

# OPEN SKIES PARTNERSHIPS: Expanding the Benefits of Freer Commercial Aviation



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***“Work to ‘democratize’ aviation continues to allow millions more Americans the opportunity to fly to international destinations each year and for countless foreign tourists to visit our country.”***

**— Secretary of State Hillary Rodham Clinton**

The United States has pursued a policy of Open Skies civil aviation relationships with our international partners since 1992, when we concluded the first ever Open Skies air services agreement with the Netherlands.

## What Are Open Skies?

Open Skies agreements between the United States and other countries expand international passenger and cargo flights by eliminating government interference in commercial airline decisions about routes, capacity and pricing. This frees carriers to provide more affordable, convenient and efficient air service to consumers, promoting increased travel and trade and spurring high-quality job opportunity and economic growth. Open Skies policy rejects the outmoded practice of highly restrictive air services agreements protecting flag carriers.

## Growth in Open Skies Partnerships

In late 2010, U.S. delegations led by the U.S. Department of State’s Office of Transportation Affairs, in partnership with the Department of Transportation and the Department of Commerce, concluded negotiations for new agreements with Colombia and Brazil, bringing the number of Open Skies partners for the United States beyond 100. Over 70 percent of international departures from the United States now fly to Open Skies partners.

## Advantages of Open Skies

Direct air connections bring substantial economic benefits. Open Skies agreements expand cooperative marketing arrangements, liberalize charter regulations, improve flexibility for airline operations, and include provisions committing both governments to observe high standards of safety and security. These agreements also produce countless new cultural links worldwide.

## Boon to U.S. Cities

Before Open Skies began to liberalize the international aviation environment, cities like Dallas-Fort Worth, Detroit, Las Vegas, Memphis, Minneapolis, Portland, and Salt Lake City had few or no direct international air connections. Now they enjoy direct connections to cities around the world.

The Memphis-Shelby County Airport Authority in 2005 concluded that the direct service between Memphis and Amsterdam on KLM has a \$120 million annual impact in Tennessee and supports 2200 local jobs.

Portland, Oregon estimates that its direct international flights to Tokyo, Amsterdam, and Frankfurt generate over \$240 million in airport and visitor revenue.

A private study found that new direct service between a U.S. city and a point in the European Union generates up to \$720 million annually in new economic activity for the U.S. city and its local region, depending on the size of the markets.

## Agreements with Large and Small Countries

The United States has Open Skies agreements with partners at all levels of economic development. The 2007 and 2010 agreements with the European Union and its member states liberalized the largest international aviation market in the world. The U.S. Government has concluded agreements with major economies like Brazil, India, Japan, and South Korea.

Open Skies agreements also connect the United States with smaller countries. Last year, carriers decided to resume direct service between the United States and Liberia, an Open Skies partner, after a 20 year interruption.