



Dear Colleagues,

It was a pleasure to see many of you in person at the IATA Annual General Meeting (AGM) in India. I am excited to share that the 82nd edition of IATA's AGM will be coming to our region next year as it will take place in Rio de Janeiro, Brazil, with the support of host airline LATAM Airlines Group. All AGM related materials, presentations and videos can be accessed [here](#).

Alongside the AGM, I had the pleasure of addressing numerous questions from regional and global journalists about the status of air transport in the Americas during our [regional media briefing](#). I emphasized that for the region to deliver safe, efficient, and affordable air transport, we need:

- ✓ Regulation that follows global best practices
- ✓ Fairer taxation
- ✓ Better infrastructure
- ✓ Stronger partnerships

IATA also released its latest industry financial outlook. Here are the key highlights from the expected 2025 financial performance:

- **Net profits:** \$36.0 billion
- **Net profit margin:** 3.7%
- **Return on invested capital:** 6.7%
- **Operating profits:** \$66.0 billion
- **Total revenues:** \$979 billion
- **Total expenses:** \$913 billion
- **Total traveler numbers:** 4.99 billion
- **Total air cargo volumes:** 69 million tonnes

From our region's perspective, North America will generate the highest absolute profit among the regions even as it is expected to be affected by a slowdown in the US economy, with increased tariffs likely to erode both consumer and business sentiment, dampening consumption and investment. The persistent shortage of pilots and engine reliability problems, particularly in the low-cost sector, will limit growth in the region.

Airlines in Latin America and the Caribbean continue to be impacted by weak domestic currencies as major cost items, such as fleet expenses and debt servicing, are paid in US dollars. Argentina's signing of open skies agreements with a number of countries is positive and will enhance connectivity and competition for the benefit of airlines and passengers. However, the proposed 26.5% VAT on tickets in Brazil could have a significant impact on the market. Unfortunately, Latin America and the Caribbean is the only region to see profitability decrease compared with 2024.

You can access the detailed global outlook [here](#) as well as all key industry statistics [here](#).

As usual, please find below the latest IATA activities across the Americas and please let me know if you have any questions or ideas for follow up.

Thank you for your on-going support.



PETER CERDÁ

REGIONAL VICE PRESIDENT
THE AMERICAS



FINANCIAL RESULTS

[DETAILS HERE](#)

Global airline industry	EBIT, % of revenue					Net profit, USD billion				
	2021	2022	2023	2024E	2025F	2021	2022	2023	2024E	2025F
Global	-8.5%	1.5%	6.9%	6.4%	6.7%	-40.4	-3.5	37.3	32.4	36.0
Regions										
Africa	-6.8%	-3.1%	3.5%	3.9%	3.9%	-1.1	-0.8	0.1	0.2	0.2
Asia Pacific	-9.7%	-7.2%	4.6%	4.1%	4.4%	-13.4	-13.8	4.4	4.0	4.9
Europe	-10.4%	3.9%	6.6%	5.6%	6.5%	-12.5	5.2	11.0	9.6	11.3
Latin America	-11.0%	-1.9%	12.3%	13.6%	12.2%	-7.0	-3.5	1.1	1.3	1.1
Middle East	-20.7%	7.2%	13.0%	13.3%	12.8%	-4.4	2.4	6.1	6.1	6.2
North America	-4.7%	4.5%	7.0%	6.5%	6.9%	-1.9	7.2	14.6	11.5	12.7

Source: IATA Sustainability and Economics, Airfinance Global. Note: Bankruptcy reorganization and large non-cash one-off costs are excluded. Includes all commercial airlines. Historical data are subject to revision. Updated: 06/2025 - Next update: 12/2025

TRAFFIC RESULTS

[DETAILS HERE](#)

Global airline industry	Passenger traffic (RPK)					Passenger capacity (ASK)				
	% change versus previous year					% change versus previous year				
	2021	2022	2023	2024E	2025F	2021	2022	2023	2024E	2025F
Global	21.8%	64.9%	36.8%	10.6%	5.8%	18.7%	40.1%	31.1%	8.8%	5.2%
Regions										
Africa	17.0%	84.3%	36.5%	13.3%	8.0%	18.5%	51.4%	35.6%	9.9%	7.3%
Asia Pacific	-12.8%	32.3%	95.9%	17.3%	9.0%	-6.1%	15.5%	75.0%	12.8%	6.9%
Europe	27.5%	103.9%	20.3%	8.8%	6.0%	29.8%	69.6%	16.0%	8.1%	5.9%
Latin America	40.5%	62.9%	16.8%	7.8%	5.8%	37.3%	54.4%	14.4%	7.1%	7.8%
Middle East	8.5%	144.4%	32.4%	9.5%	6.4%	21.2%	67.2%	24.7%	8.4%	4.6%
North America	74.6%	45.7%	15.1%	4.7%	0.4%	41.1%	28.7%	14.0%	4.7%	1.3%

Source: IATA Sustainability and Economics Note: Bankruptcy reorganization and large non-cash one-off costs are excluded. Includes all commercial airlines. Historical data are subject to revision. Updated: 06/2025 - Next update: 12/2025

BRAZIL: UPDATE ON PROPOSED TAX REFORM



IATA, ALTA, and JURCAIB have submitted industry comments to Receita Federal's public consultation on Complementary Law No. 214/2025. The submission emphasizes the need for the Brazilian government to honor its ICAO commitments by exempting international air transport services from VAT and clarifying several operational aspects of the regulation. Additionally, these comments were shared with the Secretary of Federal Revenue, the Secretary of the Tax Reform, and their advisors. ABEAR, representing local airlines, filed separate comments. As the government reviews the public hearing process, IATA is exploring local legal representation to continue advocating for tax exemptions on international operations. For more details, please contact IATA's Assistant Director, External Relations, Brazil, [Marcelo Pedroso](#).

BRAZIL: RULING ON EMOTIONAL SUPPORT ANIMALS



On 13 May, the 4th Panel of the Superior Court of Justice ruled on issues related to airlines transporting emotional support and guide dogs. The court determined that airlines are not required to permit the transportation of emotional support animals in the cabin if the established criteria set by the airlines are not met. The panel noted that, due to the lack of specific legislation on this matter, it is reasonable for airlines to impose limits on weight, height, and the requirement for animals to be secured in appropriate crates during domestic and international flights. The court also emphasized that there is a significant distinction between emotional support animals and guide dogs as guide dogs must undergo rigorous training, have unique identification, and are specifically trained to assist individuals with disabilities. For details, please contact IATA's Manager External Affairs, [Alejandro Restrepo](#).

CANADA: KEY AVIATION PRIORITIES HIGHLIGHTED TO NEW GOVERNMENT



On 30 May, IATA submitted a letter to Minister Chrystia Freeland (Transport and Internal Trade) outlining key aviation priorities for the new Canadian Federal Government. IATA urged the government to freeze all aviation-related fees and service charges to support industry stability and recovery. IATA also called for a review of the Air Passenger Protection Regulations (APPR) to ensure they do not impose excessive costs, hinder connectivity, or create unnecessary administrative burdens for airlines and passengers. We emphasized the importance of government support for the aviation sector's energy transition, particularly the development of a domestic Sustainable Aviation Fuel (SAF) industry. Additionally, IATA requested inclusion in discussions between Transport Canada and Innovation, Science and Economic Development Canada regarding 5G frequency allocation. For more details, please contact IATA's Country Manager for the US and Canada, [Ben Barrocas](#).

CHILE: UPDATE ON WHEELCHAIR ASSISTANCE SERVICE AT SCL



The new wheelchair assistance service at Santiago's Arturo Merino Benitez International Airport (SCL) will now begin on 1 November. IATA has recently learned that two congressional representatives have submitted a proposal to amend Decree No. 369, which currently assigns airlines the responsibility for transferring passengers in wheelchairs from the gate to the aircraft door. This proposal would shift that responsibility to the airport concessionaire, allowing a single party to handle the service from curb side to the aircraft. IATA has asked for a private meeting with these representatives to discuss the proposal, which has not yet been publicly released. For more details, please contact IATA's Country Manager for Chile, [Helen Kouyoumdjian](#).

COLOMBIA: POTENTIALLY DETRIMENTAL CONSUMER PROTECTION BILL PROPOSED FOR DOMESTIC FLIGHTS



On 5 May, Congress presented for third debate in the Senate the bill that proposes additional compensation in case of delays and cancellations, the control of pricing in exceptional cases, the limitation of overbooking practice, seat pitch regulation, and free carry-on transportation. Although the bill would only apply for domestic flights, IATA is actively advocating against it as it would establish a bad precedent for the industry. For more details, please contact IATA's Country Manager for Colombia, [Paula Bernal](#).

DOMINICAN REPUBLIC: ANTICIPATED IMPACT & TIMELINE OF NEW TAXIWAY AT SDQ



The current taxiway at Las Américas International Airport (SDQ) is being converted into a new runway (18-36) which is expected to be operational between September and December of 2025, with exact dates to be confirmed. During this period, SDQ's main runways will be temporarily closed for major repair work. Updated flight procedures will be published on June 29, with an effective date of July 10. A new notice with revised taxi instructions will follow soon. Until then, current arrival and departure routes remain unchanged. Airlines should begin preparing for this transition and ensure their teams are aware of the upcoming changes. A follow-up coordination meeting with the Airport and the Civil Aviation Authority is planned after July 14, once the FAA completes its flight check. For more details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

GUATEMALA: INDUSTRY PROVIDED COMMENTS TO CIVIL AVIATION BILLS



Following the agreements reached during the meeting with President Bernardo Arevalo in May, the government has shared with the industry the draft bills that reform the country's civil aviation law and the bill that creates a new airport authority that will govern all airports in Guatemala. IATA reviewed the text and presented comments to ensure it aligns closely with industry expectations. For more details, please contact IATA's Area Manager for Central America and Ecuador, [David Hernandez](#).

GUYANA: MEETING WITH PRESIDENT IRFAAN TO HIGHLIGHT AVIATION'S ROLE IN COUNTRY'S TRANSFORMATION



IATA met with President Mohamed Irfaan Ali and key members of the Guyana Government to support the aviation sector and highlight its [value to the country](#). Aviation is pivotal to Guyana's transformation, facilitating trade, attracting investment, and expanding eco-tourism. The government has enacted civil aviation reforms to accommodate rapid expansion and attract more international carriers. These reforms are designed to enhance infrastructure and the regulatory environment, making Guyana a more attractive destination for global airlines. By working closely with the Guyana Government, IATA aims to ensure that the aviation sector continues to contribute significantly to the country's economic growth and development through technical cooperation and capacity building. For more details, please contact IATA's Area Manager for the Caribbean, [Annaleen Lord](#).

PERU: FOLLOW UP MEETING WITH CONGRESSIONAL STAFF TO ADDRESS OVERBOOKING PRACTICE



On 14 May, IATA and AETAI met with the congressional staff that aim to prohibit the overbooking of flights, with the intent to explain the importance of the practice and the benefits for consumers. The staff members committed to study a proposal to regulate involuntary denied boarding processes instead of prohibiting the overbooking practice. IATA will continue to advocate against these bills as they represent a negative precedent for the industry. For more details, contact IATA's Area Manager for Peru, [Martín La Rosa](#).

UNITED STATES: IATA OPPOSES PROPOSED TARIFFS ON AIRCRAFT IMPORTS, CITING ECONOMIC AND STRATEGIC RISKS



On June 2, IATA submitted formal comments to the U.S. Department of Commerce opposing a proposed Section 232 investigation into whether imports of aircraft, engines, and parts threaten national security and therefore should be subject to import tariffs. IATA warned that imposing tariffs on these products would be economically damaging and strategically misguided. The U.S. is the world's leading exporter of aerospace goods, and such measures could disrupt global supply chains, raise costs for U.S. airlines and manufacturers, and weaken the competitiveness of the domestic aerospace industry. IATA emphasized that commercial aviation is a highly interconnected global sector, and trade restrictions would have far-reaching consequences beyond U.S. borders. IATA urged U.S. policymakers to avoid protectionist actions that could undermine both national economic interests and the stability of the international aviation ecosystem. For details, contact IATA's Vice President, Member & External Relations, North America, [Doug Lavin](#).

UNITED STATES: NEWLY IMPOSED TRAVEL RESTRICTIONS TO THE UNITED STATES



On 4 June, President Trump issued a [proclamation](#), suspending the entry of foreign nationals from the following countries to the United States: Afghanistan, Burma, Chad, the Republic of the Congo, Equatorial Guinea, Eritrea, Haiti, Iran, Libya, Somalia, Sudan, and Yemen. In addition, nationals from Burundi, Cuba, Laos, Sierra Leone, Togo, Turkmenistan, and Venezuela are partially restricted from traveling to the US (depending on visa type). This proclamation became effective 12:01 a.m. Eastern Daylight Time on 9 June 2025. More details are available in the [US Customs and Border Protection Bulletin](#). As noted previously, the CBP bulletin confirms that anyone with a valid visa issued prior to 9 June 2025 will still be eligible for entry into the United States. For more details, please contact IATA's Vice President, Member & External Relations, North America, [Doug Lavin](#).

UNITED STATES: UPDATE ON CLEAN FUEL PRODUCTION TAX CREDIT



The US House of Representatives approved a budget reconciliation package, which includes provisions to extend and modify the Clean Fuel Production Tax Credit. This program incentivizes the production of transportation fuels, including sustainable aviation fuel (SAF), by offering a per-gallon credit. The proposal extends the credit through December 31, 2031, mandates the use of U.S., Mexico, and Canada-grown feedstocks, and excludes indirect land use changes from lifecycle greenhouse gas emissions calculations. It also requires distinct emission rates for specific manure feedstocks and eliminates transferability for fuel produced after December 31, 2027. Additionally, it restricts access to the credit for certain foreign entities. These changes are expected to positively impact SAF production by providing long-term financial incentives and encouraging the use of domestic feedstocks. However, the elimination of transferability could limit flexibility for producers. IATA will continue to monitor the advancement of the bill in the Senate and advocate for the industry's interests. For details, please contact IATA's Senior Manager, Sustainability, Americas, [Pedro de la Fuente](#).