

What you need to know: Airline operations: Latin America

June 17, 2020

As demand declined and governments around the world restricted travel, airlines adjusted their operations and, in some cases, suspended all services. As restrictions ease, airlines are rebuilding their operations. This report summarizes what airlines in Latin America are doing and planning.

Full-service airlines

Airline	Action and plans
Aerolineas Argentinas	Airline may be grounded until September 1 according to government directive
Aeromexico	Reduced domestic schedule during May. Resuming some international routes at reduced frequency during May and June
Avianca	All flights suspended, with domestic services currently due to resume on April 12 and international on April 30
Copa Airlines	All operations suspended from March 23 until June 22
LATAM Airlines	Capacity cut by 95% in April. Gradually restoring flying in June and July. Most LATAM airlines have filed for chapter 11 bankruptcy protection, but they can continue flying. LATAM Argentina closed down
TAME	Government owner has announced airline is to be liquidated

Aerolineas Argentinas may be grounded until September

From March 17, Aerolineas Argentinas cancelled long-haul flights to Madrid, Rome, Miami and New York until April 10.¹ Since then it has operated a series of special flights to bring home Argentine passengers stranded abroad. The airline currently has flights to the following international destinations in its schedule: Barcelona, Madrid, Miami and Montevideo

Following a Government executive order mandating a period of isolation, Aerolineas Argentinas scaled back its domestic operation from March 20 until March 31.² It continued to provide basic connections including daily flights from Buenos Aires to Córdoba, Iguazú, Mendoza, Neuquén, Río Gallegos, Tucumán and Ushuaia, as well as three weekly flights to Trelew and four to Comodoro Rivadavia. Since the start of April, Aerolineas Argentinas has made no further announcements about its domestic operation, although the special flights section on its website suggests Buenos Aires Aeroparque-Ushuaia may now be its sole domestic operation.

On April 27, Argentina's National Civil Aviation Administration asked airlines to stop selling tickets for all domestic and international departures until September 1.³ The agency claimed the decree is aimed at preventing airlines from ticketing flights not approved by the Argentine authorities.⁴

¹ [Aerolineas Argentinas](#), March 11, 2020

² [Aerolineas Argentinas](#), March 20, 2020

³ [Breaking Travel News](#), April 28, 2020

⁴ [BBC](#), April 28, 2020

Aeromexico resuming international services

After cutting most international services during April, Aeromexico will resume some routes at a reduced frequency during May and June:⁵

- Asia – Seoul resumes May 2 at 2 per week (pw); Tokyo reduced to 2 pw until May 31
- Canada – Vancouver resumes May 1 at 1 pw, rising to 2 pw from May 7; Montreal and Toronto resume June 1
- Caribbean – Havana and Santo Domingo resume June 1
- Central America – Guatemala City and San Jose resume on May 16 at 1 pw and 2 pw respectively; Managua, San Salvador and San Pedro Sula resuming June 1; Panama City permanently cancelled
- Europe – Amsterdam and Paris continue at 1 pw through May 31; Madrid resumes May 2 at 1 pw; Barcelona and London resume on June 1
- South America – Lima resumes on May 15 at 2 pw; Bogota, Medellin, Quito, Santiago and Sao Paulo resume on June 1; Buenos Aires resumes September 1
- U.S. from Mexico City – Austin, Chicago, Dallas, Denver, Las Vegas, Miami, Orlando, San Antonio, San Francisco and Seattle resuming on June 1; Houston resumes May 15 at 4 pw; New York resumes May 16 at 3 pw; Los Angeles reduced to 3 pw during May
- U.S. from Monterrey – Detroit, New York, Las Vegas and Los Angeles resume on June 1
- U.S. from Guadalajara – Los Angeles, San Francisco, Fresno, Chicago and Sacramento resume on June 1; Salt Lake City reduced to 5 pw until May 31
- U.S. – Leon-Detroit and Queretaro-Detroit resume on June 1

Aeromexico is also operating a reduced domestic schedule until May 31:⁶

	Operating	Suspended
Mexico City	Campeche, Cancun, Chihuahua, Ciudad del Carmen, Ciudad Juarez, Ciudad Obregon, Culiacan, Durango, Guadalajara, Hermosillo, La Paz, Los Cabos, Los Mochis, Mazatlan, Merida, Mexicali, Minatitlan, Monterrey, Oaxaca, Puerto Vallarta, Reynosa, Tampico, Tapachula, Tijuana, Terecotepec, Tuxtla Gutierrez, Villahermosa	Acapulco, Aguascalientes, Huatulco, Ixtapa, Leon, Manzanillo, Matamoros, Morelia, Nuevo Laredo, Queretaro, San Luis Potosi, Zacatecas
Monterrey	Mexico City	Cancun, Chihuahua, Guadalajara, Hermosillo, Leon, Puebla, Queretaro, San Luis Potosi
Guadalajara	Mexico City, Tijuana	Monterrey

Avianca suspends all international and most domestic services

From March 23, Colombian airline Avianca suspended its international operations, largely in response to border closures around the world.⁷ It planned to resume normal service from May 1.

⁵ [Aeromexico](#)

⁶ [Aeromexico](#)

⁷ Avianca, March 19, 2020

Avianca also planned to cut its domestic operation by 84%, with demand on these flights severely impacted by the loss of international connectivity. It intended to continue flights from Bogota to state capitals across the country and some regional destinations. With the Colombian government closing the country's airspace from March 25, Avianca suspended all domestic flights at least until April 12.

With little sign of the airline resuming services, Avianca has warned in an SEC filing about its ability to continue as a going concern.⁸

Copa Airlines grounded until June 21

Panamanian carrier Copa Airlines suspended all operations from March 23 through April 21. The suspension of all international flights by the Panama Civil Aviation Authority until May 22 forced Copa to extend its grounding.

Subject to approval from the authorities in destination countries, Copa had planned to phase in 12% of its June 2019 capacity from June 1. Its plans were frustrated, however, as Panama's government extended restrictions on international flights until June 21.

LATAM files for bankruptcy protection

On March 12, LATAM Airlines cut its international flights by 30% for April and May, but planned no change to its domestic operations. By March 16, in light of the spread of COVID-19, it decided to reduce overall capacity by 70%, comprising a 90% cut to international operations and a 40% reduction in domestic services.⁹ By the beginning of April, border closures and reduced demand had convinced LATAM to cut overall capacity by 95% in April.¹⁰

LATAM continued flights to 39 destinations in Brazil, but with reduced frequencies. These flights connect to LATAM's hubs at Sao Paulo (Guarulhos and Congonhas airports), Brasilia and Fortaleza. It also maintained limited services to 13 of its 16 Chilean destinations, with flights fully suspended to Rapa Nui, Castro and Osorno.

LATAM also operated limited international flights from Sao Paulo to Miami and New York, and from Santiago to Sao Paulo, Miami and Los Angeles. It suspended all European flights for April.

Government restrictions forced LATAM to ground the operations of its affiliates in Argentina, Colombia, Ecuador and Peru.

LATAM Airlines will gradually increase its domestic and international operations during June and July.¹¹ As it resumes operations, LATAM will offer more flexible options, lower fares and increased sanitation measures.

During June, LATAM will operate international routes from Sao Paulo to Frankfurt, London, Madrid and Miami and from Santiago to Miami and Sao Paulo. By July, it intends to grow its international network to 13 destinations. In the second half of July, LATAM will reactivate services from Sao Paulo to Lisbon and from Santiago to Madrid.¹²

⁸ [Finance Colombia](#), April 27, 2020

⁹ [LATAM Airlines](#), Investor Relations, March 16, 2020

¹⁰ [Breaking Travel News](#), April 3, 2020

¹¹ [Breaking Travel News](#), May 22, 2020

¹² [NexNews](#), June 16, 2020

Within Brazil, LATAM will operate 74 domestic routes, while its Chilean operation will serve 12 domestic destinations, including La Serena, Copiapo, Temuco and Easter Island.

LATAM affiliates in Ecuador and Peru aim to resume domestic services in June, with its Colombian operation is aiming for a July restart.

On May 25, LATAM Group, including affiliates in Chile, Colombia, Ecuador and Peru (but excluding those incorporated in Argentina, Brazil and Paraguay), filed for chapter 11 bankruptcy protection in the U.S., to enable it to reorganize in the wake of the pandemic.¹³ LATAM can now resize its business to the new demand environment. The airline group can continue flying during this process.

In response to the COVID-19 situation, LATAM has decided to effectively close down LATAM Argentina, announcing the end of domestic service covering 12 destinations: Bueno Buenos Aires, Iguazú, Bariloche, Salta, Tucumán, Mendoza, Córdoba, Neuquén, Comodoro Rivadavia, Río Gallegos, El Calafate and Ushuaia.

TAME to be liquidated

At the end of May, Ecuador's government decided to close and liquidate a number of public companies, including state-owned airline TAME, which had held a 34% share of the domestic market. The timing of the airline's liquidation is not confirmed; the airline has entered an assessment phase which may last between four and six months.

Low-cost carriers

Airline	Action and plans
Azul	Rebuilding domestic schedule, with 20% of normal capacity scheduled for June
GOL	International services grounded and domestic schedule cut by 92% through early May
Interjet	Operating just five domestic routes during April. International flights suspended from March 24
SKY Airlines	All operations suspended from March 25 until April 30
Volaris	April capacity cut by 80%

Azul adding back flights

Brazilian airline Azul cut its planned capacity by 90% through April 30. From March 25, it scaled back its operation to 70 non-stop flights per day to 25 destinations. It suspended all international flights except those departing from Viracopos International Airport near Campinas, where it operated 12 weekly flights to Lisbon and three to Porto.

Azul operated just 70 daily flights in April, rising to 115 in May. In response to a positive trend in travel demand, it has added 53 more daily flights to its June schedule, but capacity will still be 80% lower than in June 2019.

Azul is also rebuilding its network, increasing the number of domestic destinations served from 25 in April through 38 in May to 57 in June.

¹³ [Breaking Travel News](#), May 26, 2020

GOL reduced to minimal domestic operation

On March 17, Brazilian carrier GOL cut international capacity by 90-95% and domestic capacity by 50-60%. The airline typically serves 18 international and 79 domestic destinations. By March 24, GOL had suspended all remaining international services and dropped its domestic capacity by 92%. These changes apply through early May.

GOL continues to operate 50 daily flights between Sao Paulo Guarulhos airport and the other 26 Brazilian capital cities. It has grounded 120 of its 130-aircraft fleet. At this level of operation, GOL claims to be close to breakeven in cash, so it is not burning through its reserves.

Interjet operating five domestic routes

Low-cost carrier Interjet suspended all international flights from March 24. For the month of April, it scaled back its domestic operation to just five routes: Mexico City-Cancun (4 daily flights); Mexico City-Guadalajara (3 daily flights); Mexico City-Monterrey (3 daily flights); Mexico City-Tijuana (twice-weekly) and Mexico City-Merida (twice-weekly). The airline has yet to reveal its schedule for May.

SKY Airline temporarily suspends operations

Chilean carrier SKY Airline temporarily suspended all operations from March 25 until April 30 due to a significant slump in demand as governments throughout South America implemented travel restrictions.¹⁴

The airline had earlier halved international capacity and reduced domestic operations in Chile to a minimum. SKY Airline decided to suspend these remaining services after the government placed Chile into lockdown, urging citizens to stay at home and barring foreigners from entering the country.

Volaris cuts April capacity by 80%

Low-cost carrier Volaris initially cut capacity by 50% from the last week of March, intending to continue the cuts through April. With the Mexican government's March 31 announcement of a month-long health emergency, Volaris raised its April capacity cuts to 80%.

Note

The COVID-19 situation is rapidly evolving, and the situation is changing on almost an hourly basis. The information presented in this report represents the latest view as at June 17, 2020. We have carefully researched and checked the information contained. However, we do not guarantee or warrant the correctness, completeness or topicality of this article and do not accept any liability for any damage or loss as a result of the use of the information contained within this article.

Do you have questions or comments regarding this report? Please email mike.eggleton@bcdtravel.co.uk to share your thoughts.

¹⁴ [Airline Geeks](#), March 24, 2020