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Small Group Meeting of Economic Deputies

September 14, 2017 White House Situation Room 2:30 – 3:30 p.m.

SUBJECT: Summary of Conclusions for Small Group Meeting of Economic Deputies on

Open Skies / Gulf Carriers

Participants

Co-ChairsTransportationEverett EissenstatDerek KanPeter NavarroMatthew Kopko

OVP WHCO
Landon Loomis Michael Ellis

Mark Calabria

State Staff Secretary
Derek Lyons

Ambassador Thomas Shannon

Paul Brown CEA

Tomas Philipson
Sustice Robert Porter

Rachel Brand

Andrew Finch NEC

Cletus Willems

Commerce Benjamin Joseloff

Commerce Benj Earl Comstock

Eugene Alford NSC
Andrew Clark

USTR

Stephen Vaughn Willis Martyn

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Summary of Conclusions

- Deputies agreed that preserving the U.S. Open Skies framework is of chief importance in any U.S. Government (USG) engagement on the Gulf carriers issue.
- Deputies agreed that the USG should take action to address the unfair behavior of the Gulf carriers.
- Deputies agreed that the USG should seek disciplines on subsidies, transparency, and state-owned enterprises. On routes, Deputies agreed to receive from the United Arab Emirates (UAE) and Qatar a confirmation that their carriers do not intend to conduct additional 5th freedom routes to the United States for the foreseeable future.



- Deputies agreed that the USG, led by the State Department, should seek to obtain these
 commitments through bilateral discussions with the UAE and Qatar. Deputies agreed that
 the International Air Traffic Fair Competitive Practices Act is not the preferred mechanism
 for resolving this issue.
- Deputies agreed that it is necessary to provide the State Department with maximum leverage during these bilateral discussions. Deputies agreed that if sufficient progress is not made by a date certain (e.g., the end of the year), additional steps would be considered, which could include Article 15.
- Deputies tasked the Open Skies / Gulf Carriers PCC-level group to develop: (1) specific asks of the UAE and Qatar; (2) a plan to maximize USG leverage during these discussions; (3) a plan to mitigate any risk to U.S. companies, geopolitical interests, and the Open Skies framework that may flow from USG engagement on this issue; (4) a timeline; and (5) an acceptable end-state if agreement cannot be reached. (Action: All, ongoing)