



Press Release  
2022.02.24

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### **AmCham hosts a roundtable on direct flights to the United States**



ULAANBAATAR, Mongolia – The American Chamber of Commerce in Mongolia (AmCham) organized the Roundtable on Launching Direct Flights to the United States on February 24, 2022. Representatives from the U.S. Department of Transportation, Department of State, the Federal Aviation Administration (FAA), and the Transportation Security Administration (TSA) participated, as well as representatives from the Mongolian Embassy in the United States, Ministry of Road and Transport Development, the Ministry of Foreign Affairs, the Civil Aviation Authority (CAA), MIAT Mongolian Airlines, commercial airlines Eznis Airways and Aero Mongolia, and other representatives from the private sector.

In her opening remarks Ms. Munkhnasan Narmandakh, Vice Chairwoman of AmCham Mongolia stated “To give you some background information, in 2019 when discussions about direct flights from Mongolia to the U.S. first emerged AmCham Mongolia in collaboration with Wicks Group hosted our first aviation roundtable. At this roundtable, discussions were held on the various requirements Mongolia needs to meet in order to obtain approvals from the U.S. government and aviation authorities. The goal of today's roundtable is to provide an objective assessment of the preparations that have been made thus far, the challenges encountered and define ways forward for launching direct flights between our countries, the challenges, as well as opportunities. Some of the issues that need to be addressed and discussed include the need to build an enabling legal environment for “an open sky” policy; and to meet the safety and technical requirements.”

U.S. Ambassador to Mongolia Michael Klecheski stated, “One of the principal goals of the U.S. embassy and the U.S. government is to strengthen Mongolian economic sovereignty, so I am delighted that this topic, which I have been hearing about for three years, is gaining momentum. We hope that Mongolia takes concrete steps to make this a reality. This time last year, we launched the U.S.-Mongolia Joint Aviation Technical Working Group to focus on the economic, safety, and security regulation requirements for the initiation of direct flights between our countries. We hope this roundtable will give us a status update on where we are. A year and a half ago, the U.S. government invited the Mongolian government to begin negotiations of a civil air transport agreement, also known as an Open Skies agreement. This agreement frames the framework for commercial air services and requirements for launching direct passenger flights to Mongolia and the U.S. In short, this requires a liberalization of Mongolia’s market. We look forward to Mongolia’s efforts to fulfill the standard obligations required in this process.



“Mongolia responded this past fall by expressing willingness to discuss the air transport agreement after fulfilling the requirements of the Federal Aviation Administration’s International Aviation Safety Assessment Program. However, from a U.S. regulatory perspective, negotiating an agreement is the first step toward completing this program. The regulatory experts from the U.S. government who are here today via Zoom include representatives of the U.S. departments of State and of Transportation, and the Federal Aviation Administration and the Transportation Security Administration. They are very interested in Mongolia’s efforts to prepare these regulatory requirements and the air transport negotiation. This will increase our economic ties and facilitate growth in business.”



Ch. Munkhtuya, Director of Civil Aviation Policy Coordination at the Ministry of Transportation, stated, “In 2016, Mongolia agreed to launch an intergovernmental air service agreement. Mongolia adheres to bilateral air service agreements. The liberalization of air transportation will increase the competitiveness of domestic air carriers, increasing the capacity of international airports and reforming fleets.

“A working group led by the Deputy Minister of Transportation is working with the CAA to establish air links between Mongolia and the United States, and a joint

working group has been established between our two countries. During the pandemic, there were two direct flights to the United States and interest in direct flights increased.”

June Lee, from the Office of Aviation Negotiation of the Department of State, noted, “We were planning to talk to Mongolian Aviation in December at the ICAO Air Services Negotiation Event, which was to be held in Colombia, but due to COVID, many countries were unable to attend. This year marks the 30th anniversary of Open Skies, and this is an occasion we will celebrate. Here are a few facts about Open Skies. The United States has Open Skies agreements with over 130 countries. This is a bilateral agreement, but we also have Open Skies agreements with regional blocks, such as the European Union. In the coming days, we will enter into force the Open Skies agreement with Kazakhstan. We have been in contact with the Mongolian Civil Aviation Authority since 2020. We are currently waiting on the Mongolian side to let us know when it is ready for Open Skies discussions.”

General Director of the Mongolian CAA N. Munkhnasan gave an update on direct flight preparations and stated that CAA re-established three working groups in April 2021. In April, an online meeting was held between the FAA team and the CAA’s Aviation Safety Oversight and Regulations Department. A working group for negotiating an air transport agreement was established by the Minister of Road and Transport Development of Mongolia on June 18, 2021. The Deputy Minister of Road and Transport Development sent a letter to the U.S. State Department on September 23, 2021, proposing the negotiation of an air transport agreement after undergoing an International Aviation Safety Assessment Program audit. He highlighted that different safety and security training sessions for CAA inspectors, required for obtaining the FAA’s Category I status, were delayed due to COVID-19. The CAA hopes to finalize the air transport agreement with the United States by the end of 2023.



Open Skies is a modern, liberal aviation agreement that creates great benefits for travelers, businesses, and the overall economies of participating countries. Open Skies allows for greater competition, more choices for consumers, and new industry innovations. The agreement applies to passenger and cargo air transportation, both scheduled and chartered. Thirty-five percent of all cargo is now transported by air, and as a result of Open Skies, airfares have been cut by 15 percent, air traffic has increased by 15 percent, and over 10 million additional jobs in aviation have been created.

The roundtable concluded with a Q&A, with the sides discussing the Open Skies agreement in detail, the privatization of MIAT, strengthening the capacity of Mongolian organizations, and resolving the necessary funding.

### **About AmCham Mongolia**

The American Chamber of Commerce (AmCham) in Mongolia is an independent, membership-driven organization that seeks to build, strengthen, and protect business between the United States and Mongolia and actively promote Mongolia as a destination for American investment. AmCham Mongolia is accredited by the U.S. Chamber of Commerce as its official affiliate in Mongolia. Based in Washington,

D.C., the U.S. Chamber of Commerce is the largest federation in the world, with over three million members.