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**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, DC**

NOTICE

Served: May 11, 2001

**Brazil Cargo Charter Authorizations
2001/2002**

By Orders 98-4-19 and 98-6-14, we decided to use the simplified procedures previously established by Order 92-9-22 to distribute the 750 annual round-trip all-cargo charters available to U.S. carriers for operations in the U.S.-Brazil market. Specifically, we replaced our year-to-year comparative allocation proceedings with streamlined advanced allotment/charter pool procedures. Under these procedures, a portion of the available charters is allotted in advance to carriers that have operated an average total of at least 20 charters over the previous two calendar years. The balance is maintained in a charter pool for distribution on a first-come, first-served basis. We stated that, prior to the beginning of each charter year, we would issue a notice announcing the advance allotments to qualifying carriers for the upcoming charter year.

Based on the above and our analysis of carrier operations in the Brazil all-cargo charter market, which is attached, we issue advance allotments to the following carriers for all-cargo charter operations for the 2001/2002 charter year (July 1, 2001 – June 30, 2002): Florida West International Airways, Inc. - 156; World Airways, Inc. - 93; Arrow Air, Inc. - 33; and Gemini Air Cargo, Inc. - 29. The remaining 439 charters are reserved in a charter pool for distribution on a first-come, first-served basis. Based on their charter use as reflected in the attachment, Atlas Air and UPS would normally receive advance allotments. However, both carriers now hold authority to provide scheduled all-cargo service in the U.S.-Brazil market and, thus, pursuant to the provisions of Order 98-6-14, they are no longer entitled to an advance allocation of charters.

As discussed in Order 98-6-14, we require each carrier issued an advance allotment to advise the U.S. Air Carrier Licensing Division (X-44), Office of International Aviation, by letter no later than 14 days after the service date of this notice of how many of the flights in its advance allotment it has plans to operate and how many it is returning to the charter pool.

The advance allotments issued by this notice and flights operated from the charter pool for operations in the 2001/2002 charter year are subject to the conditions and procedures established for such flights in ordering paragraphs 4 through 8 of Order 98-5-14.

Finally, we note that during the last charter year, the demand for charters exceeded the number available and we instituted emergency procedures for distribution of charters during the last half of the charter year (Order 2001-2-14). Given the recent award of scheduled authority to one of the major participants in the charter pool, we do not anticipate similar problems this year. (See Order 2001-4-32 awarding scheduled authority to Atlas Air, Inc.) However, should demand be such that it would appear that sufficient flights will not be available, we will take immediate steps to establish fair and equitable allocation procedures.

By:

SUSAN MCDERMOTT
Deputy Assistant Secretary for
Aviation and International Affairs

(SEAL)
Dated: May 10, 2001

Attachment

*An electronic version of this document is available on the World Wide Web at:
http://dms.dot.gov/reports_aviation.asp*