



**ECA**  
Piloting Safety

## PRESS RELEASE

# Norwegian's harmful business model slowed by US authorities

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**The US Department of Transportation (DOT) today announced its decision not to grant Norwegian Air International (NAI) the possibility to start operating long haul flights between the US and EU. ECA welcomes this decision that preserves fair competition and fair employment conditions in the trans-Atlantic aviation area, until the DOT takes a final decision.**

Trade unions and airlines on both sides of the Atlantic have opposed NAI's plans to start operations using a "flag of convenience" set-up in Ireland to circumvent Norwegian tax and labour laws. NAI's business model is contrary to a key provision in the EU-US 'Open Skies' Agreement which stipulates that new commercial opportunities created by the Agreement must not be exploited to subvert labour standards and create an unfair competitive environment.

"We are glad to see that the US DOT has honoured its commitments to ensure that the rights of employees are preserved in the EU-US open market," said Nico Voorbach, ECA President. "It shows that socially responsible liberalisation and fair competition in the marketplace are possible. Fair competition means that every airline plays by the same rules. In this case, it is the rule of law."

ECA however remains concerned that the EU legal system has failed to prevent this harmful development from happening, and that DG MOVE of the EU Commission has become a vocal spokesperson for NAI. The NAI attempted business model would bring social dumping, unfair competition and a very opaque structure, that may potentially impair safety and is in breach of the European social model. This set up would allow for exploitation of questionable crew bases in Thailand and hiring pilots and cabin crew in an obscure manner through temporary employment agencies in Singapore.

"The EU-US open market is not a license to take whatever you want from whoever you want. This is why EU legislative measures are needed urgently to ensure that European airline jobs are not destroyed and that workers' conditions are not pushed to the bottom," says Philip von Schöppenthau, ECA General Secretary. "We urge the EU to propose new rules on airline authorisation, social security and work permits for foreign crews based permanently/temporarily in Europe. And we call upon DG MOVE to stop its ill-considered support for NAI and its dubious business model!"

ECA recognises the need for fair competition in the aviation market. In view of a final and permanent decision by the DOT, ECA invites NAI to adapt its operations to a socially acceptable model, respecting employment, social security and taxation regulations and

ensuring that Norwegian pilots' employment contracts allow them to contribute in a sustainable manner to the company's growth.

This DOT decision does not mean that Norwegian cannot fly to and from the US. Norwegian's subsidiary Norwegian Long Haul will continue to be able to fly and expand its current routes, but using its Air Operator's Certificate (AOC) in Norway and complying with Norwegian law – instead of Ireland's more permissive regulations where NAI obtained its AOC.

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*Note to editors:* ECA is the representative body of European pilot associations, representing over 38.000 pilots from across Europe. Website: [www.eurocockpit.be](http://www.eurocockpit.be) & Twitter [@eu\\_cockpit](https://twitter.com/eu_cockpit)

More information about Norwegian's operating scheme available in the [Press Kit \(pdf\)](#).