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**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Order 2000-10-7

Served: October 12, 2000

Issued by the Department of Transportation
on the 6th day of October, 2000

**U.S.-ROMANIA THIRD-COUNTRY
CODE-SHARE OPPORTUNITIES**

Docket OST-2000-6903-9

FINAL ORDER

SUMMARY

By this order, we make final our tentative decision in Order 2000-9-12 regarding service to Romania by U.S. carriers under code-share arrangements with third-country carriers.

BACKGROUND

Under Annex IV of the 1998 U.S.-Romania aviation agreement, the United States may designate four U.S. carriers to serve Romania under code-share arrangements with third-country carriers during a transition period.¹

By Order 2000-9-12, based on various service changes in the market, we tentatively decided that two of the four authorizations were available for allocation. We also tentatively decided to select Delta and American to use these authorizations with their third-country partners, Air France and Swissair, respectively. Objections to the Department's tentative decision were due September 25 and answers to the objections were due October 2.

¹ Under Route A, the designated U.S. carriers may operate from points behind the United States via the United States and intermediate points to a point or points in Romania and beyond. Effective November 1, 2001, there will be no limitations on the number of U.S. carriers that may provide third-country code-share service between the United States and Romania under the open-skies aviation agreement between the two countries.

RESPONSIVE PLEADINGS

No responses to our show-cause order were filed.

DECISION

We have decided to make final our tentative decision to authorize American to serve Romania via Zurich under its code-share arrangement with Swissair and Delta to serve Romania via Paris under its code-share arrangement with Air France. As we stated in our show-cause order, the selection of these services will offer a variety of services to the public, will maximize the competitive opportunities for U.S. carriers in the U.S.-Romania market, and will more fully use the available route rights. The authorization of the American and Delta services, combined with those of the other carriers authorized to provide third-country code-share services, would provide the greatest level of competitive services in the U.S.-Romania market from four U.S. airlines via four different European countries and the greatest number of U.S. cities.²

ECONOMIC AUTHORITY

We will grant American the requested exemption authority to serve the U.S.-Romania market via Zurich in order to conduct the authorized third-country code-share service. Delta already holds the necessary underlying authority to conduct its proposed service and, thus, additional underlying authority for Delta is not necessary. American and Delta both have blanket statements of authorization for their code-share services with Swissair and Air France, respectively, and have filed the necessary notices pursuant to those authorizations to serve the Romania market. As we discussed in the show-cause order, we will allow a period of 30 days for Continental to effectuate the termination of its service. Since American is the new entrant in the U.S.-Romania market, we will make American's authority effective upon termination of Continental's authorization.³

ACCORDINGLY,

1. We make final our tentative findings and conclusions in Order 2000-9-12;
2. We select American Airlines, Inc., and Delta Air Lines, Inc., to be designated to provide scheduled foreign air transportation of persons, property, and mail in the U.S.-Romania market under their code-share arrangements with Swissair (via Zurich) and Air France (via Paris), respectively;
3. The selection of Delta Air Lines, Inc., in ordering paragraph 2 is effective immediately. The selection of American Airlines, Inc., is also effective immediately for services commencing 30 days after the service date of this order;

² We are also making final our decision to revoke the third-country code-share authorization of Continental to serve the U.S.-Romania market. See Order 2000-9-12 for a full discussion of the circumstances affecting Continental's Romania code-share services.

³ Should Continental and American reach an arrangement for an earlier transition of their U.S.-Romania services, we will entertain a request to advance the effective date of American's third-country code-share service authorization.

4. We grant American Airlines, Inc., exemption authority under 49 U.S.C § 40109 to provide scheduled foreign air transportation of persons, property and mail between a point or points in the United States and Romania via Zurich, Switzerland;
5. The exemption authority granted in ordering paragraph 4 is effective immediately and shall remain in effect for a period of two years from the date of service of this order, and shall be subject to the standard conditions attached to this order;
6. We revoke the authorization of Continental Airlines, Inc., for third-country code-share services in the U.S.-Romania market, effective 30 days after the service date of this order;
7. We may amend, modify, or revoke the authority granted by this order at any time at our discretion without hearing;
8. To the extent not granted, we deny all requests in the captioned docket; and
9. We will serve this order on American Airlines, Inc.; Continental Airlines, Inc., Delta Air Lines, Inc.; the Ambassador of Romania in Washington, D.C.; the U.S. Department of State (Office of Aviation Negotiations); and the Federal Aviation Administration (AFS-220).

By:

SUSAN MCDERMOTT
Deputy Assistant Secretary for
Aviation and International Affairs

(SEAL)

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http://dms.dot.gov/reports/reports_aviation.asp*

U.S. CARRIER
Standard Exemption Conditions

In the conduct of operations authorized by the attached notice, the applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with applicable requirements concerning oversales contained in 14 CFR 250 (for scheduled operations, if authorized);
- (3) Comply with the requirements for reporting data contained in 14 CFR 241;
- (4) Comply with requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Except as specifically exempted or otherwise provided for in a Department Order, comply with the requirements of 14 CFR 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with the applicable requirements of the Federal Aviation Administration Regulations, including all FAA requirements concerning security; and
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted shall be effective only during the period when the holder is in compliance with the conditions imposed above.