1. The seventeenth meeting of the U.S.-EU Joint Committee (J.C.) took place in Helsinki on 4-5 June 2015. The list of participants is at Attachment 1. The approved agenda is at Attachment 2.

**DAY I**

**Introduction and Adoption of Agenda**

2. The U.S. delegation wished to raise two points (user charges at certain UK airports and terminal assignments at Rome airport) under the Any Other Business (AOB) item. The EU delegation would raise Preclearance facilities under the same agenda point. The delegations noted that the industry presentation was cancelled.

**Adoption and signature of the Record of the 15th meeting of the J.C.**

3. The record of the 15th meeting of the J.C. that took place in Vienna on 10 June 2014 was adopted and signed by the heads of delegation. The delegations decided to swiftly complete and sign the pending Records of Meetings (ROMs) of the November 2014 and January 2015 J.C. meetings.

**Implementation of Agreement**

4. The EU delegation thanked the U.S. delegation for the feedback it provided a week ago on the draft Croatia Protocols and the draft exchange of letters regarding the status of Mayotte. The EU delegation would provide the U.S. delegation with its assessment in due time.

5. The EU delegation informed the U.S. delegation that its internal process for the completion of the ratification process for the 2007 U.S.-EU Air Transport Agreement was ongoing. There were no obstacles foreseen and the Council was expected to take a decision before the end of the year. Subsequently, the U.S. delegation would be contacted regarding an exchange of diplomatic notes.
Article 21

6. The U.S. delegation presented its Information Note which responds to the EU's Information Note of 22 January—"Regulation on Noise Related Operating Restrictions at EU Airports" where it asserts that the conditions in Article 21(4) of the U.S-EU Air Transport Agreement (ATA) have been satisfied through Article 8 of the EU Regulation 598/2014. The U.S. delegation disagreed with the conclusions offered by the EU. The U.S. delegation did not believe the commencement of infringement proceedings would be adequate to meet the requirements of Article 21 of the Agreement. Further, the U.S. delegation stated that only "appropriate legal action" (and not merely the initiation of proceedings) that would prevent the imposition of noise restrictions that do not follow the balanced approach would constitute the appropriate trigger for the exercise of the "hard rights" which are provided in Article 21.

7. The EU delegation referred to the two conditions to be met: 1) the Commission has the authority to review the process prior to the imposition of the operating restrictions; and, 2) the Commission has the authority, where it is not satisfied that the appropriate procedures have been followed, to take, prior to the imposition appropriate legal action regarding the measures in question. The EU delegation noted that the U.S. delegation did not appear to contest that the first condition had been met. On the second condition, the EU delegation noted that nowhere in the ATA was it stated that the Commission must have the authority to "prevent the imposition of the restrictions in question". The EU delegation stated that it had been clear throughout the Second Stage negotiations that the Commission did not have this power under the Treaties. Consequently, the U.S. delegation’s arguments did not alter the EU's position that Article 8 of the Regulation fulfils the conditions under Article 21 of the ATA.

8. Given the difference of opinions between the two delegations, the J.C. was not in a position to take a decision. The delegations decided to reflect on how to proceed.

Wet Leasing

9. The delegations addressed developments related to arrangements for the provision of aircraft and crew (i.e., wet leasing). The U.S. delegation presented its draft proposal for the negotiation of an agreement that would allow U.S. carriers to be treated as
“Community air carriers” for purposes of EU Regulation 1008/2008. The EU delegation appreciated this constructive approach, which it assessed as a good beginning and underlined the need to ensure that the envisaged agreement would establish a balanced regime. The EU would be willing to engage in preliminary exploratory talks with the United States on this matter while the formal negotiations could only be launched following the grant of an authorization. The U.S. delegation accepted this proposal. The delegations decided to hold a separate meeting with only the necessary government personnel from both delegations in the afternoon to initiate these informal talks.

**EU Regulation 868**

10. The U.S. delegation requested an update on EU Regulation 868. The EU delegation responded that review of EU Regulation 868 is ongoing within the framework of the EU Aviation Strategy. The earliest occasion for a legislative proposal would be beginning of 2016.

**EU Regulation 261/2004**

11. The EU delegation provided an update on the process regarding the revision of the EU Regulation on Air Passenger Rights, highlighting that the discussions were advancing at a slower pace. It was not certain whether the negotiations between the three institutions (European Parliament, Council and Commission) could be initiated before the end of the year. The U.S. delegation thanked the EU delegation for this helpful update, and noted it would follow the developments with interest and would appreciate to be informed about the evolution of the proposal. On the extraordinary circumstances, the EU delegation expected that a good balance would be established between protection of passenger rights and cost to industry.

**Travel Package Directive**

12. The EU delegation informed the U.S. delegation that the legislative process for the revision of the nearly 15 year-old Travel Package Directive (TPD) was concluded and summarized the main changes. The U.S. delegation took note of this update while again expressing its concerns that the "click through" definition, which has been enlarged, would create the need for airlines to obtain insolvency insurance. It sought clarification on the timeline and on the review by the Commission to be conducted in 3 years (to assess
the effectiveness of the "click through" package provision and to propose possible legislative amendments as needed). The EU delegation indicated that the TPD would enter into force 20 days after publication which was scheduled for November 2015. Therefore, the 3 years' review period was to begin at the end of 2015. The deadline for transposition by member States was 24 months and there was an additional 6 months for industry to adapt to the new regime.

**Passenger Name Record**

13. The EU delegation stated that in May 2015 the Commission had presented a recommendation to the Council to open negotiations on a Passenger Name Record (PNR) Agreement with Mexico. The Council was currently examining this proposal. Mexico was informed that the agreement could not be concluded before the European Court of Justice (ECJ) has issued its opinion on the draft PNR Agreement with Canada. The U.S. delegation reiterated its concern that U.S. carriers faced potential liability under EU law for sharing PNR data with third countries, such as Mexico, unless the EU and that third country also have an agreement in place on the protection of personal information. The U.S. delegation's desire to be informed about the evolution of the EU talks with Mexico regarding such an agreement stems from this potential liability for its carriers. The EU delegation highlighted that DG HOME had the lead for PNR issues and that it remained in close contact with the U.S. Mission to the EU and the U.S. Department of Homeland Security (DHS).

**Drugs & Alcohol Testing**

14. The U.S. delegation referred generally to the scope of comments received following the publication of the Advance Notice of Proposed Rulemaking (ANPRM). It assured the EU delegation that the U.S. was aware of its concerns and would keep the EU updated on the next steps. The EU delegation stated that it trusted that the U.S. would carefully consider its obligations under international agreements with the EU when determining how to proceed on this matter.

**Slot Management and Transparency for LGA/JFK/EWR**

15. The U.S. delegation provided an update on the Notice of Proposed Rulemaking (NPRM) by the Department of Transportation (DOT) and Federal Aviation Administration (FAA) on slot management at the three New York City area airports – La Guardia, JFK, and
Newark – which was published on 6 January 2015. The initial comment period was extended until 8 May 2015 and over 1400 comments were received. The expectation was to have the draft rule ready by the end of the year.

**Iran Overflight Payments**

16. The EU delegation referred to the concerns of its carriers and banks that they might be subject to legal action for violating U.S. sanctions laws related to Iran. It thanked the U.S. delegation for the organization of a teleconference that took place on 4 March 2015 where the delegations decided to consider formalizing the delegations' shared understanding of the situation by the adoption of a common position at the J.C. The subsequent letter of the U.S. Treasury Department to DG MOVE, dated 1 May 2015, could serve as basis for such a position. The EU delegation proposed to work on a draft text that could be submitted to the next meeting of the J.C. for consideration. The U.S. delegation accepted this offer.

**Aviation Security**

17. On aviation security, the delegations noted that the regular meeting of the EU-U.S. Transportation Security Cooperation Group (TSCG) was taking place simultaneously in Brussels.

18. The delegations noted the current threat environment is a reminder that aviation security requires constant vigilance and continuously evolving joint efforts to ensure the safe travel of citizens and a secure commercial environment.

19. The delegations noted their commitment to identify areas where they can reduce regulatory duplication in favor of aligned technologies and procedures. The air cargo and mail mutual recognition arrangements are tangible successes in this regard and the delegations acknowledged the importance of maintaining them. Similarly, the delegations noted they are reviewing the commensurability of EU aviation security measures with those of the United States in the domains of: aircraft search, protection, and catering. Such initiatives are undertaken to ensure that effective, sustainable and cost-efficient security solutions are employed.
20. Because the threat to trans-Atlantic civil aviation remains, the delegations jointly emphasized the importance of deploying state-of-the-art technology and processes, while leveraging existing resources, to overcome an adaptive adversary. In this regard, the delegations also acknowledged their close collaboration in enhancing the detection of explosives concealed in cabin baggage and portable electronic devices. The U.S. delegation remarked that it recently adjusted U.S. security requirements based, in large-part, on the comparable security enhancement efforts undertaken by the Commission that establish mandatory requirements to screen passengers with either Advanced Imaging Technology (AIT)/body-scanners, Explosive Trace Detection (ETD), or canine to maximize the effectiveness of detection of explosives.

21. Finally, the delegations noted that close collaboration is required with regard to the future implementation of screening for liquids, aerosols, and gels (LAGs) in order to facilitate further lifting of restrictions in a feasible and coordinated manner for trans-Atlantic traffic. The Commission reported on its intention to support further operational work in order to determine how to optimize the integration of liquids screening equipment at airports, and in doing so, referred to the LAGs Action Plan drawn up with airports and security equipment manufacturers.

**NAI**

(Closed, government-to-government session)

22. Regarding Norwegian Air International (NAI)'s pending application for a foreign air carrier permit, the EU delegation stated its view that the delay represented a clear breach of the ATA, and that it reserved the right to exercise the options available under the ATA. It urged the U.S. delegation to provide an indication as to when DOT's analysis would be completed and the timeline for the issuance of the Show Cause Order. It sought to hear U.S. delegation's concerns regarding Article 4(b), (c) and (d) of the ATA and inquired about its understanding of the term "minimum procedural delay".

23. The U.S. delegation confirmed that the application remained under active consideration by the DOT. DOT was not in a position to give any indication on the timeline. The U.S. delegation also stated that it would not be in a position to make any statements on the analysis of the case.
DAY II

Preclearance facilities

24. (The delegations decided to take up this AOB point as the first item on the second day of the J.C. meeting) The U.S. delegation provided an update on the outcome of the recent U.S. Government interagency process that resulted in the selection of 10 new possible locations in nine States where facilities for Preclearance operations might be set up. The United States would now seek to have negotiations with the nine States where these facilities would be located. The U.S. delegation noted that 16.4 million travelers were cleared in 2014 in the existing Preclearance facilities. This constituted 15.3% of all air travelers into United States. The goal was to increase that to 33%. The U.S. delegation noted the candidate EU airports (Brussels, Amsterdam Schiphol, Oslo, Madrid-Barajas, Stockholm, London Heathrow, and Manchester) and indicated that it was pleased with the level of interest shown by the EU Member States.

EU Aviation Strategy

25. The EU delegation provided an update on the EU Aviation Strategy that was expected to be adopted towards the end of the year. The package would include an "Aviation Strategy" Communication identifying challenges and measures for improving the competitiveness of the EU aviation sector. The EU delegation referred to the ongoing public consultation and invited the United States to contribute. The U.S. delegation thanked the EU for this useful update and expressed its interest to follow up the evolution of this comprehensive package.

ICAO/ATRP work

26. The U.S. delegation reiterated its endorsement for the Sixth Worldwide Air Transport Conference while highlighting its view that the International Civil Aviation Organization (ICAO) had a clear role to play in safety, security, and environment, but not necessarily in economic regulation. The U.S. delegation also expressed concern about the current process; the discussions seem to have shifted to the definition of a fair competition clause that would be globally accepted. If this path is followed, the U.S. delegation noted that agreement on a text would not be reached any time soon. The United States would nevertheless continue to participate in the meetings.
27. The EU delegation underlined that open and fair competition was indeed part of the debate in the EU but its intention was not to impose anything on others. However, the EU delegation continued that it is of the opinion that ICAO is the right place to have a discussion on such matters and that the EU is willing to coordinate with the United States before the next meeting in Dubai. The EU delegation also expressed its view that liberalization went hand in hand with regulation. The U.S. delegation concurred with the proposed pre-coordination while expressing concern that the Working Group seemed to have derailed on the issue of how fair competition would be documented.

**Fair Competition – State of Play in the U.S. and EU discussions**

28. The U.S. delegation stated that it was in the process of reviewing the comments received in the public docket regarding the claims made by three U.S. airlines concerning three Gulf carriers. Numerous submissions have been made; some supportive of the views of the three U.S. airlines, some supportive of the Gulf carriers. Whatever decisions the United States makes the U.S. delegation suggested it would strike the right balance between prompt conclusion and due diligence, and would be conducted in such a way that the benefits of the Open Skies policies would be preserved. The EU delegation stated that it would follow the debate with interest and shared the highlights from the recent (May 2015) dialogue with the Gulf Cooperation Council. Future steps would be shaped by the efforts of the working groups. The next meeting of the dialogue could take place in autumn. The debate so far covered a scope that was wider than just fair competition.

**EU Carrier Ownership**

29. The EU delegation provided an update on the ongoing review of ownership and control of EU carriers. This review concerned a number of foreign investments in EU airlines: Delta Air Lines’ stake in Virgin Atlantic in the UK; Chinese HNCA’s stake in Cargolux in Luxembourg; Korean Air’s stake in Czech Airlines in the Czech Republic; and finally, Etihad Airways’ stake in Air Berlin in Germany, in Alitalia in Italy, in Air Serbia in Serbia, and in Darwin in Switzerland. The Commission expected to conclude some of these before the summer break, but the pace of the process depended also on the cooperation of the national authorities. The Commission would continue to have a consistent approach in the application of the ownership and control rules by opening investigations each time question marks were raised.
Environment

30. The U.S. delegation expressed its concerns regarding the Catalan NOx tax which it found difficult to reconcile with the provisions of the ATA (Article 15.2) and ICAO's resolution on taxes, noting that the proliferation of such local taxes could undermine the ongoing work in ICAO on global measures. The EU delegation indicated that the Commission was looking into the case, assessing compatibility with the ATA and other European air transport legislation. While the levying of aviation taxes is a national competence in the EU, this does not prevent the Commission from taking appropriate action if EU law is infringed in the way such taxes are applied. DG MOVE is also in contact with DG TAXUD on the first dimension. The U.S. delegation stated that it looked forward to the outcome of this assessment.

31. The U.S. delegation expressed its concerns regarding the increasing environmental charges in Heathrow, which it also perceived as discriminatory against non-EU carriers. The UK representative indicated that this matter should be seen in the context of the airport charges directive. The UK representative invited the airlines who raised the issue to first get in touch with Heathrow airport authorities, and the matter would then be followed up by the implicated parties.

32. The representative from Finland provided an update on related operational restrictions at Helsinki airport. Taking into account the nature and importance of the material submitted after the first round of consultations, a new round of consultations was organized during spring 2015. A total of 29 comments were received during this round. The airport operator Finavia was then requested by the Finnish government to submit its own observations on these comments. Subsequently, the Finnish Civil Aviation Authority Travi hoped to be in a position to make a decision.

33. The representative from Italy provided an update on the Imposta Regionale per le Emissioni Sonore degli aeromobili civili (IRESA) which gives regional governments the authority to impose a levy deriving from noise pollution. The Italian Constitutional Court has issued its judgment on the full legitimacy of Law 21 February 2014, n.9 (article 13,
sub 15 bis) to be applied also by Lazio Region, which capped the amount to €0.50 for each ton of maximum take-off weight of the aircraft while reformulating the determination of this levy taking into account additional criteria. The Italian Civil Aviation Authority (ENAC) would continue to monitor the proper use of the revenues. Nonetheless, it considers that this reduced amount does not impede access to airports, and that the levy is in conformity with the ICAO balanced approach. The U.S. delegation indicated that while it was happy to see the amount reduced, some of its concerns remained unanswered. It would consult U.S. air carriers before determining the next steps.

34. On the ICAO initiatives to address CO2 emissions, including the development of a global market-based measure (GMBM), the U.S. delegation provided a brief update on related developments in the United States. Activities include the development and deployment of environmentally beneficial aircraft technology and alternative jet fuels, and identifying operational improvements that could help mitigate aviation’s climate impact through fuel burn and greenhouse gas emissions reductions. The United States also attended every ICAO Global Aviation Dialogue meeting to show support of ICAO’s efforts to develop a GMBM, to provide continued leadership, and to encourage further dialogue and information-sharing, particularly amongst the Member States who are not represented on the Committee on Aviation Environmental Protection (CAEP) and the regional entities in attendance. Both delegations expressed their commitment to ICAO’s process for the development of a basket of measures that would include adoption of a GMBM at the General Assembly in 2016. While it was acknowledged that progress on political aspects could not be expected until after the COP/21 meeting in Paris, it would be important to make best use of the time between now and December to ensure that progress on technical aspects and analysis of different options would be made.

35. Both the EU and the U.S. delegations stated that they were encouraged by the excellent progress made by CAEP in the complex development of the new CO2 standard which was seen as an important element in ICAO’s basket of measures. Because of the excellent progress, CAEP was expected to reach agreement on a final outcome on the CO2 standard at their meeting in February 2016.
36. The U.S. delegation raised the issue of the plan to move U.S. air carriers from one terminal to another at Rome Fiumicino airport. The Italian representative stated that the move was related to the recent fire at the airport which had significant negative consequences for carriers at the airport. The U.S. delegation pointed to some concerns received that predated the fire. The delegations decided that this matter would be taken up between the U.S. Government and the Italian civil aviation authorities.

37. The U.S. delegation also inquired about the consultations launched in the UK on the regulation of the airport charges in South East England. The UK representative stated that the obligation to consult on the airport charges originated from the EU law and explained that this matter was linked to an infrastructure expansion due to need for more capacity. The Airports Commission was in the process of formulating its recommendations, and hence it would not be appropriate to say more at this point.

**Next Meeting**

38. The delegations decided that the next meeting of the J.C. would be in the United States. The U.S. delegation was prepared to consider the EU delegation’s proposal to adopt a Spring/Autumn schedule for future J.C. meetings. It would subsequently inform the EU delegation on possible dates for the next meeting.
Signed

For the U.S. delegation:

[Signature]
Thomas Engle

Date: 14 September, 2016
Place: Washington, D.C.

Attachment:
1 – List of Participants
2 – Approved Agenda

For the European delegation:

[Signature]
Eilip Cornelis

Date: 15 September, 2016
Place: Brussels, Belgium
Attachment 1 – Participants List

EU-U.S. Joint Committee
4-5 June 2015
Helsinki
Venue: Smolna

EU Delegation

European Commission

1. Margus Rahuoja, DG MOVE, Director E- International Transport Affairs
2. Deniz Bayraktutar, DG MOVE, Policy Officer, International Transport Affairs
3. Knut Simonsson, Legal Service

EU Member States

4. Michel Lamalle, Deputy Director for airlines and air services, French Civil Aviation Authority
5. Maria Teresa Lioi, Expert in EU External Relations and Regulation Matters, Italian Civil Aviation Authority (ENAC)
6. Tomas Vokaty, Senior Official, Civil Aviation Department, Ministry of Transport, Czech Republic
7. Mareike Bartkowski, Deputy Head of Division International Air Transport, Civil Aviation Department, Federal Ministry of Transport Germany
8. Mark Bosly, Deputy Director, Head of International Aviation, Safety and Environment Division, UK Department for Transport
10. Ana Cristina Pais, Portuguese Civil Aviation Authority (ANAC)
11. Krasimir Naydenov, Chief Expert, International Relations Department, Civil Aviation Administration, Republic of Bulgaria
12. Lars Österberg, Senior Adviser, Ministry of Enterprise and Innovations, Sweden
13. Simon Posluk, Swedish Transport Agency
14. Niall Curran, Aviation Services Division, Department of Transport, Tourism and Sport, Ireland
15. David Benito Astudillo, Head, International Agreements, Directorate General of Civil Aviation, Spain
16. Sigurbergur Björnsson, Director, Department of Infrastructure, Ministry of the Interior, Iceland
17. Oyvind Ek, Ministry of Transport and Communications, Norway
18. Ann-Kristin Hanssen, Senior Adviser, Civil Aviation Section, Ministry of Transport and Communications, Norway
19. Hege Susann Aalstad, Civil Aviation Authority, Norway
21. Susanna Metsälampi, Head of Department, Rulemaking services, Transport Safety Agency, Finland
22. Anna Sotaniemi, Ministerial Counsellor, Ministry of Transport and Communications, Finland
23. Maija Ahokas, Ministerial Counsellor, Ministry of Transport and Communications, Finland
24. Risto Saari, Transport Counsellor, Ministry of Transport and Communications, Finland
25. Timo Koskinen, Special Adviser, Ministry of Transport and Communications, Finland

EU Industry

26. John Hanlon, Secretary General, ELFAA
27. Gérard Borel, General Counsel, ACI-EUROPE
28. Viktoria Vajnai, Manager External Relations and consumers, AEA (Association of European Airlines)
29. Arnaud Camus, Air France
30. Regula Dettling-Ott, Lufthansa
31. Hanna Lauren, Finnair
32. Jonathan Bailey, Group International Relations Manager, IAG
33. Hans Ollongren, SAS (Scandinavian Airlines)
34. Jack Netskar, ECA (European Cockpit Association)
U.S. Delegation

**U.S. State Department**

35. Tom Engle, Head of Delegation, Deputy Assistant Secretary for Transport Affairs, U.S. Department of State
36. Ellen Dunlap, Deputy Director, Office of Transport Policy, U.S. Department of State
37. Rob Newsome, Office of Aviation Negotiations, U.S. Department of State
38. Virginia Frasure, Attorney-Adviser, U.S. Department of State

**U.S. Department of Transportation**

39. Brian Hedberg, Deputy Director, Office of International Aviation
40. Jennifer Thibodeau, Attorney Advisor, Office of International Law

**U.S. Department of Commerce**

41. Eugene Alford, U.S. Department of Commerce

**Federal Aviation Administration**

42. Tricia Stacey, FAA Senior Representative, U.S. Mission to the EU

**Transport Security Administration**

43. David Gordner, Regional Manager for Europe, Office of Global Strategies

**U.S. Industry**

44. Diane Peterson, Senior Adviser, International Affairs, ACI-North America
45. Roz Ellingsworth, Washington Representative, Independent Pilots Association
46. Chip Hancock, Governmental Affairs Committee, Southwest Pilots’ Association
47. Russell Bailey, Senior Attorney, Air Line Pilots Association, International
48. Bob Coffman, Chairman, Government Affairs Committee, Allied Pilots Association
49. Russ Pommer, Associate General Counsel, Atlas Air
50. Connor McAuliffe, Director for European Affairs, United Airlines
51. Julie Oettinger, Managing Director, Delta Airlines
52. John Williams, Senior Analyst, Regulatory & International Affairs, American Airlines
53. Nancy Sparks, Managing Director of Regulatory Affairs, FedEx
17th EU-U.S. Joint Committee Meeting
June 4-5, 2015
Helsinki, Finland

Agenda

Day 1 – Thursday, June 4

09:30 Venue: Smolna

- Introduction and Adoption of Agenda

- Adoption and signature of the Records of the 15th and 16th J.C. Meetings and the special meeting of the J.C. (November 2014)

- Implementation of Agreement
  - Remaining discussion re Croatia & Mayotte (if not completed before the meeting)
  - Entry into force of the 2007 Air Transport Agreement (ATA)

- Article 21 – Annual Review

- Wet-leasing

- Legislation & Rule Making Updates
  - EU Regulation 868
  - EU 261
  - Travel Package Directive
  - PNR
  - Drug and Alcohol Testing
  - Slot Management and Transparency for LGA/JFK/EWR

- Iran Overflight Payments

- Norwegian Air International

  Note: government-to-government, closed session

13:00 Lunch

14:00 – 17:00 Industry Presentation (including a coffee break)
18:00  Venue: U.S. Embassy

Industry Reception

Day 2 – Friday, June 5

09:00  Venue: Smolna

- Aviation Security Update
- EU Aviation Strategy
- Fair Competition
  - ICAO/ATRP work
  - State of Play in U.S. and EU discussions
- EU Carrier Ownership Overviews

  BREAK

- Environment
  - Catalan NOx Charges
  - Heathrow NOx and Noise Charges
  - Finland Noise Update
  - IRESA Update
  - ICAO Basket of Measures to Address CO2 Emissions
  - Technology, Operations, Alternative fuels (Deliverables at Assembly)
  - Global Market-Based Measures (activities at EAG, CAEP, GLADS; views in way forward)

- AOB

- Next Meeting

13:30 Lunch