

# Government seeks to prohibit Aerolíneas privatization

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The Argentine government is looking to pass a bill that seeks to prohibit the privatization of Aerolíneas Argentinas without the authorization of Congress with two-thirds of its members.

The opposition parties criticized the initiative presented by deputy Maximo Kirchner as being "anti-democratic and anti-republican."

The proposal introduces a new paragraph to Article 1 of Law 26,466 on Commercial Air Transport, by which Aerolíneas Argentinas and Austral Líneas Aereas were expropriated in 2008.

Aerolíneas Argentinas reduced its net losses by 61% in the first half of this year compared with the same period in 2022.

The state-owned company approved accounts showed a \$48 million net loss for the six months.

"It is an excellent result and, projected in the short or medium term, indicates that we are on the way to economic sustainability. Today, we have a company with historical minimum levels of losses, which flies to new destinations, with new federal routes, with more planes and with passenger records," explained chief executive officer Pablo Ceriani.

The airline's current administration, led by Ceriani, is focused on turning the company around and says it has yet to receive any funds allocated in the 2023 budget set by the government.

Instead, the company explained that Aerolíneas Argentinas had received AR\$6 billion (approximately \$17 million) from the 2022 allocated budget, of which only 70% was used.

This budget allocation was 50% of what the carrier received the previous year. Between 2008 and 2022, the state company received around \$8 billion in government funds.

This year, Aerolíneas Argentinas was budgeted to receive \$412 million.

In 2022, the airline posted a \$246 million net loss, its best financial year since its nationalization in 2008.

[Earlier in the summer Aerolíneas Argentinas launched a tender process for the acquisition of 12 Embraer 195-E2 aircraft with PW1921G engines.](#) The state-owned carrier wants two units to be delivered next year, five in 2025 and the remaining five in 2026.

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