

MR ZOLTAN KAZATSAY

OPENING OF NEGOTIATIONS ON A SECOND STAGE
AVIATION AGREEMENT WITH THE UNITED STATES

BRDO, SLOVENIA, 15 MAY 2008

Dear Minister Zerjav, Mr Komac, Special Envoy Gray, Ladies
and Gentlemen,

It has been just over one year since, at the EU-U.S. Summit in
Washington, Mr Tiefensee, our former Commissioner of
Transport Mr Barrot, Ms Condoleezza Rice, and Mme Mary
Peters put pen to paper and signed the historic first aviation
agreement between Europe and the United States of America.
This agreement existed only on paper until the 30 March of this
year, when it truly spread its wings. Since that date (not much
more than a month ago), transatlantic aviation has been placed
on a new basis, framed by an enhanced cooperative agreement
between our two areas.

It has been hailed by the international aviation community as a major advance, and the most ambitious aviation agreement in existence. Politically, the agreement is an important and concrete demonstration of our shared desire to strengthen still further our transatlantic relationship. Even more important than its political and historical importance, the agreement also has a practical benefit – enabling citizens from across Europe and America to travel as effortlessly as possible between our two continents: it has given us more freedom and mobility - the ability to more easily bridge an ocean and gain an even better understanding of each other.

I know that Europe is proud of the way that the 27 Member States of the European Union and the United States have worked together to draw inspiration for this agreement.

Of course arriving at this point has not always been straightforward; it was certainly a long-haul journey and there

were a number of diversions and periods of turbulence along the way. It has been a marathon and not a sprint.

There had been several occasions when the negotiations were brought back from the brink of failure. And at no time were they ever uncontroversial. The discussions were on the agenda of every meeting of the Council of Ministers from late 2004 to March 2007 – the date that political agreement on the deal was reached.

Does that mean that we have arrived at the promised land? Has everything we wished for been realised? Of course not, because Europe and the United States have a lot more that they can accomplish together. There is the objective to create an Open Aviation Area between Europe and the United States. This will help to condition the health of our carriers and further strengthen the mobility of several hundred million citizens and the growth of our economies in the face of global competition. We should

not forget the key role that aviation plays for our two economies that together represent 40% of global commerce.

We owe it to a sector that facilitates so much of our wealth to do what we can to equip it to face the external shocks that it so frequently experiences; wars, oil prices, epidemics, chronic undercapitalisation of the sector and ever-increasing global competition all threaten the viability of the industry. Improving the competitiveness of the industry means removing the outdated regulatory obstacles that limit investment freedoms. In other words, it has been said before, but it is worth repeating: we must normalise the industry. This is one area the simplicity of argument is a key factor. I know some stakeholders have a specific view on this expression, but I do repeat it: the airlines should be able to conduct normal business activities.

We can not allow ourselves to continue to regulate a global industry in a way that involves so many Governments taking so many different and divergent approaches to regulation. It is not

efficient in any way. This applies to work on security, safety, competition, passenger rights, air traffic management, and the environment. By working together, we can have the courage to do things the same way rather than differently, enhancing the competitiveness of the sector and our wider public interests. Our interests lie not in developing juxtaposing systems on both sides of the Atlantic but in creating the foundation for closer cooperation in a common aviation area. This is not a request for the United States to join the European Union, but rather the aim of establishing a more efficient transatlantic market based on common standards.

It is clear that in seeking to take this next step forward, further obstacles will present themselves. However, I am fully confident that both sides will approach these talks as they approached the first stage – with a commitment to examine all the possibilities and identify the common ground in the knowledge that, like the first stage agreement, a groundbreaking second stage agreement promises many benefits for both sides.

For its part, the European Commission will do all it can to aid the process and I would like to thank Mr Radovan Zerjav and the Slovenian Presidency for getting the process started in such style.

So, ladies and gentlemen, it has taken four years and 11 rounds of negotiations to deliver the first stage agreement. Let us hope that the second stage spends less time on the drawing board before it takes its maiden flight.

Let me conclude with a formal appeal to both negotiators: work hard and deliver quickly. We can not afford to wait too long and certainly not for four more years.

Thank you.

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