

## EUROPEAN UNION DELEGATION TO THE UNITED STATES OF AMERICA

The Head of Delegation

Washington, 25 July 2016 del-usa.001.dir(2016)4384694 KB/JB/TEE/st

Secretary Anthony Foxx US Department of Transportation 1200 New Jersey Avenue, S.E. Washington DC 20590

Email:

Subject:

Transmission of correspondence

Dear Secretary Foxx,

Please find attached an advance copy of a letter from EU Commissioner for Transport, Violeta Bulc sharing her concerns on the recent developments affecting the applications of Norwegian Air International (NAI) and Norwegian UK for a foreign air carrier permit.

Yours sincerely,

David O'Sullivan
Ambassador

Attachment: 1

## VIOLETA BULC Member of the European Commission

Brussels, 22 JUIL. 2016 JS/ARES(2016) 3906 724

Anthony FOXX
Secretary
US Department of Transportation
1200 New Jersey Avenue, S.E.
Washington, DC 20590
UNITED STATES

Dear Secretary Foxx, Anthony

I am writing to you to share my concerns on the recent developments affecting the applications of Norwegian Air International (NAI) and Norwegian UK for a foreign air carrier permit. You will recall that during your visit to Brussels on 25 April 2016, we took note of the US Department of Transportation (DoT)'s show cause order of 15 April 2016 and I was pleased to note that you would expect to have a final decision on this matter very soon.

We had particularly welcomed the clear and robust legal opinions by three separate US Government departments included in the show cause order, which was in with our position. We were also well aware of the importance of the 30 June 2016 deadline for the application of Norwegian UK and were hoping to see the final decision of DoT on NAI's application before that date.

However, DoT's dismissal of Norwegian UK's request for exemption authority issued on 30 June raised serious concerns on our side. In addition, more than three months after the issue of the show cause order on NAI, there is neither a final decision on the case nor an indication of any timeframe for concluding the process.

I find it regrettable that this is the outcome after more than two years of deliberations and despite the patience and the goodwill that the EU has shown. I have initiated the decision to formally request arbitration on this matter. I expect it to be notified to the U.S. side in the coming weeks.

But I am also concerned, as some of my colleagues, about the consequences that this matter could have, not only in our aviation relations, but in the overall economic and trade transatlantic agenda. At a time where closer bilateral ties are being put into question by many sectors of our societies, we should carefully consider the implications that this long and protracted dispute could have, for example, in the TTIP negotiations after both sides legal teams share the assessment of the case.

I would invite you to take these issues into account and would appreciate your assessment of the situation.

Yours sincerely,

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Cc:

Mr Denis MCDONOUGH, White House Chief of Staff

Mr John KERRY, United States Secretary Of State

Mr Antony BLINKEN, Deputy Secretary of State

Ms Adewale "Wally" ADEYEMO, Deputy National Security Adviser for International Economic Affairs

Ms Cathy NOVELLI, Under Secretary for Economic Growth, Energy, and the Environment

Mr Michael FROMAN, United States Trade Representative