



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

Issued by the Department of Transportation
on the **10th day of August, 2004**

In re:

**SUSPENSION OF OPERATIONS BETWEEN
THE UNITED STATES AND LIBYA**

Docket OST-2004-17526

ORDER GRANTING EXEMPTION

By Order 86-2-23, served February 13, 1986, the Department imposed conditions on the authority held by U.S. and foreign air carriers that prohibited certain transactions relating to transportation to and from Libya. The Department issued the order to carry out Executive Order 12543, which had directed the imposition of certain economic sanctions against Libya. By Order 2004-4-9, the Department granted a blanket exemption from those conditions to reflect relaxation of certain of those limitations by the U.S. Treasury Department's Office of Foreign Asset Control (OFAC), as part of an ongoing program of gradual liberalization of relations with Libya.

Pursuant to Executive Order 12543, on August 6, 2004, OFAC again amended its General License, previously amended on April 2, 2004, to authorize further air services in connection with Libya. Specifically, the General License now allows U.S. air carriers to (1) conduct all cargo charter flights to and from Libya, and (2) to place their codes on flights operated by third-country, non-Libyan air carriers between the United States and Libya. The new General License continues to prohibit:

1. Direct flights between the United States and Libya, except for all-cargo charters by U.S. air carriers
2. Flights to or from Libya by aircraft operated by U.S. air carriers, except for all-cargo charters by U.S. air carriers
3. Transactions by U.S. persons relating to flights to or from Libya where the aircraft is not engaged in the carriage of passengers, baggage, or cargo for remuneration or hire (i.e., non-commercial flights)
4. Flights to or from the United States by aircraft of Libyan registry or by Libyan air carriers
5. Code-sharing between U.S. and Libyan air carriers
6. Code-sharing between third-country and Libyan air carriers on U.S.-Libya service, where (1) the Libyan code is placed on flights to or from the United States, or (2) where the third-country air carrier's code is placed on flights operated by Libyan air carriers.

We therefore have decided to grant a blanket exemption from the conditions imposed by Order 86-2-23, to the extent consistent with the new OFAC General License, attached as an Appendix.

ACCORDINGLY,

1. We grant a blanket exemption from the certificate, permit and exemption conditions imposed by Order 86-2-23 to the extent consistent with the attached OFAC General License;
2. This order shall be effective upon issuance; and
3. We will serve a copy of this order upon all U.S. and foreign air carriers holding certificates of public convenience and necessity, foreign air carrier permits, or exemption authority, the Federal Aviation Administration, and the U.S. Department of State.

By:

KARAN K. BHATIA
Assistant Secretary
for Aviation and International Affairs

(SEAL)

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