

27 June 2012, Third Transatlantic Aviation Issues Conference

"Hitting some turbulence: US-EU Aviation relations"

Ladies and gentlemen,

It is a great honour and pleasure to address you this morning. Even if today's theme is about hitting some turbulence, let me say now that I believe US-EU aviation relations are very solid and getting stronger and deeper all the time.

Aviation is at the core of transatlantic trade and travel, and this market is the biggest international air transport market for passenger and cargo. Nearly half of global aviation activity takes place between and within the EU and the US.

We cannot, and will not, allow differences in approaches to block EU-US collaboration or limit the range of issues where we can work constructively together.

These are tough times for the aviation business, which has been hard hit since the start of the global financial crisis. More than ever before, we are both exposed to high and volatile fuel prices and to the crisis in the euro zone. It is still true that our bilateral economic and trade ties are key to driving the world economy.

We can still do more to make the most of this joint partnership to our mutual benefit. The November 2011 EU-US Summit launched an important initiative in trade and investment, with the aim of finding ways to boost economic performance and promote job creation across the Atlantic.

At the same time, both the US and the EU face increased competition from new players who are challenging our positions, both in commercial and technological terms.

We are keen to deepen regulatory cooperation, to adopt mutual recognition of rules, to further liberalisation, and to find global solutions and standards.

On aviation security, our cooperation has become closer and deeper in a very short space of time. The EU and the US are working together to address security threats and to build a more secure aviation world. We are, of course, careful to strike the right balance between security, open trade and passenger convenience.

And on aviation safety, I think it is true to say that this was one of the earliest and strongest areas of transatlantic cooperation. The EU-US Bilateral Aviation Safety Agreement, which came into force last May, is a landmark deal covering all aspects of aviation safety.

The main strategic objective now is to eliminate global disparities in safety performance and to support ICAO in doing this. I hope you will agree that the tasks are too great and too complex for them to be tackled alone. We need to ensure we have effective multilateral institutions like ICAO to bring global standards and industry practices closer together.

On regulation, the basis for our cooperation is the EU-US Air transport agreement. By concluding the second stage negotiations of the Open Skies agreement exactly two years ago, we committed ourselves to working even more closely to build a truly open aviation area and set an example for the world.

Some elements of this agreement may take some time to implement, such as the removal of remaining barriers to market access. We should push for the removal of artificial and archaic national ownership and control rules which do not exist in other industries.

Next, on air traffic management: since both the EU and the US have to deal with congested air spaces, control systems should be modernised - to improve fuel savings, cost efficiency and maintain a high level of safety while reducing emissions.

This brings me to my last topic: the environment and climate change.

This has not always been an area where the EU and the US have seen eye to eye. But it is an issue of great concern to the EU, as I know it is to the US. Views are converging on the scale of the global environmental challenges that we face. We realise the enormity of the threat.

In Europe, we are taking a comprehensive approach to addressing aviation's effects on the environment and for many years, we have sought to find a global solution within ICAO. So we are pleased that discussions on this are now moving forward within ICAO.

The EU and the US have an important role to play in reaching a global multilateral deal within ICAO.

Ladies and gentlemen,

Despite some tensions, frustrations and perhaps some turbulence now and then, we have a shared ambition to ensure the conditions for a strong, competitive and sustainable global aviation industry.

If we are to insure ourselves against more uncertain times and perhaps a more turbulent future, we need to strengthen our transatlantic cooperation even more. Our relationship is the cornerstone of global aviation progress. Together, we have led the development of global aviation and I believe the transatlantic collaborative effort is the most fundamental. Our commitment to transatlantic cooperation is here to stay.

If we continue our close cooperation and strengthen our joint efforts, then the future does indeed look bright.

Thank you for your attention.