

Press Releases: United Arab Emirates: Discussions Seek Level Playing Field

Media Note
Office of the Spokesperson

Washington, DC
May 14, 2018

U.S. Secretary of State Mike Pompeo and Foreign Minister Abdullah bin Zayed Al Nahyan of the United Arab Emirates (UAE) welcomed the result of recent discussions on civil aviation aimed at ensuring a level playing field in the global aviation sector while maintaining the Open Skies framework of U.S. international aviation policy.

Memorialized in a Record of Discussion dated May 11, the understandings reached between our two governments represent important high-level political commitments to address concerns raised by U.S. carriers regarding government support for the UAE's flagship carriers. Reflecting our two countries' strong and multi-faceted political, economic, and strategic partnership, the Record of Discussion affirms both governments' intention to promote best practices for marketplace participation by their airlines providing scheduled service under the 2002 Air Transport Agreement, all rights and provisions of which remain in force. The two governments recognize the possible adverse impact of government support on competition. They express their understanding that financial transparency is best served when airlines issue annual financial reports audited in accordance with internationally-recognized accounting standards. Emirates Airline and the U.S. airlines that provide or have provided scheduled combination international air services under the Agreement have issued such reports for years, and Etihad Airways intends to do so upon completion of its restructuring and reorganization. Those airlines should endeavor to take steps to ensure that material transactions with government-owned providers of goods and services of either country are based on commercial terms. Both governments also intend to meet again within the next year to review progress.

This outcome is a result of the Department of State-led effort to address concerns about subsidized competition and a lack of transparency in the global aviation sector. We are maintaining the Open Skies framework, which continues to yield real benefits for airlines, airports, labor, the travel industry, and consumers, among others. Our goal is to provide beneficial results for as many U.S. stakeholders as possible.

Information on U.S. aviation policy and Open Skies agreements currently in force is available on the Department of State's website here:
<https://www.state.gov/e/eb/tra/ata/>

The Office of Website Management, Bureau of Public Affairs, manages this site as a portal for information from the U.S. State Department. External links to other Internet sites should not be construed as an endorsement of the views or privacy policies contained therein.