fort Lauderdale Flying.**

JetBlue will launch new nonstop service between Fort Lauderdale and destinations across the U.S., Latin America and the Caribbean, including Barranquilla and Cali, Colombia; Baltimore; Charlotte, N.C.; Columbus, Ohio; and Indianapolis. New nonstop services from Fort Lauderdale to existing JetBlue cities include Nashville; Detroit; Houston; Chicago; and Ponce, Puerto Rico. Additional daily flights on high-demand existing routes from Fort Lauderdale include Austin; Aguadilla, Puerto Rico; Dallas/Fort Worth; Raleigh-Durham; Santo Domingo; and Santiago de los Caballeros, Dominican Republic. JetBlue will launch service from San Juan to Baltimore/Washington. . . . The JetBlue-United collaboration now includes reciprocal loyalty benefits. Since the ‘Blue Sky’ launch last year, customers can book and purchase flights across both airlines’ websites via an interline agreement.

**5. Allegiant Completes Acquisition of Sun Country.**

Allegiant Travel Company completed its acquisition of Sun Country. In the near term, both airlines will continue to operate as separate carriers, maintaining respective brands and reward programs, and customers will manage reservations, check in, and access customer service through the airline with which they booked travel. Allegiant CEO Greg Anderson will serve as CEO and Robert Neal as President and CFO of the combined company, which will serve 22 million annual customers across 175 cities, with 650 routes and a fleet of 195 aircraft with 30 on order and an additional 80 options. Allegiant “expects to realize approximately \$140 million in annual synergies within three years.” Las Vegas-based Allegiant “values Sun Country’s deep roots in Minnesota and expects Minneapolis-St. Paul to remain an important operating center for the combined company.” . . . Allegiant will add eight new nonstop routes this fall, with introductory one-way fares from \$59.

**6. WHO Declares Ebola a Public Health Emergency.**

See Section I, item 2.

**7. LOT Begins Warsaw to San Francisco Service.**

See Section VIII, item 3.

**8. American Resumes Philadelphia-Budapest Service.**

See Section VIII, item 4.

**9. Delta Now Serves 12 European Destinations from Boston.**

See Section VIII, item 5.

**10. United Adds European Destinations.**

See Section VIII, item 6.

**11. JetBlue Launches Boston-Milan Service.**

See Section VIII, item 7.

**12. United Expanding Service to Japan.**

See Section IX, item 1.

**13. JetBlue-China Airlines Partnership Adds Redemption Benefits.**

See Section IX, item 2.