

DEBBIE LESKO
8TH DISTRICT, ARIZONA

COMMITTEE ON
HOMELAND SECURITY
RANKING MEMBER, TRANSPORTATION AND
MARITIME SECURITY

COMMITTEE ON
THE JUDICIARY

COMMITTEE ON RULES

Congress of the United States
House of Representatives
Washington, DC 20515-0308

1113 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-4576

7121 W BELL RD
SUITE 200
GLENDALE, AZ 85308
(623) 776-7911

website: Lesko.House.gov

June 5, 2019

The Honorable Mike Pompeo
Secretary
U.S. Department of State
2201 C Street, NW
Washington, DC 20520

The Honorable Elaine L. Chao
Secretary
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

The Honorable Wilbur Ross
Secretary
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

Dear Secretaries Chao, Pompeo and Ross:

Open Skies agreements not only promote free market principles, but they give the U.S. aviation industry the opportunity to compete around the world. Last year, concerns were raised that the governments of Qatar and the United Arab Emirates were providing subsidies to certain state-owned airlines in violation of our Open Skies agreements. I commend the Administration for looking into these concerns and negotiating agreements with both countries to ensure greater financial transparency and receiving a commitment that Gulf carriers will not conduct additional "Fifth Freedom" flights to the United States.

We are concerned that Qatar Airways is already attempting to circumvent these hard-fought agreements. Last year Qatar Airways acquired 49 percent of AQA Holding, the parent company of Meridiana fly, which has since been rebranded as Air Italy. Prior to Qatar Airways' 49 percent acquisition, Meridiana was primarily serving domestic Italian routes and seasonal international service between Naples and Palermo, Italy and New York.

Two days after Qatar Airways closed the acquisition of its stake in Meridiana, Qatar Airways CEO Akbar Al Baker announced at a press conference that Meridiana would be relaunched as Air Italy with new aircraft, new branding, and an expansion of its international network. During the press conference Mr. Al Baker stated: "We want to become the number-one airline brand in Italy, and we have the resources to accomplish this goal."

The aircraft that were used to transform Meridiana and fuel Air Italy's growth have come from Qatar Airways. Mr. Al Baker told Air Transport World: "[w]e gave them 20 brand new [Boeing] 737 MAX and 30 787s initially. Then we can deploy bigger aircraft like 777s and A350s."

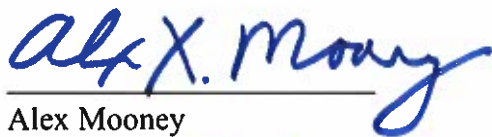
Since its relaunch, Air Italy has refocused its network and has begun offering new daily non-stop services between Milan and New York and four weekly services between Milan and Miami. Air Italy's new daily non-stop service between Milan and New York is commercially questionable given that the route is already served with daily non-stop service by five other carriers (United, Delta, American, Alitalia and Emirates.) Air Italy's entry into this crowded market appears consistent with Qatar Airways pattern of adding subsidized capacity in markets where demand is already well-served.

Without funding from Qatar Airways, Air Italy would be unable to launch its new service, just as Qatar Airways would not be viable without direct support from the Qatari government. Therefore, we would respectfully appreciate further examination and a response regarding how these recent developments comport with the Qatari Government's January 2018 commitments to the United States, and the Trump Administration's commitment to ensuring a level playing field for airline workers in the United States.

Sincerely,



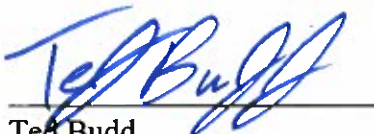
Debbie Lesko
Member of Congress



Alex Mooney
Member of Congress



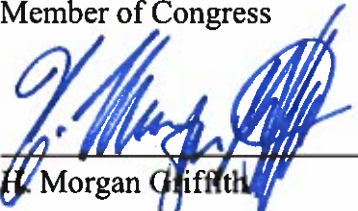
Scott Perry
Member of Congress



Ted Budd
Member of Congress



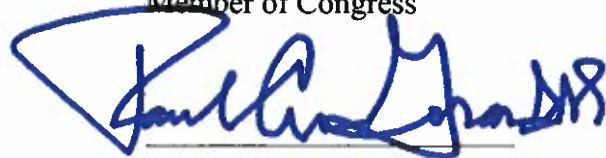
Andy Biggs
Member of Congress



H. Morgan Griffith
Member of Congress



Lance Gooden
Member of Congress



Paul A. Gosar, D.D.S.
Member of Congress

A handwritten signature in blue ink, appearing to read "Mark Meadows", written over a horizontal line.

Mark Meadows
Member of Congress

A handwritten signature in blue ink, appearing to read "Jeff Duncan", written over a horizontal line.

Jeff Duncan
Member of Congress