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Sent Via E-Mail

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Ms. Selina Chadha
Group Director, Consumers and Markets
Civil Aviation Authority
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RE: CAP3251 – Heathrow Regulatory Reform and the Importance of US-UK Connectivity

Dear Director Chadha:

The United States and the United Kingdom share one of the world's most important aviation, trade and investment relationships. Air services between the two countries support business travel, tourism, cargo flows, inward investment, global connectivity and the movement of people that underpins the wider transatlantic economic partnership.

Heathrow is central to that relationship.

In that context, American Airlines welcomes the opportunity to express its support for the Heathrow Reimagined submission to the Civil Aviation Authority's Spring 2026 Consultation on Heathrow capacity expansion and regulatory models.

For American Airlines and our customers, Heathrow is not simply another destination. As the airline with the 3rd-most seat capacity at Heathrow, including the most of any non UK-based airline, we recognize the critical role Heathrow has as an international gateway connecting the United States with the UK and beyond. The quality, affordability and resilience of Heathrow therefore have direct consequences for the competitiveness of the US-UK travel market and for the businesses and communities that depend on it.

We support the CAA's recognition that there is a strong case to revisit Heathrow's regulatory framework. The case set out by Heathrow Reimagined demonstrates that the current model has been challenged in delivering the value for money, cost discipline and service outcomes that users should expect from one of the world's leading hub airports.

From our perspective, five points are particularly important.

First, Heathrow must remain commercially attractive for transatlantic growth.

The US-UK aviation market is highly competitive and strategically important. Airlines make long-term decisions about aircraft deployment, network growth and customer investment based in part on the cost, quality and reliability of the airports they serve.

A regulatory framework that permits inefficient costs or excessive charges risks weakening the attractiveness of Heathrow as a platform for growth. Expansion and modernization must therefore be delivered in a way that more fully supports the economics of transatlantic services.

Second, Heathrow must remain competitive for connecting traffic.

In addition to serving as a critical gateway for travel to and from London, Heathrow functions as a major global connecting hub—particularly for transatlantic traffic from the United States to Europe, the Middle East, and beyond. This connecting traffic delivers substantial economic value to Heathrow, including high levels of passenger spend in retail and hospitality during layovers. However, that traffic is highly mobile. If operating costs at Heathrow rise too much, airlines will have strong incentives to reroute connections through other airports, including Paris Charles de Gaulle, Amsterdam Schiphol, Madrid, or Frankfurt. Excessive charges therefore risk not only reducing airline activity, but also eroding the very passenger volumes that underpin Heathrow's commercial revenues.

Third, passengers and businesses need value for money.

Customers travelling between the United States and the United Kingdom expect a world-class airport experience. They also expect the cost of using that airport to be justified by the quality and reliability of the service provided.

Where Heathrow's charges are high by international standards, the regulatory framework must provide strong assurance that investment is efficient, service quality is improving and passengers are receiving fair value. According to Jacobs, Heathrow's charges are significantly higher than other major international airports, yet in recent years Heathrow has been outside of the Top 20 of Skytrax Passenger Experience ratings. Reform of the regulatory model is needed to ensure better correlation between level of charges and consumer outcomes.

Fourth, capital investment must be subject to stronger accountability.

The scale of investment being contemplated at Heathrow requires robust governance, transparent scrutiny and meaningful challenge. Major capital programs should be assessed by reference to user need, deliverability, affordability and measurable passenger benefits.

We therefore support proposals to strengthen capital governance and create more effective oversight of Heathrow's investment planning and delivery.

Fifth, competition should be used to improve outcomes.

Competition is fundamental to the aviation sector. It drives efficiency, innovation, service quality and customer focus.

Where greater competition can be introduced into the provision, development or operation of Heathrow infrastructure, it should be actively considered. Competition can provide stronger incentives than regulation alone and can help ensure that future investment is more closely aligned with the needs of passengers and airlines.

Expansion must be built on the right regulatory foundation

We recognize the importance of additional airport capacity in supporting future connectivity. However, expansion cannot be pursued in isolation from regulatory reform.

A larger Heathrow will only deliver its full benefits if it is efficient, affordable, resilient and responsive to users. Absent reform, expansion runs the risk of simply embedding and solidifying the weaknesses of the current model going forward. The CAA's review is therefore a critical opportunity to establish a framework that supports both growth and competitiveness.

Conclusion

American Airlines supports the broad direction of reform advanced by Heathrow Reimagined and encourages the CAA, Department for Transport and HM Treasury to pursue an ambitious package of measures that:

- strengthens cost discipline and capital governance;
- acknowledges that affordability and cost efficiency need to be more central to decision-making;
- promotes service quality and operational resilience;
- makes greater use of competition where it can benefit users; and
- promotes the long-term strength of US–UK aviation, trade and travel.

Heathrow's future regulatory framework should reflect its role as a gateway of global importance. Reform is necessary to ensure that Heathrow can continue to support the transatlantic connectivity on which passengers, businesses and economies on both sides of the Atlantic depend.

Very truly yours,



Nathan J. Gatten

Executive Vice President, American Eagle, Corporate Real Estate, and Government Affairs