



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

Issued by the Department of Transportation on June 23, 2020

NOTICE OF ACTION TAKEN -- DOCKET DOT-OST-2020-0068

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Application of **Air Transport International, Inc. (ATI)** filed **June 15, 2020** for:

XX Exemption for two years under 49 U.S.C. § 40109 to provide the following service:

Scheduled foreign air transportation of property and mail between the United States and Hong Kong. ATI also requests integration authority for the all-cargo services it intends to operate over a Hong Kong-Guam-Sydney-Hong Kong routing.¹

Applicant representative: **Robert P. Silverberg (202) 944-3300**

DOT Analyst: **Darren Jaffe (202) 366-2512**

DISPOSITION

XX **Granted** (subject to conditions, see below)

The above action granting exemption and route integration authority was effective when taken: **June 23, 2020** through **June 23, 2022**.

Action taken by: Benjamin J. Taylor, Acting Director
Office of International Aviation

XX The authority granted is consistent with the October 19, 2002, Memorandum of Understanding (MOU) between the Government of the United States and the Government of Hong Kong Special Administrative Region of the People's Republic of China.²

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated: **XX** Holder's certificates of public convenience and necessity

XX Standard U.S. carrier exemption conditions (attached as Appendix A)

Conditions: The route integration authority granted is subject to the condition that such operations are consistent with the applicable bilateral aviation agreements. Furthermore, (a) nothing in the award of the route integration authority requested should be construed as conferring upon ATI rights (including fifth-freedom intermediate and/or beyond rights) to serve markets where U.S. carrier entry is limited unless ATI first notifies the Department of its intent to serve such a market and unless and until the Department has completed any necessary carrier selection procedures to determine which carrier(s) should be

¹ ATI states that it plans to conduct all-cargo operations between Hong Kong and Guam and then onward to Sydney under a different flight number. ATI further states that the nonstop flight from Sydney to Hong Kong will not transport commercial cargo. In this regard, we note that nothing in our present action would grant ATI the authority to carry fifth-freedom traffic to or from Hong Kong.

² ATI requests that it be designated under the U.S.-Hong Kong agreement and the U.S.-Australia agreement. We will handle ATI's designation requests separately through normal diplomatic channels.

authorized to exercise such rights; and (b) should there be a request by any carrier to use the limited-entry route rights that are included in ATI's authority by virtue of the route integration authority granted here, but that are not then being used by ATI, the holding of such authority by route integration will not be considered as providing any preference for ATI in a competitive carrier selection proceeding to determine which carrier(s) should be entitled to use the authority at issue.

Remarks: We acted on the application without awaiting the expiration of the answer period with the consent of all parties served.

On the basis of data officially noticeable under Rule 24(g) of the Department's regulations, we found the applicant qualified to provide the exemption services authorized.

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) our action was consistent with Department policy; (2) grant of the authority was consistent with the public interest; and (3) grant of the authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975. To the extent not granted, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

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.

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<http://www.regulations.gov>

U.S. Carrier Exemption Conditions

In the conduct of the operations authorized, the U.S. carrier 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 all applicable requirements of the Federal Aviation Administration, the Transportation Security Administration, and with all applicable U.S. Government requirements concerning security, including, but not limited to, 49 CFR Part 1544. To assure compliance with all applicable U.S. Government requirements concerning security, the holder shall, before commencing any new service (including charter flights) to or from a foreign airport, contact its Principal Security Inspector (PSI) to advise the PSI of its plans and to find out whether the Transportation Security Administration has determined that security is adequate to allow such airport(s) to be served;
- (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.