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SELECT COMMITTEE ON THE CHINESE COMMUNIST PARTY

548 Cannon House Office Building Washington, D.C. 20515 (202) 225-6002

April 10, 2024

The Honorable Antony Blinken U.S. Secretary of State 2201 C Street NW Washington, D.C. 20520

The Honorable Pete Buttigieg U.S. Secretary of Transportation 1200 New Jersey Ave SE Washington, D.C. 20003

Dear Secretary Blinken and Secretary Buttigieg

We write to urge caution in the approval of new flights between the United States and the People's Republic of China (PRC) until such time that the PRC abides by its existing bilateral agreement, and passenger demand begins to recover. PRC carriers are continuing to operate air routes at an anti-competitive commercial advantage that must not be allowed to increase without reciprocal parity in the number of U.S. carrier operated routes to the PRC. Any additional routes to the PRC should be slowly phased in, based on passenger demand. Additionally, American passengers must not be exposed to unnecessary security risks by traversing Russian airspace. The expansion of routes must ensure a prohibition on the use of Russian airspace by PRC airlines.

COVID-19's impact on passenger air services was devastating.¹ For years, the PRC discriminated against U.S. aviation through slot constraints at China's major airports in Beijing, Shanghai, Guangzhou, and Shenzhen.² Following the outbreak of COVID-19, the PRC unilaterally suspended the bilateral air services agreement with the U.S., effectively closing the market to U.S. carriers.³ This included strict limits on market access and exceedingly challenging operational, customer, and crew treatment rules. Although the PRC lifted its zero-COVID policy

¹ Jaap Bouwer, Vik Krishnan, Steve Saxon, *Taking Stock of the Pandemic's Impact on Global Aviation*, McKinsey & Company, (Mar. 31, 2022), *available at*: https://www.mckinsey.com/industries/travel-logistics-and-infrastructure/our-insights/taking-stock-of-the-pandemics-impact-on-global-aviation

² The American Chamber of Commerce in China, *White Paper*, (2022), *available at*: chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.amchamchina.org/wp-content/uploads/2022/05/WP2022-Final.pdf

³ Alison Sider, *U.S. Suspends 44 Flights to China Operated by Chinese Airlines*, Wall Street Journal, (Jan. 21, 2022), *available at:* https://www.wsj.com/articles/u-s-suspends-44-flights-to-china-operated-by-chinese-airlines-11642805046

last year, the administration must ensure that U.S. aviation workers, air travelers and airlines are not harmed by unfair competition from China.⁴

U.S. carriers rightfully stopped flying through Russian airspace at the start of Russia's unprovoked invasion of Ukraine in March 2022. Chinese airlines, however, have continued to use Russian airspace, providing them an artificial competitive, cost, and operational advantage that should be eliminated as part of any bilateral negotiations. U.S. citizens travelling between the U.S. and China should not unknowingly be subject to the risks associated with travelling through Russian airspace, and this practice should end.

Should the U.S.-China passenger carrier market expand without the U.S. government addressing these significant issues, U.S. aviation workers, travelers and airlines will pay a hefty price tag. The U.S. must continue to give China the opportunity to follow the terms of the previous bilateral agreement, but the current conditions should also allow negotiating leverage that has not existed historically. Taking the appropriate time to establish the safety, operational integrity, and passenger demand for flights between the two countries is of the utmost importance.

Thank you for your attention to this important matter. To ask any follow-up related questions, please contact Select Committee on China staff at (202) 308-8977.

Sincerely,

Mike Gallagher Chairman Raja Krishnamoorthi Ranking Member

⁴ Stella Qiu & Ryan Woo, *China Targets 2023-2025 for Recovery in International Air Travel*, Reuters, (Jan. 02, 2022), *available at*: https://www.nasdaq.com/articles/china-targets-2023-2025-for-recovery-in-international-air-travel