

NORONHA ADVOGADOS

BRAZIL'S GLOBAL LAWYERS

Sao Paulo | Rio de Janeiro | Brasília | Curitiba | Porto Alegre | Recife | Belo Horizonte



London | Lisbon | Shanghai | Beijing | Miami | Buenos Aires

THE BRAZILIAN AVIATION SYSTEM

Mirella da Costa Andreola de Almeida
Director

São Paulo – April 14, 2010.

THE BRAZILIAN AVIATION SYSTEM

- (i) GENERAL ASPECTS
- (ii) NATIONAL CIVIL AVIATION AGENCY – ANAC
- (iii) AIR TAXI COMPANIES

(i) GENERAL ASPECTS

(i).1 The air sector is of utmost relevance for Brazil. It is crucial to the cargo transportation of different economic sectors and to expand services. Moreover, in face of the Brazilian continental dimensions air transport is the most efficient transport means and, sometimes, even the only way for accessing some regions.

(i).2 Air transport is also an important inducer of economic growth since it enables efficient flow of production.

(i) GENERAL ASPECTS

(i).3 For technical and economic reasons the regulation of aviation sector is necessary.

(i).4 Aviation Law is responsible for the regulation, organization and delimitation of the air navigation system in Brazil, dealing with national and international aspects of military and civil aviation, air freight, transport of passengers and aircrafts.

(i) GENERAL ASPECTS

(i).5 Aircrafts can be military or civilian. The military ones belong to the Brazilian Air Force – FAB that has the principal objective of guaranteeing security in the national air space. All other aircrafts are civilian, independently of whether they are private or public property.

(i).6 Air space overlaps national territory, including territorial or jurisdictional waters. According to the national law, Brazil has the supreme right to regulate the air space over its national territory.

(ii) NATIONAL CIVIL AVIATION AGENCY – ANAC

(ii).1 In Brazil, the Ministry of Defence is responsible for coordinating civil aviation, including the coordination of the airport infrastructure company, which is INFRAERO, one of the largest in the world.

(ii).2 The National Civil Aviation Agency – ANAC is the Brazilian agency responsible for the regulation and the safety oversight of civil aviation, which is linked to the Ministry of Defence, but has administrative independence and financial autonomy.

(ii) NATIONAL CIVIL AVIATION AGENCY – ANAC

(ii).3 Constituted as a special autarchy with status of a regulatory agency, ANAC has a five member board (five directors, one of them being the president), all of them nominated by the President of Brazil and approved by the Senate, with a mandate of up to 5 years.

(ii).4 ANAC's headquarter is in Brasília with regional offices at Recife, Rio de Janeiro, São Paulo and Porto Alegre.

(ii) NATIONAL CIVIL AVIATION AGENCY – ANAC

(ii).5 ANAC was created by Law n. 11.182, dated 27 September 2005, being also regulated by its Internal Regulation and by the Brazilian Aeronautical Code.

(ii).6 According to the Law n. 11.182, ANAC establishes the model of concession for airport infra-structure and provide concession of aeronautical services.

(ii) NATIONAL CIVIL AVIATION AGENCY – ANAC

(ii). 7 The main attributes of ANAC are, among others:

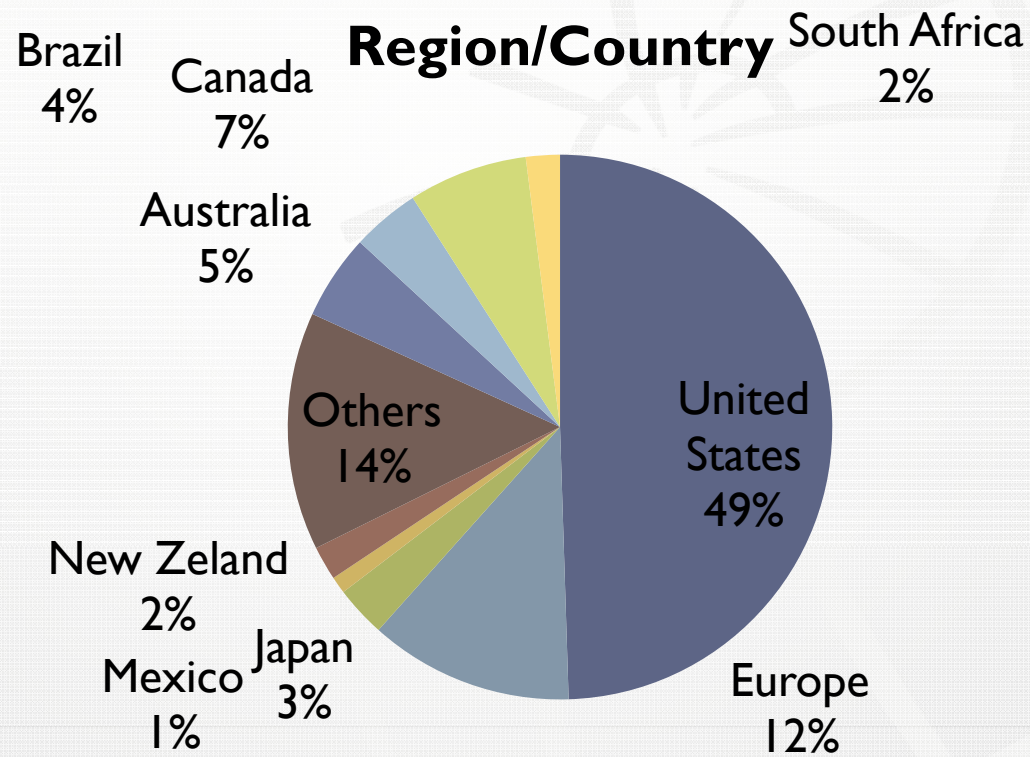
- a) To regulate and inspect aeronautical services, products and processes;
- b) To perform studies, establish, promote and implement rules, and international recommendation for civil aviation;
- c) To regulate, inspect and authorize aeronautical services provided by flight training entities and any training courses on civil aviation.

(ii) NATIONAL CIVIL AVIATION AGENCY – ANAC

- Brazil has 11.900 aircrafts, being 1.203 Helicopters;
- There are 464 private helicopters pilots in activity in Brazil;
- 1.308 Commercial helicopters pilots in activity;
- 669 regular helicopters pilots in activity;
- 245 air taxi companies.

Font: ANAC, updated on April, 2009.

(ii) NATIONAL CIVIL AVIATION AGENCY – ANAC



(iii) AIR TAXI COMPANIES

(iii).1 Are considered Air Taxi the service of public transportation, not regular, rendered against payment agreed between the parties, with the objective of immediately transportation, independent of schedule or route, including:

➤ On-shore and Off-shore transportation: consisting in the transportation of employees of oil and gas companies, located in the continent or in the sea.

(iii) AIR TAXI COMPANIES

(iii).2 Before rendering public air service the companies must apply for an authorization or a concession.

- a) Authorization is the administrative act that permits the exercise of an activity and/or the practice of a legal act or the use of a public asset;
- b) Concession is a temporary or precarious transfer of an activity from a public authority to another person, to be exploited at its own responsibility and risk, but to the benefit of all citizens and obtained through a bidding process.

(iii) AIR TAXI COMPANIES

(iii).3 Concessions can be granted to companies:

- a) with headquarters in Brazil;
- b) in which at least 4/5 (four fifths) of the capital with voting rights belong to Brazilian citizens; and
- c) whose management is exclusively under the charge of Brazilians.

(iii) AIR TAXI COMPANIES

(iii).4 Before starting an air taxi service, the company shall decide:

- a) The kind of operation intended;
- b) The maintenance system and the aircraft models;
- c) Operation area;
- d) Proposal time for the beginning of the operation;
- e) Main operational base.

(iii) AIR TAXI COMPANIES

(iii).5 Steps to create and operate an air taxi company:

- a) Juridical authorization for functioning;
- b) Operation authorization;
- c) Certification of homologation of air company; and,
- d) Authorization or Concession.

THANK YOU !

MIRELLA DA COSTA ANDREOLA DE ALMEIDA

+55 (11) 5188.8090

mll@noronhaadvogados.com.br

www.noronhaadvogados.com.br