New US-Mexican open skies treaty

The US Department of Transportation (DOT) announced a new, modernized air service agreement between the US and Mexico his month, to both expand new route opportunities for passenger and cargo carriers between both countries and strengthen economic ties.

The new agreement, which comes into force into force on January 1, 2016, includes unlimited market access for US and Mexican air carriers, improved intermodal rights, pricing flexibility, and other important commercial rights.

Importantly, it will also remove the numerical limitations on the number of airlines that can provide passenger service routes in all US-Mexican city pairings.

In a statement, the DOT said: “As a result, some city-pair markets might see the entrance of new carriers for the first time in many years, and airlines can consider offering new service in destinations that they could have never considered previously.”

Adding his comments, US Transportation Secretary Anthony Foxx said: “Cargo airlines, for the first time, will have expanded opportunities to provide service to new destinations that were not available under the current agreement, and to offer services from the United States to Mexico and beyond Mexico to other countries.

“Travellers, shippers, airlines, and the economies of both countries will benefit from competitive pricing and more convenient air service. This agreement is the result of the commitment on both sides of the border to strengthen the strong bonds of trade and tourism between our two countries, and demonstrate our shared commitment to a competitive, market-based international economic system.”

The agreement will expand opportunities for air services and will encourage price competition by airlines, while strengthening our commitments to aviation safety and security.

The agreement will not enter into force until January 1, 2016, after both parties have completed their necessary internal processes.