

Inventory of Barriers to Trade In Services

Country: UNITED STATES OF AMERICA

Reference Number: USA- 16

Suppliers Affected: ALL

Source: memo EPT-0702

Canadian Source: YES

Canadian Negotiating Priority: N/A

Status: Active

Created: 03/01/89

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Barrier Type:

LSR LOCAL SUPPLY REQUIREMENT

Sector:

AIR TRANSPORTATION DIVISION

451 - AIR TRANSPORT INDUSTRIES

Detailed Description:

Foreign carriers must operate in accord with specifications issued by The Federal Aviation Administration administrator, including airports used, routes flown, aircraft used, radio equipment needed, crew certificates and knowledge of FAA regulations and the English language.

The Federal Aviation Act of 1958 (the Aviation Act) significantly restricts foreign involvement in commercial aviation within the U.S. In order for a foreign carrier to carry cargo or passengers to a point in the U.S., the carriers must receive the approval of the Civil Aeronautics Board (CAB). The rights granted to a foreign carrier by the CAB are keyed to bilateral agreements between the U.S. and the carrier's country of registration.

Foreign and U.S. carriers operating between the U.S. and foreign markets must obtain U.S. approval for all fares, charges and rules.

The CAB may not grant a foreign scheduled carrier the right to carry passengers between two points in the U.S.