

Creation of the Mexican Federal Agency of Civil Aviation

Category: Legal Alerts

written by Nader, Hayaux & Goebel | October 23, 2019

On October 16, 2019, a decree was published in the Federal Official Gazette (Diario Oficial de la Federación) creating the Federal Agency of Civil Aviation (Agencia Federal de Aviación Civil, by its acronym in Spanish “AFAC”), an independent governmental agency (órgano desconcentrado) of the Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes, by its acronym in Spanish “SCT”).

According to the decree, the AFAC was created primarily to increase supervision and ensure greater compliance with safety measures and activities provided for in the different aviation laws, regulations, international treaties and other aviation directives. The foregoing, in order to address the recommendations made by the Federal Aviation Administration of the United States of America (FAA), as a result of the audit carried out during the period 2006-2012 as part of the International Aviation Safety Assessment Program (IASA); the FAA recommended the creation of a regulatory entity for the aviation industry with technical and supervisory authority, as well as with administrative autonomy. Therefore, unlike the General Bureau of Civil Aviation (by its acronym in Spanish “DGAC”) which was an administrative unit with no autonomy within the SCT, the AFAC is an independent governmental agency (órgano desconcentrado) with technical, operational and administrative autonomy.

With the exception of the authority to grant concessions in connection with civil aviation and airport matters, which has been reserved exclusively to the head of the SCT, the AFAC will assume all of the functions of the DGAC, including the ones related to the Mexican Aviation Registry.

AFAC’s new attributions in connection with airport matters include **(i)** submitting applications for the granting of concessions for airport administration, operation, development and construction to the head of the SCT, and **(ii)** coordinating studies and evaluations, as well as the purchase or, as the case may be, necessary

expropriations of real property for the construction of airports. We assume the AFAC will play a more prominent role in the plans of the Federal Government in airport matters.

The Agency will have a general director to be appointed and removed freely by the President, at the proposal of the head of the SCT.

The creation of the AFAC became effective on the day following the decree's publication; within the following 180 days, the head of the SCT shall **(i)** propose to the President the corresponding amendments to the Internal Regulations of the SCT, and **(ii)** issue the AFAC Organization Manual to regulate its functions and purpose.

We understand that, given the greater autonomy of the AFAC, the intention is to make the decision making process more efficient and thus improve the response time and technical capabilities *vis-à-vis* the aviation industry.

For further information with respect to the Federal Agency of Civil Aviation, please get in touch with your regular contacts at Nader, Hayaux & Goebel.