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Qatar Open Skies Progress

On the heels of our positive outcome last week in the International Trade Commission case between Boeing and Bombardier over threatened C Series aircraft tariffs, comes progress on our ME3 Open Skies fight. The U.S. State Department shared that an understanding has been reached with representatives of Qatar to open Qatar Airways' financial statements to public scrutiny. This is an essential step toward ensuring that U.S. carriers have a fair and equal opportunity to compete with Qatar Airways under the Air Transport (or, "Open Skies") Agreement between our two countries.

Following initial discussions directed by the Trump administration, Qatar has agreed, over the course of the next two years, to commit that Qatar Airways will: issue annual reports and accompanying financials that are externally audited in accordance with internationally-recognized account standards (year one), disclose the airline's transactions with other state-owned enterprises (year two), and ensure that transactions with state-owned goods and services providers be based on commercial terms.

Further, in a side letter, Qatar indicated that its airline has no plans to initiate "Fifth Freedom" routes to and from the United States via third countries. Fifth Freedom routes, such as Emirates' DBX-MXP-JFK flight, pose a significant threat to U.S. airlines' international routes.

Overall, this progress constitutes a promising indication that President Trump and his cabinet agree with the more than 300 members of Congress who have signed on in an unusually strong bipartisan manner to fix the failed aviation trade deal between the U.S. and Qatar, as well as that between the U.S. and the United Arab Emirates.

The work of Delta pilots, the Delta MEC Government Affairs Committee and the Company have been instrumental in raising awareness of this issue. We will continue work to ensure our U.S. carriers have a level international playing field. We must now direct our attention to our agreement with the United Arab Emirates and its violating carriers (Emirates and Etihad) and push for a similar deal. After that work is done, we will keep a close eye on the implementation of these agreements.

The Government Affairs Committee, with ALPA, Delta and other partners, is further ramping up engagement on the ME3 matter with Congress, the Executive Branch, the public, press, pilot membership and other employee groups. Now is the time to leverage the progress made with Qatar into pressure on UAE to likewise comply with the intent of their U.S. Open Skies accord. While the Trump Administration directed that precisely the same approach be taken with all three ME3 carriers, there are no indications that any meaningful discussions have taken place yet over Etihad and Emirates' transgressions. Under the previous administration, a dedicated avoid-and-delay tactic worked to the benefit of UAE, resulting in more than two years of damaging trade practice. It cannot be allowed again.

Please take the time right now to participate in the various Delta and Partnership for Open and Fair Skies calls-to-action (yes, repeatedly), and lend serious consideration to starting or increasing your ALPA PAC investment. These tools tangibly power our Government Affairs team's success on your behalf in this and other important fights.

Fraternally,

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