March 20, 2012

FEDERAL TRAVEL REGULATION GSA Bulletin FTR 12-04

TO:

Heads of Federal Agencies

SUBJECT: Air Transportation Agreements

- 1. <u>What is the purpose of this bulletin?</u> This bulletin informs agencies of the implications of new and amended air transportation agreements regarding Fly America Act requirements.
- 2. What is the background of this bulletin? On January 15, 2009, the U.S. General Services Administration (GSA) published a final rule regarding when passengers, whose travel is funded by the U.S. 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 U.S. 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.
- 3. What are the important requirements of these agreements? The new U.S.-Japan Air Transportation Agreement went into effect on October 1, 2011. Under this new agreement, Japanese airlines have the right to transport passengers and cargo on scheduled and charter flights for which payment is made by U.S. Government civilian departments, agencies, or instrumentalities. The U.S.-Japan agreement pertains to passengers and cargo when the transportation is between any point in the U.S. and any point in Japan, or between any two points outside of the U.S. With respect to passengers only, routes where there is a city-pair contract fare in effect between a point in the U.S. and a point in Japan are excepted from this agreement. The above provisions do not apply to transportation obtained or funded by the Secretary of Defense or the Secretary of a military department.

On June 21, 2011, the U.S.-European Union (EU) Open Skies Agreement was amended to include Iceland and Norway. As a result of this amendment, the U.S.-EU agreement shall apply to Iceland and Norway as though they are Member States of the EU, so that Iceland and Norway shall have all of the rights and obligations of Member States under the U.S.-EU agreement. For further information on the U.S.-EU agreement please see GSA Bulletin FTR 11-02 (October 6, 2010).

- 4. Where can my agency find additional guidance on the changes to these agreements? To obtain more information regarding the aforementioned air transportation agreements, please visit http://www.gsa.gov/openskies.
- 5. Whom should I contact for more information? Please contact Ms. Cheryl D. McClain on 202-208-4334 or cheryl.mcclain@gsa.gov or Mr. Rick Miller on 202-501-3822 or rodney.miller@gsa.gov.

By delegation of the Administrator of General Services.

Kathleen M. Turco

Associate Administrator

Office of Government-wide Policy

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