



UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

Issued by the Department of Transportation
on the 30th day of July, 2020

Served: July 30, 2020

In the matter of the Proposed Schedules of

**Air China Limited d/b/a/ Air China; Beijing
Capital Airlines Co., Ltd.; China Eastern
Airlines Corporation Limited; China Southern
Airlines Company Limited; Hainan Airlines
Holding Co. Ltd.; Sichuan Airlines Co., Ltd.;
and Xiamen Airlines**

Docket DOT-OST-2020-0052

ORDER DISAPPROVING PROPOSED SCHEDULES

Summary

By this Order, the U.S. Department of Transportation (the Department) disapproves: (1) currently filed proposed schedules filed by the above-captioned foreign air carriers of the People's Republic of China pursuant to Department Order 2020-5-4 and, (2) until further notice of the Department, any proposed schedules that may be subsequently filed by the above-captioned foreign air carriers. This Order is effective immediately.

Background

By Order 2020-5-4, issued on May 22, 2020, and for the reasons set forth in that Order, the Department required the following Chinese carriers to file their existing and proposed schedules for combination services with the Department: Air China Limited d/b/a/ Air China (Air China); Beijing Capital Airlines Co., Ltd. (Beijing Capital); China Eastern Airlines Corporation Limited (China Eastern); China Southern Airlines Company Limited (China Southern); Hainan Airlines

Holding Co. Ltd. (Hainan Airlines); Sichuan Airlines Co., Ltd. (Sichuan Airlines); and Xiamen Airlines.¹

The Department subsequently issued a series of additional Orders at various junctures that, for the reasons set forth in each individual Order, modified the level of authorized existing Chinese carrier scheduled passenger air services between the United States and China.² Ultimately, by Order 2020-6-6, issued on June 15, 2020, and for the reasons set forth in that order, the Department approved Chinese carrier existing schedules to authorize, in the aggregate, four weekly round-trip scheduled passenger operations to be operated by the Chinese carriers currently operating scheduled combination service to the United States in accordance with the existing schedules filed pursuant to Order 2020-5-4.

With respect to proposed schedules, by Order 2020-6-12, issued on June 19, 2020, and for the reasons set forth in that Order, the Department disapproved all proposed schedules that had been filed in response to Order 2020-5-4. In reaching this decision, the Department said that “[t]he Department has clearly ruled that the public interest requires scheduled passenger services by Chinese carriers only to the extent permitted by Order 2020-6-6. The Department thus finds that any proposed scheduled passenger services by Chinese carriers in excess of or different from those services permitted by Order 2020-6-6 would be adverse to the public interest.”³

Filing of Additional Proposed Schedules

Following the issuance of Order 2020-6-12, on June 19, 2020, and in accordance with the schedule notification requirements of Order 2020-5-4, some Chinese carriers filed notifications of additional proposed scheduled services or modifications to schedule filings made prior to June 19, 2020. Specifically, China Eastern, Xiamen Airlines, Hainan Airlines, Sichuan Airlines, and China Southern Airlines, all filed additional, supplemental, or revised proposed schedules.

Decision

The Department has clearly ruled that the public interest requires scheduled passenger services by Chinese carriers only to the extent permitted by Order 2020-6-6. Therefore, to the extent not already encompassed by Order 2020-6-12, the Department hereby disapproves: (1) all additional proposed schedules filed by the above-captioned foreign air carriers in response to Order 2020-5-4, and (2) until further notice of the Department, all prospective proposed schedules that may be subsequently filed by the above-captioned foreign air carriers in response to Order 2020-5-4.

¹ Only four of these carriers were and are providing scheduled passenger service in the U.S.-China market: Air China (Beijing-Los Angeles), China Eastern (Shanghai-New York (JFK)), China Southern (Guangzhou-Los Angeles), and Xiamen Airlines (Xiamen-Los Angeles). Each provides one weekly round-trip flight. Per the terms of Order 2020-5-4, each of these carriers filed its existing schedules with the Department.

² See Department Orders 2020-6-1, 2020-6-3, and 2020-6-6.

³ Order 2020-6-12, at 2.

Service under all of the proposed schedules described above shall not be inaugurated. *See* 14 CFR Part 213.3(d).⁴

We would note, however, that should the Civil Aviation Authority of China (CAAC) adjust its policies to bring about the necessary improved situation for U.S. carriers as most recently discussed in Order 2020-6-6, the Department is prepared to revisit the action announced in the present order.

ACCORDINGLY,

1. We disapprove all proposed schedules for combination services filed by China Eastern Airlines Corporation Limited; China Southern Airlines Company Limited; Hainan Airlines Holding Co. Ltd.; Sichuan Airlines Co., Ltd.; and Xiamen Airlines pursuant to Order 2020-5-4;
2. We disapprove all prospective proposed schedules that may be subsequently filed by the above-captioned foreign air carriers in response to Order 2020-5-4, until further notice of the Department;
3. The disapproval specified in Ordering Paragraphs 1 and 2 shall be effective immediately;
4. We may amend, modify, or revoke this Order at any time and without hearing;
5. This Order is subject to stay or disapproval by the President within 10 days after adoption; and
6. We will serve this Order on Air China Limited d/b/a/ Air China; Beijing Capital Airlines Co., Ltd.; China Eastern Airlines Corporation Limited; China Southern Airlines Company Limited; Hainan Airlines Holding Co. Ltd.; Sichuan Airlines Co., Ltd.; and Xiamen Airlines; all certificated U.S. carriers operating large aircraft; the Embassy of the People's Republic of China in Washington, D.C.; the Civil Aviation Authority of China (CAAC); the Department of State; the Transportation Security Administration; and the Federal Aviation Administration.

By:

JOEL SZABAT
Assistant Secretary
Aviation and International Affairs

(SEAL)

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⁴ In this regard, we note that because of the restrictive Chinese Government policies, even in the absence of our action here the Chinese carriers could not operate these additional schedules.