

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation
On the Twentieth day of August, 2013,

Etihad Airways, Inc.

**Violations of 49 U.S.C. § 41708 and
14 CFR Part 217**

Docket 2013-0004

Served August 20, 2013

CONSENT ORDER

This consent order concerns reporting delinquencies by Etihad Airways, Inc., (Etihad) that constitute violations of 49 U.S.C. § 41708 and the Department's foreign air carrier reporting requirements (14 CFR Part 217). This order directs Etihad to cease and desist from future violations, and assesses the carrier a compromise civil penalty of \$20,000.

Section 41708 of the United States Code *inter alia* authorizes the Secretary of Transportation to require air carriers and foreign air carriers to submit reports to the Department. Pursuant to section 41708, 14 CFR Part 217 designates the categories of statistical data to be collected from foreign air carriers and prescribes the manner in which these data are to be submitted to the Department. The Department uses the data for various important purposes, including analyzing the effects of air transportation industry policy initiatives, allocating airport development funds, forecasting traffic, and developing airport and airway traffic policy. A foreign air carrier's failure to file its reports, therefore, prevents the Department from making fully informed decisions. Failure to file reports when they are due constitutes a violation of both 49 U.S.C. § 41708 and 14 CFR Part 217.

Etihad failed to submit, in a timely manner, any of its required T-100(f) reports from May 2012 through October 2012. Etihad's failure to file the required reports in a timely manner, violates 49 U.S.C. § 41708 and 14 CFR Part 217, and subjects the carrier to the civil penalty provisions of 49 U.S.C. § 46301.¹

In mitigation, Etihad states that it takes its regulatory responsibilities very seriously and has not been the subject to any prior consent orders. Etihad also emphasizes that it

¹ Etihad has submitted all past due reports and is currently up to date with respect to its T-100 reporting obligations.

has cooperated fully with the Department's investigation. Etihad states this inadvertent omission resulted from the illness of the senior staff member assigned to T-100 reporting duties, and the subsequent failure of back-up reporting measures. As soon as Etihad became aware of the problem, Etihad acted swiftly to file the missing reports, and has filed all subsequent reports in a timely manner. Etihad notes that it has taken several measures to prevent this situation from reoccurring, including training additional staff and automating compliance reminders.

The Department views seriously the failure of Etihad to file traffic statistics reports as required by section 41708 and Part 217. After considering the circumstances surrounding this matter, including information provided by Etihad, the Office of Aviation Enforcement and Proceedings (Enforcement Office) continues to believe that enforcement action is warranted. In order to avoid litigation, the Enforcement Office and Etihad have reached a settlement of this matter. Etihad consents to the issuance of this order to cease and desist from future violations of section 41708 and Part 217, and to the assessment of \$20,000 in compromise of potential civil penalties otherwise due and payable pursuant to 49 U.S.C. § 46301.

This compromise assessment is appropriate considering the nature and extent of the violations described herein and serves the public interest. It represents a strong deterrent against future noncompliance with the Department's reporting requirements by Etihad, as well as by other air carriers and foreign air carriers.

This order is issued under the authority contained in 49 CFR 1.

ACCORDINGLY,

1. Based on the above information, we approve this settlement and the provisions of this order as being in the public interest;
2. We find that Etihad Airways, Inc., violated 49 U.S.C. § 41708 and 14 CFR Part 217, as described above, by failing to file required monthly traffic data reports in a timely manner;
3. We order Etihad Airways, Inc., and all other entities owned and controlled by or under common ownership with Etihad Airways, Inc., and their successors and assignees, to cease and desist from further violations of 49 U.S.C. § 41708 and 14 CFR Part 217;
4. We assess Etihad Airways, Inc., a compromise civil penalty of \$20,000 in lieu of civil penalties that might otherwise be assessed for the violations found in ordering paragraph 2, above, and

5. Payment shall be made within 30 days of the issuance date of this order. Payment shall be made through Pay.gov to the account of the U.S. Treasury in accordance with the instructions contained in the Attachment to this order. Failure to pay any portion of the penalty as ordered shall subject Etihad Airways, Inc., to the assessment of interest, penalty, and collection charges under the Debt Collection Act.

This order will become a final order of the Department 10 days after its service date unless a timely petition for review is filed or the Department takes review on its own motion.

BY:

Samuel Podberesky
Assistant General Counsel for Aviation
Enforcement and Proceedings

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