BEFORE THE
DEPARTMENT OF TRANSPORTATION
Washington, D.C.

Application of
NICARAGUENSE DE AVIACION, S.A.
("NICA")
for an exemption pursuant to 49 U.S.C. § 40109(c)

APPLICATION FOR RENEWAL OF EXEMPTION
NICARAGUENSE DE AVIACION, S.A. ("NICA")

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NOTICE: Answers in support of or in opposition to this application may be filed with the Department of Transportation on or before January 3, 2000.

December 17, 1999
BEFORE THE DEPARTMENT OF TRANSPORTATION
Washington, D.C.

Application of

NICARAGUENSE DE AVIACION, S.A. ("NICA")

for an exemption pursuant to 49 U.S.C. § 40109(c)

Docket No. OST 97-2678

APPLICATION FOR RENEWAL OF EXEMPTION
NICARAGUENSE DE AVIACION, S.A. ("NICA")

Pursuant to 49 U.S.C. § 40109(c) and Subpart D of the Department's Rules of Practice, Nicaraguan de Aviacion, S.A. ("NICA") hereby applies for renewal of its exemption authority under the "Open Skies" Air Transport Agreement between the United States and Nicaragua. These authorities were first granted by the Department in its Notice of Action Taken on February 19, 1998 for a period of two years. NICA invokes the automatic extension provisions of Section 5 of the Administrative Procedure Act, 5 U.S.C. § 558(c) as implemented by Part 377 of the Department's Regulations to continue the subject authorities in force pending the Department's final action on this Application for renewal.
NICA is requesting renewal of full authority as provided for in the "Open Skies" Air Transport Agreement signed by the United States and Nicaragua on May 8, 1997. The authority requested is:

1) to perform scheduled international air transportation from points behind Nicaragua via Nicaragua and intermediate points to a point or points in the United States and beyond with all other rights and privileges conferred by Annex I of the Agreement; and

2) to carry international charter traffic of passengers (and their accompanying baggage) and/or cargo (including, but not limited to, freight forwarder, split, and combination (passenger/cargo) charters) with all other rights and privileges conferred by Annex II of the Agreement:

   a) between any point or points in the territory of Nicaragua and any point or points in the United States; and

   b) between any point or points in the territory of the United States and any point or points in a third country or countries, provided that, except with respect to cargo charters, such service constitutes part of a continuous operation, with or without a change of aircraft, that includes service to Nicaragua for the purpose of carrying local traffic between Nicaragua and the territory of the United States.

The existence of the "Open Skies" Air Transport Agreement is in and of itself sufficient to establish that the authority sought is in the public interest. Moreover, the Government of
Nicaragua has, routinely granted authority to U.S. carriers through its longstanding adherence to the principles of comity and reciprocity.

NICA is designated and licensed by the government of Nicaragua to provide all of the services permitted under the Open Skies Air Transport Agreement.

WHEREFORE, Nicaraguense de Aviacion, S.A. ("NICA") respectfully requests that its existing "Open Skies" authority be renewed for a period of at least two years.

Respectfully submitted,

John R. Brimsek, Counsel for Counsel to Nicaraguense de Aviacion, S.A. ("NICA")

December 17, 1999