

Honourable Fikile Mbalula, MP

Minister of Transport

159 Struben Street

Forum Building

Pretoria

South Africa

Dear Minister Mbalula

#### **REQUEST FOR URGENT REVIEW OF DELTA FOP APPLICATION**

It has come to my attention that the U.S. based carrier Delta Air Lines has requested adding a stop at Cape Town International Airport on its Atlanta – Johannesburg service, making it a triangular route back to Atlanta. I have further been informed that Delta has therefore requested that it be allowed to coterminalise operations between the OR Tambo and Cape Town international terminals in its Foreign Operator Permit (FOP) amended application, which has been pending for twelve months and is of grave concern to me.

From the various engagements that officials from my department and from Wesgro have had with the Department of Transport (DoT), it appears that a significant reason for this delay is that this request is being seen as a triangular flight which will cause competition with domestic carriers. However, this is not the case. While Delta is requesting to stop at two South African locations, passengers will only be able to purchase an Atlanta – Johannesburg ticket or an Atlanta – Cape Town ticket and vice versa. Delta is not propositioning to carry any domestic traffic between the two points and will not disembark any passengers originating from Johannesburg in Cape Town.

The predominant reason for requesting this routing is the change of aircraft on the route. Previously Delta flew with a Boeing 777-200, but due to cost-saving measures and a reduction in fleet size Delta will now operate a new Airbus A350-900 on the route. The new aircraft will not be able to operate a non-stop flight between Johannesburg and Atlanta due to the take-off altitude in Johannesburg and the occurrence of headwinds over the Atlantic Ocean. It is however possible to operate the Cape Town – Atlanta leg.

According to the Bilateral Air Service Agreement (BASA) between the U.S. and South Africa, U.S. carriers can operate scheduled services “from a point or points in the United States via intermediate points to Cape Town, Johannesburg and Durban.” Furthermore, carriers can “serve points on the routes in any combination and in any order.” Again, it is imperative to note that no domestic traffic will be carried between Johannesburg and Cape Town, therefore no “mixing” of passenger types will occur. Therefore, the current BASA grants Delta the appropriate authorisation to operate the intended route.

The Cape Town Air Access team has engaged with the Department of Transport (DoT) over this issue on several occasions and unfortunately the DoT has not provided satisfactory evidence or arguments to oppose this application.

Two reasons given, that the DoT has not appointed a new Air Services Licensing Council and that the Aviation Policy Review Committee (APRC) is behind schedule in completing the policy review process, cannot be allowed to hinder air service development in South Africa. The broader issue is that through delays like this, the DoT is constraining air connectivity to other countries and adding to the isolation of South Africa due to COVID-19 restrictions imposed by other countries. This has far-reaching and negative effects on any possible economic recovery and job creation going forward.

According to feedback received, the APRC has decided that “triangular routes will not be approved going forward and the ones ongoing are under review”. This is extremely worrying since the draft policy has not even been shared for public commentary, which suggests that a select few officials from the APRC decided the national policy direction. The global aviation landscape is changing fast and progressively more applications of this type will follow, requiring flexibility in decision-making, and South Africa needs to adapt from an inward-looking, reactive dichotomy to a more innovative outward facing logic.

In light of the above, I urgently appeal to you to review this matter personally, as I believe that you will reach the same conclusion, that the request by Delta will have positive benefits for the South African economy

and will not impact on domestic carriers. I trust that further that you will be able to then expedite this long overdue application so that Delta airlines can receive the certainty they need to commit to re-launching their flights to South Africa later this year.

Yours sincerely,

**MR DAVID MAYNIER**

**PROVINCIAL MINISTER OF FINANCE AND ECONOMIC OPPORTUNITIES**

**DATE: 13 MAY 2021**