



Decree enacting several amendments to the Civil Aviation Law

Decree enacting several amendments and additions to the Civil Aviation Law and the Airports Law

Background

On June 18, 2018, the Mexican Executive branch published in the Federal Official Gazette (Diario Oficial de la Federación) – to become effective on the following day (except as provided in the Transitory Provisions¹), the Decree by which several amendments and additions to the Mexican Civil Aviation Law and the Airports Law were approved.

The Decree essentially aims to: (i) broaden

the administrative scope and legal powers of the Ministry of Communications and Transport (“SCT”) regarding operational security; and (ii) incorporate certain definitions in the Civil Aviation Law, to update different concepts of such regulation, specifically in the case of unmanned air vehicles (drones) and other similar aircrafts, which were not previously recognized under Mexican law though currently contained in the binding circular number CO AV-23/10 R4 (the “Circular”), issued by the Civil Aviation General Bureau (“DGAC”).

The most relevant aspects of the aforementioned Decree are the following:

Operational Security

After the publication of the Decree, the SCT has now new powers to regulate, verify and supervise operational security for air transport services in Mexico.

For such purpose, Sections XV to XVII were added to Article 6 of the Civil Aviation Law, granting powers to the SCT, without prejudice to the powers granted to any other governmental agencies, to:

¹ In accordance with the Decree, the Federal Executive will have a maximum of 180 days from the enactment thereof, to amend the corresponding aeronautic regulation and issue administrative provisions concerning unmanned air vehicles and operational security.

- Approve all the flight plans same that must be previously submitted by any operator in writing or by telephone, interphone, radio frequency or any other electronic means, in accordance with the administrative provisions that must be issued for such purposes;
- Grant permits for the establishment of aeronautical workshops and training facilities, as well as to issue certificates for the establishment for aircraft factories and their components, which may be granted to Mexican or foreign nationals; and
- Issue and implement the necessary legal measures and Official Mexican Standards (“NOMs”) related with operational safety that should be observed in the rendering of air transportation services (i.e., passenger, commercial, cargo or mail), as well as to verify compliance of operators therewith.

The purpose of such actions is to provide the SCT with a better mechanism to verify and, where appropriate, sanction air operators failing to comply with any provision of aircrafts or airport security operations. Therefore, the Decree also establishes new sanctions for those operators that may be responsible for any violation of the new operational safety measures to be implemented.

In a similar way, Article 78bis was added to the Airports Law, for concessionaires and permit holders of public service airports to certify themselves with the SCT, in accordance with the provisions that must be issued for such purposes.

Unmanned and remote piloted aircrafts

The Decree also includes the addition of certain definitions to the Civil Aviation Law related to certain aerospace technological innovations, as such type of aircrafts² are being used for commercial purposes, such as the following:

- i. Unmanned Aircraft: Aircraft intended to fly without a pilot on board.

- ii. Autonomous Aircraft: Unmanned aircraft that does not allow the intervention of any pilot during flight.
- iii. Aeromodel: Unmanned aircraft, controlled by remote control, manufactured on a reduced scale of the real size of a manned aircraft, for recreational use only.
- iv. Unmanned Free Balloons: Unmanned gas balloon, driven by non-mechanical means designed for free flight activities.

For unmanned aircrafts, Remote Piloted Aircraft Systems (“RPAS”) definition was also included to the Civil Aviation Law, as “the group of elements formed by a remotely piloted Aircraft, its station or connected pilot distance stations, the required command and control links and any other component.”

³

The SCT will be the entity in charge of issuing and applying the measures and NOMs related with: (i) certification; (ii) operation, and (iii) manufacturing of civil and State unmanned aircraft, except military.

The Decree also pursues a regulatory framework intended to improve the use of unmanned aircraft in a safe and efficient environment. Until the new guidelines and NOMs are issued, the provisions contained in the Circular will remain in effect. Such Circular establishes the current requirements to operate a Remote Piloted Aircraft System in Mexican airspace.

Likewise, a fourth Section is added to Article 47 of the Civil Aviation Law, within which it is established that the documents by which the property or possession and other real rights on civil aircraft piloted from distance are acquired, transmitted, modified or extinguished must be registered in the Mexican Aeronautical Registry.

Finally, sanctions are included for all those owners and/or holders of unmanned aircraft (with the exception of the military), for failing to comply with any of the obligations or conditions established in the Civil Aviation Law and in any other regulations issued for

that purpose. These sanctions may range from 200 to 5,000 UMA, (measure units – “Unidad de Medida y Actualización”).

It also provides for the possibility of suspending any permit, license or registration granted to an operator of unmanned aircraft, according to the seriousness of the fault.

Other Relevant Aspects of the Decree

The Decree also amended Article 26 of the Civil Aviation Law, for the effect that the operators (concessionaires or permit holders) of the regular aviation service submit to the SCT, for their knowledge, the commercial and cooperation agreements the execute with each other or with foreign airlines, within a period of thirty days as of their execution.

The foregoing constitutes a new obligation for said operators, due to the fact that to date such obligation was limited to the national regular aviation service.

On the other hand, the payload is modified for the authorized aircraft that provide air taxi services, so from the entry into force of the Decree, they may be up to 19 passengers (previously it was 15) or 3,500 kilograms of cargo.

² In accordance with Article 3, Section I of the Civil Aviation Law, aircraft are considered: “any vehicle capable of traveling autonomously in the airspace with persons, cargo or mail; (...)”

³ Civil Aviation Law, Article 3, Section I.

Contacts:

Legal Services

Ramón Bravo

Tel: +52 (55) 5080 7088
rambravo@deloittemx.com

Héctor Cuevas González

Tel: +52 (55) 5080 7214
hcuevas@deloittemx.com

Alfredo Chavero Ortega

Tel: +52 (55) 5900 1776
achavero@deloittemx.com

www.deloitte.com/mx
www.deloitte.com/mx/legal



tax@hand App

Download our tax@hand app.
Available on: www.taxathand.com

For: IOS, Android and Blackberry



Aguascalientes

Universidad 1001, piso 12-1
Bosques del Prado
20127 Aguascalientes, Ags.
Tel: +52 (449) 910 8600
Fax: +52 (449) 910 8601

Cancún

Avenida Bonampak SM 6, M 1, lote 1,
piso 10, 77500 Cancún, Q. Roo
Tel: +52 (998) 872 9230
Fax: +52 (998) 892 3677

Chihuahua

Av. Valle Escondido 5500
Fracc. Des. El Saucito E-2, piso 1,
31125 Chihuahua, Chih.
Tel: +52 (614) 180 1100
Fax: +52 (614) 180 1110

Ciudad Juárez

Baudelio Pelayo No. 8450
Parque Industrial Antonio J. Bermúdez
32400 Ciudad Juárez, Chih.
Tel: +52 (656) 688 6500
Fax: +52 (656) 688 6536

Culiacán

Insurgentes 847 Sur, Local 103
Colonia Centro Sinaloa
80128 Culiacán, Sin.
Tel: +52 (33) 1454 2000

Guadalajara

Avenida Américas 1685, piso 10
Colonia Providencia
44630 Guadalajara, Jal.
Tel: +52 (33) 3669 0404
Fax: +52 (33) 3669 0469

Guadalajara

Avenida Américas 1612, piso 4
Colonia country Club
44620 Guadalajara, Jal.
Tel: +52 (33) 3669 0404
Fax: +52 (33) 3669 0469

Hermosillo

Blvd. Eusebio Francisco Kino No. 315
Piso 8, Suite 804, Colonia Lomas del Pitic
83010 Hermosillo, Son.
Tel: +52 (662) 109 1400
Fax: +52 (662) 109 1414

León

Paseo de los Insurgentes 303, piso 1
Colonia Los Paraísos
37320 León, Gto.
Tel: +52 (477) 214 1400
Fax: +52 (477) 214 1405 y 1407

Mazatlán

Avenida Camarón Sábalo 133
Fracc. Lomas de Mazatlán
82110 Mazatlán, Sin.
Tel: +52 (669) 989 2100
Fax: +52 (669) 989 2120

Mérida

Calle 56 B 485 Prol. Montejo Piso 2
Colonia Itzimna
97100 Mérida, Yuc.
Tel: +52 (999) 913 4032
Fax: +52 (999) 913 4052

Mexicali

Calzada Francisco López Montejano 1342
Piso 7 Torre Sur
Fracc. Esteban Cantú
21320 Mexicali, B.C.
Tel: +52 (686) 905 5200
Fax: +52 (686) 905 5231 y 5232

Ciudad de México

Paseo de la Reforma 505, piso 28
Colonia Cuauhtémoc
06500 México, D.F.
Tel: +52 (55) 5080 6000

Monclova

Blvd. Ejército Nacional 505
Colonia Los Pinos
25720 Monclova, Coah.
Tel: +52 (866) 190 9550
Fax: +52 (866) 190 9553

Monterrey

Av. Juárez 1102, piso 40
Centro
64000 Monterrey, N.L.
Tel: +52 (81) 8133 7300

Monterrey - La Rioja

Carr. Nacional 85, 5000, local S-6
Colonia La Rioja
64988, Monterrey, N.L.
Tel: +52 (81) 8155 5757
Fax: +52 (81) 8155 5758

Puebla

Edificio Deloitte, Vía Atlixcayotl 5506, piso 5
Zona Angelópolis
72190 Puebla, Pue.
Tel: +52 (222) 303 1000
Fax: +52 (222) 303 1001

Querétaro

Avenida Tecnológico 100-901
Colonia San Ángel
76030 Querétaro, Qro.
Tel: +52 (442) 238 2900
Fax: +52 (442) 238 2975 y 2968

Reynosa

Carr. Monterrey-Reynosa 210-B, PA
Fracc. Portal San Miguel
88730 Reynosa, Tamps.
Tel: +52 (899) 921 2460
Fax: +52 (899) 921 2462

San Luis Potosí

Av. Salvador Nava Martínez 3125, 3-A
Fracc. Colinas del Parque
78294 San Luis Potosí, S.L.P.
Tel: +52 (444) 102 5300
Fax: +52 (444) 102 5301

Tijuana

Misión de San Javier 10643, Piso 8
Zona Urbana Río Tijuana.
Tijuana B.C., 22010
Tel: +52 (664) 622 7878
Fax: +52 (664) 681 7813

Torreón

Independencia 1819-B Oriente
Colonia San Isidro
27100 Torreón, Coah.
Tel: +52 (871) 747 4400
Fax: +52 (871) 747 4409

Deloitte.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee and its network of member firms, each of which is a unique and independent legal entity. Please consult our website at www.deloitte.com/mx/conozcanos for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Deloitte renders professional services in the areas of audit, taxes and legal services, consulting and advisory, to public and private clients from different industries. With a global network of member firms in over 150 countries, Deloitte offers world-class capacities and high quality service to its clients, providing the experience necessary to deal with the most complex business challenges. The more than 264,000 employees of Deloitte are committed to achieving significant impacts in their communities.

As utilized in this document, "Deloitte" means Galaz, Yamazaki, Ruiz Urquiza, S.C., which has the exclusive legal right to become involved in, and limits its business to, the provision of services of audit, tax consulting, advisory and other professional services in Mexico, under the name "Deloitte".

This publication contains only general information and neither Deloitte Touche Tohmatsu Limited, its member firms, nor any of their respective affiliates (collectively the "Deloitte Network"), render advice or services through this publication. Before taking any decision or measure which may affect your finances or business, you should consult a qualified professional adviser. No entity of the Deloitte Network will assume responsibility for losses suffered by any person or entity that consults this publication.