

TABLE OF CONTENTS

OVERVIEW 2

LEGISLATIVE BRANCH 2

Sequester Delayed: Congress Grants FAA Budgetary Flexibility to Avoid Air Traffic Control Furloughs.....2

House Appropriations Committee Recommends Funding Levels for DHS, CBP, TSA.....4

GAO Highly Critical of DHS TWIC Program.....5

Visa Exit Check At Airports Resurfaces in Congressional Immigration Debate5

EXECUTIVE BRANCH..... 6

Foxx Nominated to Succeed LaHood as DOT Secretary6

Other Comings and Goings6

Update on CBP's Curtailed Capabilities Due to Budgetary Sequestration7

CBP Agreement with Abu Dhabi Continues to Spark Conflict7

CBP to Begin Rollout of Automated Form I-94 Arrival/Departure Record.....8

Automated Passport Control: CBP and Vancouver International Innovate to Improving Travel Efficiency9

TSA Delays Change to Prohibited Items List; Small Knife Policy Re-Examined.....9

TSA expands Pre-Check program to international flights10

DOT Fines Caribbean Airlines for Tarmac Delay .10

FCC moves to speed up in-flight Internet.....11

Feds to Speed Up Infrastructure Development11

The U.S. and Canada Report Progress on Phase I of Entry/Exit Project12

FAA Proposing to Harmonize Airworthiness Regs with EU12

U.S. Signs Open Skies Agreement with Saudi Arabia12

A Bit of History on Sale.....13

INDUSTRY MATTERS 13

Passenger Traffic Down13

Airline Employment Decreases 14

On-Time Performance Decreases 14

Air Fares Decrease 14

INTERNATIONAL BILATERAL MATTERS14

The Atlantic Region..... 14

Belgium 14

Denmark..... 15

Finland..... 15

France 15

Germany..... 15

Iceland..... 15

Ireland 15

Italy..... 15

Qatar 15

Turkey 16

United Arab Emirates 16

United Kingdom..... 17

The Asia Pacific Region..... 17

Australia 17

China 17

Japan..... 18

Malaysia 18

Philippines 18

Singapore 18

South Korea 18

The Americas 18

Bolivia..... 18

Brazil 18

Canada..... 19

Columbia 20

Costa Rica..... 20

Dominican Republic 20

Ecuador 20

Haiti 20

Mexico 21