

BEFORE THE  
DEPARTMENT OF TRANSPORTATION  
WASHINGTON, D.C.

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Agreements Adopted by the Traffic :  
yConferences of the International :  
Air Transport Association :

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Docket OST-98- 3427

APPLICATION FOR APPROVAL OF AGREEMENTS  
BY THE  
INTERNATIONAL AIR TRANSPORT ASSOCIATION

February 4, 1998

Communications with respect to  
this document should be sent to:

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International Air Transport Association  
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Washington, D.C. 20004

(202) 624-2977

Summary      DOCKET:    **OST-98-**                      DOT ORDER:    **pending**

Date:    February 4, 1998  
 Filing fee/IATA Acct:    \$122 - 3813  
 US/UST involved:    no  
 End of Government Filing Period:    Feb. 26, 1998  
 Meeting site/date:    Geneva, Jan. 22-24, 1998  
 Intended effective date:    **April 1, 1998**  
 Agreement:    **PTC12 NMS-AFR 0032** dated January 30, 1998    r1  
                   **PTC12 NMS-AFR 0033** dated January 30, 1998    r2  
                   Mid/South Atlantic-Africa Expedited Resos  
                   r1- 002s        r2- 002w

**APPLICATION FOR APPROVAL OF AGREEMENT**

Pursuant to statements submitted by Member airlines of the International Air Transport Association (IATA), the undersigned has been constituted to be their attorney-in-fact for filing with the Department of Transportation copies of agreements adopted by the IATA Traffic Conferences.

On their behalf, and pursuant to Sections 41308 and 41309 of Title 49 of the United States Code and Parts 303.03, 303.05 and 303.30(c) of Title 14 of the Code of Federal Regulations, I am filing with the Department this application for approval of an IATA agreement.

This agreement and related factual and explanatory material and documentation required by 14 C.F.R. 303.31 and Department and Civil Aeronautics Board (CAB) precedent are contained in the IATA Traffic Conference documentation summarized above.

This agreement arises from the continuing process of Tariff Coordinating Conferences and was developed in the context of prior Department and CAB rulings addressing related resolutions which reflected regulatory and market conditions then in effect. Thus, the present agreement should be viewed as part of a dynamic process of IATA Member airline adjustment to governmental and economic factors.

On previous occasions, the Department has found such agreements to be consistent with the public interest when they do not result in fares or rates that are unlawful or injurious to competition in the markets at issue. Approval of the present agreement would not yield fares or rates that are unlawful or injurious to competition. Moreover, approval of this agreement, which reflects compromises among the differing economic and social philosophies of the many nations whose airlines are parties, will advance the public interest in maintaining good aviation relations with other countries.

We request early approval by the Department of the foregoing agreement, pursuant to 49 U.S.C. 41309, and the grant of full antitrust immunity, pursuant to 49 U.S.C. 41308.

The conferral of full antitrust immunity would be in the public interest and necessary for the transaction to proceed. This agreement is a product of the IATA Tariff Coordinating Conferences which the Department found to be anticompetitive but nevertheless approved and immunized in Order 85-5-32 (May 6, 1985) on foreign policy and comity grounds because such action is necessary to achieve the serious transportation need of maintaining good aviation relations with other countries and these benefits are not obtainable by reasonably available means having materially less anticompetitive effects.

This agreement concerns fares or rates only between non-U.S. points and thus has at most indirect application in foreign air transportation. The U.S. authorities have recognized (e.g., Order 79-8-194, August 30, 1979) that the interests of sovereign nations in the conditions governing air transportation between them greatly exceed any that the U.S. might have by reason of U.S. airline, citizen or shipper participation. This agreement is not adverse to the public interest and should be granted full immunity.

Respectfully submitted:



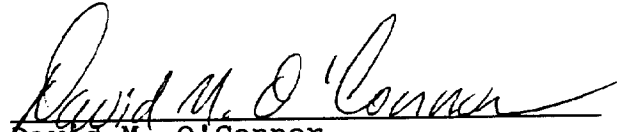
David M. O'Connor  
Director, External Relations - United States  
International Air Transport Association  
Attorney-in-fact

**CERTIFICATE OF SERVICE**

A copy of this application or a summary notice thereof has been served by first class or priority mail on the following persons:

Chief, Transportation, Energy  
& Agriculture Section  
Antitrust Division  
Department of Justice  
Washington D.C. 20530

Donald L. Pevsner  
1765 East Riviera Drive  
Merritt Island, FL 32952

  
David M. O'Connor

February 4, 1998  
Date Served