

GENERAL SERVICES ADMINISTRATION
Washington, DC 20405

October 6, 2010

FEDERAL TRAVEL REGULATION
GSA Bulletin FTR 11-02

TO: Heads of Federal Agencies

SUBJECT: The United States-European Union "Open Skies" Air Transport Agreement (U.S.-EU Open Skies Agreement)

1. What is the purpose of this bulletin? This bulletin informs agencies of the amendment to the U.S.-EU Open Skies Agreement, effective June 24, 2010, with respect to European Union (EU) airlines and Fly America requirements.

2. What is the background of this bulletin? On January 15, 2009, GSA published a final rule regarding when passengers, whose travel is funded by the United States Government, must use U.S. air carrier service and when they may use foreign airlines. See 74 FR 2396 (January 15, 2009). The final rule provided that GSA, through the issuance of FTR Bulletins, will provide information on bilateral or multilateral air transportation agreements to which the United States Government and the government of a foreign country are parties, and which the Department of Transportation has determined meet the requirements of 49 U.S.C. § 40118, commonly referred to as the "Fly America Act," to allow use of foreign airlines.

On April 30, 2007, the U.S.-EU Open Skies Agreement was signed, providing EU airlines (airlines of the European Union and its Member States) the right to transport passengers and cargo on scheduled and charter flights for which payment is made by a U.S. Government civilian department, agency, or instrumentality subject to certain restrictions. On June 24, 2010, the United States Government and the European Union amended this agreement and extended additional rights to EU airlines.

Under the amended agreement, EU airlines have the right to transport passengers and cargo on scheduled and charter flights for which a U.S. Government civilian department, agency, or instrumentality:

- (1) Obtains the transportation for itself or in carrying out an arrangement under which payment is made by the U.S. Government or payment is made from amounts provided for the use of the U.S. Government; OR
- (2) Provides the transportation to or for a foreign country or international or other organization without reimbursement,

AND that transportation is in respect of:

- (a) Both passengers and cargo, between any points outside the United States;
- (b) Cargo, between any point in the United States and any point outside the United States;
- (c) Passengers who are NOT eligible to travel on GSA Airline City Pair Contract fares (for example, contractor personnel and Federal grantees), between any point in the United States and any point outside the United States that the EU airline is authorized to serve under the U.S.-EU Open Skies Agreement.
- (d) Passengers who ARE eligible to travel on GSA Airline City Pair Contract fares (for example, U.S. Government employees), between any point in the United States and any point outside the United States that the EU airline is authorized to serve under the U.S.-EU Open Skies Agreement for which there is NOT a GSA Airline City Pair Contract fare in effect.

There is no change in the amended agreement with respect to transportation between two points outside the United States. The changes with respect to transportation between a point in the United States and a point outside the United States are outlined in paragraph 3 below.

Also, as has always been the case, the rights given to EU airlines concerning U.S. Government procured transportation under the U.S.-EU Open Skies Agreement do not apply to transportation obtained or funded by the Secretary of Defense or the Secretary of a military department.

3. What are the important changes to the agreement? The most significant change is that, under the amended agreement, EU airlines are now granted the right to transport civilian agency-funded passengers who are NOT eligible to travel on GSA Airline City Pair Contract fares between a point in the United States and a point outside the United States even if there is a GSA Airline City Pair Contract fare in effect between the origin and destination points.

For example, the employee of a contractor for the Department of Justice who is traveling from Washington to Frankfurt, whose transportation is funded by Justice, and who (as an employee of a contractor) is not eligible for City Pair Contract fares, may fly on an EU carrier. In contrast, a U.S. Government employee will continue to be required, in most circumstances, to fly on a U.S. carrier.

An additional change under the amended agreement is that EU airlines are no longer limited to flying passengers between points in the United States and points in the European Union. Instead, where the conditions in paragraph 2 above are met, EU airlines are authorized to transport passengers between points in the United States and points outside the European Union if the EU airline is authorized to serve the route under the U.S.-EU Open-Skies Agreement. This includes flights that originate, arrive, or stop in the European Union (for example, from Miami via Munich to Ankara or from Atlanta to Mexico City on a flight that operates from Frankfurt to Atlanta to Mexico City).

In order to provide context, the list below provides additional examples of permissible routes under the current U.S.-EU Open Skies Agreement, including the June 24, 2010, amendment. This list is not exhaustive:

A point in the European Union to a point in the United States

Example: Frankfurt (FRA) to New York (NYC);

A point in the United States to a point in the European Union

Example: New York (NYC) to Paris (PAR);

A point in the European Union to a point in the United States to a further point in a foreign country

Example: Dublin (DUB) to New York (NYC) to Vancouver (YVR);

A point in a foreign country to a point in the United States to a further point in the European Union

Example: Mexico City (MEX) to New York (NYC) to Madrid (MAD);

A point in the United States to a point in a foreign country to a further point in the European Union

Example: Cleveland (CLE) to Montreal (YMQ) to Barcelona (BCN);

A point in the European Union to a point in a foreign country to a further point in the United States

Example: Vienna (VIE) to Toronto (TOR) to Denver (DEN);

A point in a foreign country to a point in the European Union to a further point in the United States

Example: Istanbul (IST) to Amsterdam (AMS) to Memphis (MEM);

A point in the United States to a point in the European Union to a further point in a foreign country

Example: Orlando (MCO) to London (LON) to Moscow (MOW);

A point in the United States to a point in European Common Aviation Area*

Example: Washington, DC (WAS) to Sarajevo (SJJ); and

A point in European Common Aviation Area to a point in the United States*

Example: Belgrade (BEG) to Washington, DC (WAS).

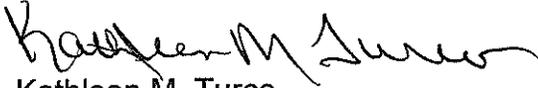
*Includes the right of combination services. Combination services are the right to carry passengers and baggage.

4. Where can my agency find additional guidance on the changes to the U.S.-EU Open Skies Agreement? Additional information about the amended agreement is available at www.gsa.gov/openskies.

5. Whom should I contact for further information? For further information, contact Rick Miller, Office of Governmentwide Policy (M), Office of Travel, Transportation, and Asset

Management (MT), General Services Administration at (202) 501-3822 or via e-mail at travel.policy@gsa.gov.

By delegation of the Administrator of General Services,

A handwritten signature in black ink, appearing to read "Kathleen M. Turco". The signature is fluid and cursive, with a large initial "K" and a long, sweeping underline.

Kathleen M. Turco
Associate Administrator
Office of Governmentwide Policy