

COELUM

Monthly Digital Publication by
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August, 2013 year 08 | No. 04

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and take-off schedules
in Mexico City's
International Airport.

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Pronunciation: 'che-l&m, is Latin for airspace or sky. The Romans began questioning the rights they had in the space above the land they owned and to how high above did that right extended to. Ad coelum et ad inferos, they discussed, meaning that their right of property would extend as high up to the heavens and down to hell.

Reallocation of landing and take-off schedules in Mexico City's International Airport.

by Edmundo Olivares

The allocation of landing and take-off schedules (better known in the aeronautic jargon as "Slots")¹ now has great relevance within the Mexican national aeronautic scenario due to the lack of aeronautic infrastructure at the international airport of one of the biggest cities in the world, Mexico City. The air carriers that operate into the Mexico City International Airport (known as the "AICM") carried around 30 million passengers in 2012.² Likewise, the AICM is ranked worldwide in place 28th, 50th and 52th, in number of movements, cargo and passengers, respectively.³ This therefore confirms that the airport infrastructure of the AICM has been left behind and that it will not allow for the natural and normal growth of passengers and merchandise movements in the medium term. In other words, the development of the main international airport hub in Mexico is limited due to the lack of an adequate airport infrastructure that would permit a growth in the number of operations per hour.

On the one hand, the Airports Act provides that the airport administrator will determine the landing and take-off schedules and turn priorities of aircraft according to equitable and non-discriminatory criteria established in the Airports Act Regulations. On the other hand, the operational capacity of an airport must be measured according to the maximum number of operations per hour that can be handled by the airport with its facility, as well as taking into account the maximum number of passengers per hour that can be handled within the terminal.

On April 17th, 2013, the Ministry of Communications and Transport determined that the AICM is in a saturated condition in eight specific time periods.⁴ The Ministry also requested information from the carriers related to their operations in past seasons. This will allow the authorities to start the process of Slot reallocation for the winter Season of 2013 that commences in October of this year. Due to this there has been a number of discussions and exercises among the various carriers and the authority; whereby the carriers firstly sought the least possible change in their operations and secondly, tried to reassign the schedules using criteria of fairness and non-discrimination. All understood that in the years to come there will be no growth of operations at the AICM. It is also true that this situation is being undertaken with an expectation by the aeronautic community of the likely announcement of the construction of a new international airport for Mexico City, or some other scheme that would permit air traffic growth viability to and from Mexico City. If the authorities determine that the solution is the construction of a new airport, it will take from six to eight years to have it fully in operation. This scenario implies the lack of growth in the AICM for the several years and the only way that carriers

¹According to the regulations of the Airport's Act, a Slot is the landing and take-off schedule allocated to a carrier by the airport management in order to plan and organize the flights at the airport.

²International Airport of Mexico City statistics 2012.

³International Airport of Mexico City statistics 2012.

⁴Saturation Declaration in the air field of the International Airport of Mexico City Benito Juárez, published on April 17th, 2013 in the Official Gazette of the Federation; by which eight hours were declared saturated. From 6:00 to 6:59, 7:00 to 7:59, 8:00 to 8:59, 9:00 to 9:59, 16:00 to 16:59, 17:00 to 17:59, 18:00 to 18:59 and 19:00 to 19:59.

may increase their passenger number into Mexico City is by finding more efficient ways to operate (e.g. by the use of larger aircraft in specific peak hours in order to handle more passengers per landing).

This scenario is confirmed in the statement of the CEO of the AICM who has declared that the current airport must be closed in eight years as growth is no longer possible in this airport and also there is no space for newcomers that are requesting to fly to Mexico City, such as is the case of Turkish, Qatar, China and Japan Airlines.⁵

It is clear enough that all relevant players in this matter are in a holding pattern due to the lack firm decisions over last few years in connection with an adequate reallocation of Slots and the delay in the go-ahead for a new international airport in the Mexico City area.

From a legal standpoint and without criticism (probably it will result in a better solution), the regulations related to Slot allocation are short and deficient and the authority has opted for practical solutions and tried to obtain the consensus of the carriers, instead of following the rules provided by these regulations. The Regulations of the Airports Law provide that if the Ministry of Communications and Transport determines that an airport is saturated during certain specific hours, the airport management must allocate the Slots by applying grandfather and priority rights and also use mechanisms of (i), slot withdrawal where there is no compliance with certain parameters of usage during a four year period and (ii), offer a slot auction in order that the carriers might have access to the slots that where withdrawn from other operators.

The irregularity in the allocation of Slots, which has been a practice within the AICM operation over the past years, now complicates even more the work of the authority in this exercise of reallocation. Given the exit of important carriers at the AICM due to insolvency problems in the last few years, the Slots operated by these carriers have been assigned on a “temporary” basis to other carriers that normally would not have preference in upcoming seasons because they do not have the so called “grandfather rights” that are provided for in article 95 of the Regulations of the Airports Act. At the end of the day, this reallocation process will probably maintain the status quo for the carriers that currently operate into the AICM, but will not permit growth for at least the next six years.

Without discussion, it is urgently needed that the carriers and the authorities to expedite a thorough solution in order to alleviate the saturation of the air operations in Mexico City. The announcement and start up the construction of a new airport or some other firm solution that could allow the planning for the growth of air traffic is absolutely necessary, and all must seek modifications to the regulations pertaining to Slots that would permit legal certainty and assurance in the planning and operations of all air carriers that operate in Mexico City.

⁵ El Universal, section “Cartera” on July 16th, 2013.

Biofuels Could Account For 1% of All Commercial Jet Fuel By 2015.

Despite the challenges faced in scaling up feedstock and fuel production, commercial aviation could yet achieve the goal of meeting 1% of its jet-fuel needs from sustainable biofuels by 2015, says a senior Boeing executive. "It's going to be really close," says Billy Glover, vice president of market strategy for Boeing Commercial Airplanes, adding that "1% by 2015" was set by Boeing as in "internal and aspirational" target at a time when many thought finding biofuel alternatives to petroleum-based jet fuel was impossible.

Aviation Week. July 03, 2013

Mexico to Become One of the World's Top Ten Aviation Suppliers.

Mexico is determined to become one of the world's top ten aviation suppliers, according to Carlos Bello Rocha, head of Mexico's Aerospace Industry Federation. "Our country is attracting the biggest share of aerospace investment worldwide," he stated. The state of Querétaro, located northwest of Mexico City, holds an aerospace park where Delta Air Lines, Aeroméxico, Bombardier, Eurocopter, and Safran are among the firms with existing or upcoming investments. About 20 new projects are expected this year, worth \$1.3 billion. Aviation exports doubled between 2009 and 2012 to reach \$5.4bn. The latest arrival of aerospace manufacturing firms to Mexico is Eurocopter in February 2013, opening a facility that will employ 200 people by next year.

Mexico Today. July 03, 2013

US Airlines Resume Flights to Mexico City.

US airlines have resumed flights into and out of Mexico City, after the formation of a volcanic ash cloud caused a number of voluntarily cancellations last week. Popocatepetl volcano erupted with ash and steam last Monday, forcing a number of airlines to ground flights on Thursday and Friday, BBC News reported. More than 40 flights were cancelled on Thursday and at least a dozen more on Friday. Delta Airlines, US Airways, United Airlines, American Airlines and Alaska Airlines were among the carriers that ceased flying to and from Mexico City. Airport officials said operations were returning to normal on Friday afternoon, while Mexican airlines continued to fly into the airport as scheduled. *July 08, 2013*

U.S. authorities require more training to co-pilot aircraft.

The pilots will have to receive more cabin training and in other areas to become certified as first officers on both passenger and cargo flights, said Wednesday the Federal Aviation Administration (FAA, for its acronym in English). By an order of Congress to increase safety, the FAA order the copilots complete 1.500 hours as pilots. *CNN Mexico. July 10, 2013.*

AICM's New Scheme for Slots is Approved.

As part of a regulatory operation in Nuevo Leon to review the legal residence and possession of airThe new scheme for takeoff and landing times (slots) to the International Airport of Mexico City (AICM) was approved yesterday after more than three months of negotiations between aviation authorities and airlines. During a meeting at the Ministry of Communications and Transportation (SCT), the document received green light from the Minister of Transportation, Carlos Almada, the Director of Civil Aviation, Alexandro Argudín, and the Director of the AICM, Sarabia Alfonso de la Garza, and the Executive President of the National Chamber of Aerotransportes (Canaero), Guillermo Heredia. The scheme, which comes into force on October 27, will be looking to decongest times ranging from 6:00 to 9:59 and from 16:00 to 19:59 hours, a time range that the General Directorate of Civil Aviation (DGAC) declared saturated last April. *Reforma July 12, 2013*

Mexico in Search of the Best Infrastructure and Logistics.

The Senior Officer of the Mexican Ministry of Communications and Transportation (SCT), Rodrigo Ramirez Reyes, said that with better infrastructure and logistics, Mexico may become a true emerging economic power in the twenty-first century. During the Annual General Meeting on the LXVI anniversary of the Mexican Airline Pilots' Association, Ramirez Reyes explained that the government will work for better connectivity that meets the growing international demand, and at national and regional levels in which the airports of Chetumal, Hermosillo, Pachuca, Puerto Vallarta and Toluca, among others, will be modernized. *El Financiero. July 13, 2013*

Mexican Aerospace Industry Is Growing.

Only four years ago, visitors to Le Bourget were wondering why Mexico had organized a national pavilion to trumpet its aerospace potential. Figures provided by the manufacturers' group Federación Mexicana de la Industria Aeroespacial (FEMIA) now leave no doubt that the 2009 debut in Europe was a wise and far-reaching move. FEMIA director-general Carlos J. Bello Roch stated that in the year following that first appearance, "business increased by 25%. In 2010–11 it was 25.7% up; and in 2011–12, 24.2%. Exhibiting at Paris has definitely helped." Big names such as Beechcraft, Bombardier, Cessna, Embraer, Honeywell, Safran and UTC Aerospace have already invested in Mexico, and regional representatives at the pavilion are keen to speak to more potential partners, hoping to attract investment to their provinces. *Aviation Week. July 18, 2013*

Texcoco, the most suited for the new airport.

Representatives of the country's aviation industry reiterated the need to increase the airport capacity in the Valley of Mexico, due to the saturation of the International Airport of Mexico City (AICM). The director of the National Chamber of Air Transport (CANAERO, for its acronym in Spanish), Guillermo Heredia, described as positive the option of studying the saturation of the Mexico city's air terminal, but felt that the AICM will remain the main airport. "It is important to have a conclusion soon, feasibility, necessity and objectivity, and if applicable, a schedule of performances," said the director in an interview with Notimex.

El universal July 22, 2013

Queretaro airport is ready to step in any case of volcano activity.

The International Airport of Queretaro (IAQ) is ready for any contingency that may have happened relating to the recent activity of the Popocatepetl, the IAQ is capable to receive flights that cannot land in the City of Mexico, said its director of the IAQ, Miguel Inzunza Luque. In an interview, the IAQ Director said that he has not received any notification by the authorities of the International Airport of Mexico City (AICM) on this matter. He reiterated that the IAQ is ready for any eventuality by the volcanic activity and provide assistance to the commercial airlines, as provided in the protocol. *El universal. July 22, 2013*

The Ministry of Communications and Transport continues to keep Mexicana's concessions, Unions ask for the property of the concessions.

According to the Ministry of Communications and Transportation (SCT), it was reported that will remain the validity of the concessions granted to Caribbean Airways and Mexicana Airlines, both airlines are waiting for an interested investor since 2010. For its part, the Union requested to be considered as part willing to acquire shares in Mexico. *Latinpost.mx July 31, 2013.*

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LANGUAGES: Spanish and English.

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