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U.S. Moves to Rein In Mexican Airlines and Reassess Delta-Aeromexico Alliance

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The U.S. Department of Transportation (DOT) has issued a series of new aviation restrictions targeting Mexican airlines, citing unfair practices that violate the long-standing U.S.-Mexico Air Transport Agreement. The decision marks a significant escalation in trade tensions, as Washington responds to actions taken by Mexico over the past two years that have disrupted U.S. carrier operations and cargo movement. At the center of the dispute is a push to restore balance and fair competition in the aviation sector.

The DOT's new rules come after repeated grievances that Mexico had undermined the 2015 U.S.-Mexico Air Transport Agreement, which was designed to expand travel options and foster competitive growth across borders. In 2022, Mexican authorities revoked key airport slots from major U.S. airlines, such as Delta, American Airlines, and United Airlines, and in 2023, issued a surprise decree forcing all-cargo carriers to vacate Mexico City's Benito Juárez International Airport (MEX) in favor of the new Felipe Ángeles International Airport (AIFA). These moves, the DOT argues, severely hindered U.S. economic interests and the reliable flow of goods and services.

To restore transparency and oversight, Mexican airlines are now required to submit detailed flight schedules for all U.S.-bound services. Additionally, the DOT is imposing tighter control over charter flight approvals, with restrictions on transporting both Mexican and U.S. citizens through informal flight arrangements that previously went unchecked. These changes are intended to protect American carriers from what the agency calls an "uneven playing field."

Perhaps most significantly, the DOT announced a planned review of the Delta-Aeromexico joint venture, a high-profile alliance that currently allows both airlines to coordinate pricing, flight schedules, and revenue-sharing strategies under antitrust immunity. The agency is now proposing to strip that immunity, arguing that the partnership may no longer serve U.S. consumer interests and may suppress competition on transborder routes. Even if the carriers continue to code-share or offer reciprocal perks for frequent flyers, they would no longer be able to act as a single commercial entity in the U.S.-Mexico market.

Delta has responded with concern, warning that dismantling the alliance would harm U.S. travelers, reduce job opportunities, and ultimately lead to fewer choices for passengers. The airline defended the partnership as pro-competitive, pointing to increased route options and price benefits since the joint venture was launched. The DOT, however, appears firm in its stance that the arrangement, once mutually beneficial, has become lopsided due to unilateral actions by the Mexican government.

U.S. Transportation Secretary Sean P. Duffy stated clearly, "This ends today," signaling the Biden administration's resolve to take a tougher approach on trade fairness, especially when U.S. industries are at a disadvantage. The DOT's latest actions send a strong message not only to Mexico but to other nations as well: the United States will protect its air carriers from external policies that disrupt free-market competition.

The aviation spat could have broader implications. The DOT has hinted at further action if Mexico fails to correct course, including restricting future flight authorizations for Mexican airlines and capping their presence in U.S. airspace. These steps would be significant, with long-term consequences for both travel and commerce between the two nations.

As negotiations continue, travelers and businesses alike are advised to stay updated. Those flying between the U.S. and Mexico should keep a close eye on flight schedules and carrier announcements, particularly if booking with Delta, Aeromexico, or other Mexican airlines. The U.S. government's firm stance reflects a larger principle: that fair, rules-based competition remains essential to a thriving aviation market.