

# OPEN SKIES TO BOOST THE AIR TRANSPORT



Air transport has been given another boost. The new Open Skies Agreement between the United States and the European Union allows airlines of both the US and the EU, to fly between any point in the European Union and any point in the United States. The US airlines are also allowed to fly between destinations in the European Union. The agreement is valid since March 28. According to Jean-Philippe Perol, the chairman of the European Travel Commission in New York, Euro and the Shengen agreement melted barriers within the EU and the Open Skies Agreement will melt barriers between the EU and the US. The agreement is meant to make air travel easier. Under the old rules governments had to negotiate airlines' access to new markets, often on a city-by-city basis. For example only four airlines could offer service to the U.S from London's Heathrow Airport. These were Virgin Atlantic Airways, British Airways, UAL Corp. and AMR Corp. Under the old rules Air France was prohibited from flying directly to the U.S. from London, they had to stop in France first.

New routes will be opened now when the Open Skies is valid. Delta Air Lines will fly to Heathrow from New York's John F. Kennedy International Airport and from Atlanta. They will also fly to Lyon and Paris. Continental Airlines will open routes to Heathrow from Newark Liberty International Airport and from Houston George Bush Intercontinental Airport.

This new openness, however, will probably not affect the air fares much. It is due to the rising jet fuel prices. It is supposed that the Open Skies Agreement will be important for wealthy customers. Traveling will be easier but it will be costly. The carriers are going to focus more on the business travelers. As an example, there is the new British Airways' trans-Atlantic airline OpenSkies. There are only 30 economy-class seats on each 82-seat plane. The rest is split between the first class and the business class.

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