



UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, DC

Served: July 28, 2020

NOTICE

**2020/2021 U.S.-China Charter Authorizations
(August 1, 2020, through July 31, 2021)**

By this Notice we notify U.S. carriers of procedures to distribute available charter opportunities between the United States and the People's Republic of China for the 2020/2021 charter year (August 1, 2020, through July 31, 2021).

Under the U.S.-China Air Transport Agreement (as amended), each Party shall approve applications by the airlines of the other Party for 75 one-way charter flights annually from August 1 of each year, between points in China Zone 1 (Zone 1) and U.S. points on city pairs served by Chinese carriers' scheduled services of the same type (combination or all-cargo) as the proposed charter flight, and 75 one-way charter flights annually from August 1 of each year, between points in China Zone 2 (Zone 2) and U.S. points on city pairs served by Chinese carriers' scheduled services of the same type (combination or all-cargo) as the proposed charter flight.¹ These rights are available for the annual periods beginning August 1 each year.

On April 2, 2020, we issued a Notice stating that the Civil Aviation Administration of China (CAAC) had agreed to waive the 75-flight limit on charter flights, with respect to all-cargo operations, between the United States and points in China Zone 1 for the remainder of the 2019/2020 charter year, and that U.S. carriers would not be required to obtain a Notice of Consistency in order to perform a China Zone 1 all-cargo charter operation before July 31, 2020.² We have proposed to CAAC that it again waive the annual limit on U.S. carrier charter flights, with respect to all-cargo operations, between the United States and China Zone 1, this time for the 2020/2021 charter year. We have been actively exploring this proposal with them. At this time the matter remains unresolved, but we will continue pursuing our efforts in this regard.

In the meantime, we find that the public interest warrants our placing the 75 Zone 1 charters, and the 75 Zone 2 charters, into a charter pool for distribution on a first-come, first-served basis, consistent with the modified procedures that were implemented starting

¹ China Zone 1 consists of Shanghai, Beijing, and Guangzhou. China Zone 2 consists of all points in the Chinese provinces of Fujian, Guangdong (except Guangzhou), Hebei, Jiangsu, Shandong, Tianjin, and Zhejiang.

² See Notice dated April 2, 2020 in Docket DOT-OST-1998-20. The CAAC action came in response to a United States Government proposal for a waiver of the 75-flight limit as to both combination and all-cargo charters. The CAAC specifically agreed to waive the limit for all-cargo flights only.

with the 2007/2008 China charter year.³ These procedures have proved effective in managing the demand for U.S.-China charter allocations and we believe that they will continue to facilitate effective use of these valuable rights.

Accordingly, and consistent with past practice, we will implement charter pool allocation procedures for the 2020/2021 charter year as follows:

1. Applications must identify the type of charter (combination or all-cargo); the date of each one-way flight; the charterer(s); the city-pair markets (applicants should also identify the specific Chinese carrier scheduled services associated with the Zone 1 or Zone 2 determination); the type of aircraft to be used; the type of cargo transported (for all-cargo charters); and a statement affirming that the carrier has firm plans to use the charters. Applicants may request confidentiality under Rule 12 of our procedural regulations (14 CFR 302.12);
2. Applications must be sent to the U.S. Air Carrier Licensing Division (X-44), Office of International Aviation, 1200 New Jersey Avenue, S.E., Washington, D.C. 20590;⁴
3. Applications to operate Zone 1 charters may be filed no earlier than 60 days in advance of the flight date(s) and carriers may apply for up to ten Zone 1 charters per month;
4. Applications to operate more than ten Zone 1 charters in a given month may be considered after the applicant completes polling of interested parties;
5. Applications to operate Zone 2 charters may be filed as soon as charter arrangements are firm and carriers may apply for any number of charters;
6. Applications for Zone 1 and Zone 2 charters must include signed copies of the charter contract or some form of written evidence of the charter commitment;
7. Carriers receiving a charter pool allocation shall, in writing, return any flight(s) that they will not use to the U.S. Air Carrier Licensing Division;⁵ and
8. Each U.S. carrier granted a charter pool allocation is to report, in writing, to the U.S. Air Carrier Licensing Division, on its operations for the preceding month by the tenth day of each month.

³ Taking into account that all or nearly all U.S. carriers that have operated in the U.S.-China market hold scheduled authority, beginning in the 2013/2014 charter year we modified our procedures to remove the provision that U.S. carriers holding scheduled combination or all-cargo authority in Zone 1 and/or Zone 2 would not be eligible to request charters until the last two months of the charter year. Based on our experience, we will continue to use these modified procedures in the upcoming charter year.

⁴ Requests should be sent by e-mail to Darren.Jaffe@dot.gov or by fax to 202-366-3694.

⁵ This notification must be received within two business days of the carrier's determination that an allocated flight or flights will not operate.

If the charter allocation request is approved, we will provide the carrier with a Notice of Consistency acknowledging its right to perform the proposed charter operation. However, applicants should be aware that the Notice of Consistency does not relieve U.S. carriers of their obligation to file a separate notification of proposed charter flights with the Chinese authorities. In notifying the Chinese authorities, U.S. carriers should also submit a copy of the Notice of Consistency showing Departmental approval of the charter flights.⁶

We will serve this notice on all U.S. certificated air carriers authorized to operate large aircraft. Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within seven (7) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.⁷

By:

Esta Rosenberg
Acting Director
Office of International Aviation

Dated: July 28, 2020

An electronic version of this document is available on the World Wide Web at:
<http://www.regulations.gov>

⁶ We will post an electronic version of the Notice of Consistency on the World Wide Web at: <http://www.regulations.gov> in Docket Number DOT-OST-1998-20.

⁷ The Director of the Office of International Aviation was assigned delegated authority for this matter. *See* U.S.-China Charter Flights Notice dated August 5, 2004.