

EC-US Air Transport Agreement

European Parliament resolution of 14 March 2007 on the conclusion of the Air Transport Agreement between the European Community and its Member States, on the one hand, and the United States of America, on the other hand

The European Parliament,

- having regard to the proposal for a decision of the Council and the representatives of the governments of the Member States of the European Union, meeting within the Council on the conclusion of the Air Transport Agreement between the European Community and its Member States, on the one hand, and the United States of America, on the other hand (COM(2006)0169), ("November 2005 draft agreement"),
- having regard to the text for a new draft agreement agreed upon by EU and US delegations on 2 March 2007 in Brussels ("draft agreement of 2 March 2007"),
- having regard to its resolution of 17 January 2006 on developing the agenda for the Community's external aviation policy¹,
- having regard to Rule 103(2) of its Rules of Procedure,
- A. whereas the Court of Justice of the European Communities has ruled that several bilateral aviation agreements between Member States and the USA contravene principles of EU law, and whereas the conclusion of an EU-US aviation agreement is the best way to guarantee full compliance with EU law,
- B. whereas the EU and USA aviation markets combined account for about 60% of world air traffic and an EU-US aviation agreement will benefit consumers on both sides of the Atlantic and could serve as a model for further liberalisation and regulatory convergence worldwide,
- C. whereas the Council considered that the draft agreement finalised in November 2005 would not provide a sufficient balance of opportunities unless the US were to create greater opportunities for EU carriers to gain access to the US domestic market via investment and participation in US airlines,
- D. whereas the US Department of Transportation responded with a Notice of Proposed Rule Making, relaxing its interpretation of the statutory requirement that US airlines be under the actual control of US citizens, but decided in December 2006 to withdraw this Notice, after reviewing a multitude of public comments, including those received from the US Congress,
- E. whereas this led to a new round of negotiations resulting in the draft agreement of 2 March 2007,
- F. whereas in such an agreement convergence of regulations is particularly important,

¹ OJ C 287 E, 24.11.2006, p. 84.

especially regulations on safety, security, the environment and the social rights of workers,

General principles

1. Recognises the importance of the EU-US aviation agreement not only in its own right but also as a model for later agreements;
2. Welcomes therefore the draft agreement of 2 March 2007 as an important step towards an integrated transatlantic aviation market that will be to the benefit of consumers;
3. Would have preferred the conclusion of one balanced overall agreement covering all aspects of market opening and regulatory convergence to a phased approach employing partial agreements;
4. Welcomes therefore Article 21 of the draft agreement of 2 March 2007 containing an agenda and a clear timetable for negotiations on a second-stage agreement, including provisions allowing parties to suspend rights specified in the first-stage agreement, if 30 months after the start of negotiations on a second-stage agreement no such agreement has been reached;
5. Calls on the Transport Ministers to endorse the draft agreement of 2 March 2007 during the Council meeting of 22 and 23 March 2007;

Market opening

6. Emphasises that a new EU-US aviation agreement should be balanced in terms of market access, considering also such issues as cabotage, right of establishment, ownership and de facto control and state aid;
7. Welcomes therefore inter alia clauses in the draft agreement of 2 March 2007 on ownership, investment and control (Annex 4) and on franchising and branding (Annex 5), and the opening up of the 'Fly America Programme' to EU carriers;
8. Regrets however that no progress has been made on cabotage and that the possibility for EU carriers to exercise effective control over a US airline is still limited, even with the extended ownership clauses;
9. Emphasises that government subsidies to airlines can distort competition and calls upon both parties to keep their use to a minimum while welcoming at the same time procedures under which parties can inform each other and discuss measures taken by either side;

Regulatory convergence

10. Notes that the development of regulatory convergence is only partially dealt with in the draft agreement of 2 March 2007 and is left to a large extent to the joint committee;
11. Notes furthermore that, in so far as the draft agreement of 2 March 2007 deals with regulatory convergence, this concerns mainly provisions on safety and security, with very little reference to environmental and social aspects;

Safety and security

12. Welcomes cooperation between the EU and US authorities responsible for the field of aviation safety, both at EU and US federal level and at the level of the Member States and states respectively;
13. Notes the importance of the European blacklist of substandard carriers and the US system for monitoring carrier standards and calls on both parties to share information in this respect;
14. Notes the importance of security measures for aviation but warns against excessive or uncoordinated measures that are not based on a proper risk assessment;
15. Calls on the Commission and the US to review the efficiency of the additional security measures enforced since 2001 so as to eliminate overlapping and weak links in the security chain;
16. Emphasises that the privacy of European and US citizens should be respected when personal passenger data are exchanged between the EU and the US, in accordance with the criteria called for by the European Parliament in its resolutions of 13 March 2003¹ and 7 September 2006²; stresses in this connection the urgency of arriving at worldwide standards on data protection and privacy;
17. Advocates the concept of 'one stop security', checking passengers and luggage only at the start of their journey and not again at every transfer;

Environment

18. Recognises that the aviation sector has several negative environmental effects, in particular as a source of noise and as a contributor, like other modes of transport, to climate change, and that these effects will increase with the growth of aviation;
19. Notes that Article 15 of the draft agreement of 2 March 2007 stresses mainly the possible adverse effects of environmental measures and the need to mitigate these, instead of emphasising the need for environmental action in aviation;
20. Underlines therefore the need for both the EU and the US to take effective measures to reduce the negative environmental impact of aviation, without prior exclusion of any regulatory, financial or other instrument to achieve this goal;
21. Welcomes the proposal by the Commission to include aviation in the European emissions trading system to reduce the impact of the aviation sector on climate change; points out that talks will need to be held with the US at an early stage with a view to encompassing transatlantic air traffic within the European emissions trading system by 2012 so as to enable aviation to be included within the time-frame laid down;
22. Calls on both parties to exchange best practices on noise reduction, acknowledging differences in local circumstances;
23. Welcomes Paragraphs 34 and 35 of the Memorandum of Consultations attached to the 2 March 2007 draft agreement, in which the US and the EU agree to work together in the

¹ OJ C 61 E, 10.3.2004, p. 381.

² OJ C 305 E, 14.12.2006, p. 250.

framework of the International Civil Aviation Organization and the G8 to reduce aircraft noise and emissions; welcomes the intention of the responsible US and EU authorities to enhance technical cooperation in the fields of climate science, research and technology development, fuel efficiency and reduction of emissions in air transport;

Social policy

24. Calls upon US and EU aviation stakeholders to enter into a continuous dialogue on social standards, with the aim of promoting mutual understanding, a level playing field and high social standards at the same time;
25. Calls upon the Commission to advocate the inclusion of references to relevant international legislation on social rights in any eventual agreement, in particular the labour standards embodied in the fundamental conventions of the International Labour Organization (ILO 1930-1999), the OECD guidelines for Multinational Enterprises (1976, revised 2000) and the Rome Convention on the Law Applicable to Contractual Obligations of 1980;
26. Insists that EU social legislation should be applied to employees recruited and/or working in the Member States, in particular the Directives concerning the consultation and information of employees (2002/14/EC, 98/59/EC and 80/987/EEC), the Directive on the organisation of working time of mobile staff in civil aviation (2000/79/EC) and the Directive concerning the posting of workers in the framework of the provision of services (96/71/EC);

Conduct of negotiations

27. Calls on the Commission to ensure full information and consultation of the European Parliament and of all relevant stakeholders before and throughout second-stage negotiations;
28. Welcomes the idea of regular meetings between Members of the European Parliament and the US Congress to discuss all relevant issues concerning an EU-US aviation agreement;

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29. Instructs its President to forward this resolution to the Council, the Commission, the governments and parliaments of the Member States and to the US Congress.