



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

Issued by the Department of Transportation on October 22, 2004

NOTICE OF ACTION TAKEN -- DOCKETS OST-2000-7738 & OST 1998-4294

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).

Applicant: **Royal Air Maroc & Delta Air Lines, Inc.**

Date Filed: August 16, 2004

Relief requested:

Royal Air Maroc—Amend existing exemption authority to the extent necessary to engage in scheduled foreign air transportation of persons, property, and mail from points behind Morocco, via Morocco and intermediate points, to points in the United States, and beyond;

Royal Air Maroc--Statement of authorization under 14 CFR 212 to permit Royal Air Maroc to display the designator code of Delta Air Lines (DL) on flights operated by Royal Air Maroc between (a) any point or points in the United States and any point or points in Morocco (either nonstop or via intermediate points), (b) any points in Morocco, (c) any point or points in Morocco or the United States and any point or points in any third country, and (d) any points in third countries; and

Delta Air Lines, Inc.--Amend existing statement of authorization under 14 CFR 212 to permit Delta to display the designator code of Royal Air Maroc (AT) on flights operated by Delta between (a) any point or points in the United States and any point or points in Morocco (either nonstop or via intermediate points), (b) any points in the United States in conjunction with foreign air transportation services held out by Royal Air Maroc, (c) any point or points in the United States or Morocco and any point or points in any third country, and (d) any points in third countries.

If renewal, date and citation of last action: Amends authority granted Royal Air Maroc and Delta on October 11, 2000, in Docket OST-1998-4294.¹

Applicant representatives: Don H. Hainbach--(202) 776-3970 for Royal Air Maroc

Robert E. Cohn--(202) 663-8060 for Delta

DOT Analyst: Shelita A. Smith--(202) 366-1226

Responsive pleadings: None

DISPOSITION

Action: Approved

Action date: October 22 2004

Effective dates of exemption authority granted Royal Air Maroc: October 22, 2004 – October 22, 2006

Effective dates of statements of authorization granted: October 21, 2004 – Indefinite, subject to code-share conditions below.

Basis for approval (bilateral agreement/reciprocity): U.S.-Morocco Air Transport Agreement

Except to the extent exempted/waived, this authority is subject to the terms, conditions, and limitations indicated:

Standard foreign air carrier exemption conditions (attached) for Royal Air Maroc, and the otherwise applicable conditions imposed on Delta in the Notice of Action Taken, dated August 16, 2002, in Docket OST-2000-7738.

The statements of authorization granted to Royal Air Maroc and Delta Air Lines are subject to the following conditions:

(a) The statement of authorizations will remain in effect only as long as (i) Royal Air Maroc and/or Delta Air Lines, Inc. (Delta) continue to hold the necessary underlying authority to operate the code-share services at issue, and (ii) the code-share agreement providing for the code-share operations remains in effect.

¹ See also exemption authority granted Delta on August 16, 2002, in Docket OST-2000-7738.

(b) Royal Air Maroc and/or Delta must promptly notify the Department if the code-share agreement providing for the code-share operations is no longer effective or the carriers decide to cease operating any or all of the approved code-share services. Such notices should be filed in Docket OST-2000-7738.²

(c) Royal Air Maroc and/or Delta must notify the Department no later than 30 days before they begin any new code-share service under the code-share services authorized here. Such notice shall identify the market(s) to be served and the date on which the service will begin. Such notices should be filed in Docket OST-2000-7738.

(d) The code-sharing operations conducted under this authority must comply with 14 CFR Part 257 and with any amendments to the Department's regulations concerning code-share arrangements that may be adopted. Notwithstanding any provisions in the contract between the carriers, our approval here is expressly conditioned upon the requirements that the subject foreign air transportation be sold in the name of the carrier holding out such service in computer reservation systems and elsewhere; that the carrier selling such transportation (*i.e.*, the carrier shown on the ticket) accept responsibility for the entirety of the code-share journey for all obligations established in its contract of carriage with the passenger; and that the passenger liability of the operating carrier be unaffected. Further, the operating carrier shall not permit the code of its U.S. carrier code-sharing partner to be carried on any flight that enters, departs or transits the airspace of any area for whose airspace the Federal Aviation Administration has issued a flight prohibition.

(e) The authority to operate to third countries is subject to the condition that any service provided under the statement of authorization shall be consistent with all applicable agreements between the United States and the foreign countries involved. Furthermore, (i) nothing in the award of this blanket statement of authorization should be construed as conferring upon Delta rights (including code-share, fifth-freedom intermediate and/or beyond rights) to serve markets where U.S. carrier entry is limited unless Delta 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 authorized to exercise such rights;³ and (ii) should there be a request by any carrier to use the limited-entry route rights that are included in Delta's authority by virtue of the blanket statement of authorization granted here, but that are not then being used by Delta, the holding of such authority will not be considered as providing any preference for Delta in a competitive carrier selection proceeding to determine which carrier(s) should be entitled to use the authority at issue.

(f) The authority granted here is specifically conditioned so that neither carrier shall give any force or effect to any contractual provisions between themselves that are contrary to these conditions.

(g) We may amend, modify, or revoke the authority granted at any time without hearing at our discretion.

Action taken by: Paul L. Gretch, Director

Office of International Aviation

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) the applicant is qualified to perform the proposed operations; (2) our action was consistent with Department policy; (3) grant of the authority was consistent with the public interest; and (4) 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/deferred/dismissed, 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.

An electronic version of this document is available on the World Wide Web at:

http://dms.dot.gov/reports/reports_aviation.asp

² We expect this notification to be received within 10 days of such non-effectiveness or of such decision.

³ The notice in paragraph (c) above can be used for this notification.

Foreign Carrier Exemption Conditions

In the conduct of the operations authorized, the foreign carrier applicant(s) shall:

- (1) Not conduct any operations unless it holds a currently effective authorization from its homeland for such operations, and it has filed a copy of such authorization with the Department;
- (2) Comply with all applicable requirements of the Federal Aviation Administration, including, but not limited to, 14 CFR Parts 129, 91, and 36, and with all applicable U.S. Government requirements concerning security, including, but not limited to, 49 CFR Part 1546 or 1550, as applicable. To assure compliance with all applicable U.S. Government requirements concerning security, the holder shall, before commencing any new service (including charter flights) from a foreign airport that would be the holder's last point of departure for the United States, contact its International Principal Security Inspector (IPSI) to advise the IPSI 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;
- (3) Comply with the requirements for minimum insurance coverage contained in 14 CFR Part 205, and, prior to the commencement of any operations under this authority, file evidence of such coverage, in the form of a completed OST Form 6411, with the Federal Aviation Administration's Program Management Branch (AFS-260), Flight Standards Service (any changes to, or termination of, insurance also shall be filed with that office);
- (4) Not operate aircraft under this authority unless it complies with operational safety requirements at least equivalent to Annex 6 of the Chicago Convention;
- (5) Conform to the airworthiness and airman competency requirements of its Government for international air services;
- (6) Except as specifically exempted or otherwise provided for in a Department Order, comply with the requirements of 14 CFR Part 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (7) Agree that operations under this authority constitute a waiver of sovereign immunity, for the purposes of 28 U.S.C. 1605(a), but only with respect to those actions or proceedings instituted against it in any court or other tribunal in the United States that are: (a) based on its operations in international air transportation that, according to the contract of carriage, include a point in the United States as a point of origin, point of destination, or agreed stopping place, or for which the contract of carriage was purchased in the United States; or (b) based on a claim under any international agreement or treaty cognizable in any court or other tribunal of the United States. In this condition, the term "international air transportation" means "international transportation" as defined by the Warsaw Convention, except that all States shall be considered to be High Contracting Parties for the purpose of this definition;
- (8) Except as specifically authorized by the Department, originate or terminate all flights to/from the United States in its homeland;
- (9) Comply with the requirements of 14 CFR Part 217, concerning the reporting of scheduled, nonscheduled, and charter data;
- (10) If charter operations are authorized, except as otherwise provided in the applicable aviation agreement, comply with the Department's rules governing charters (including 14 CFR Parts 212 and 380); and
- (11) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department, with all applicable orders or regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

This authority shall not be effective during any period when the holder is not in compliance with the conditions imposed above. Moreover, this authority cannot be sold or otherwise transferred without explicit Department approval under Title 49 of the U.S. Code.