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## BUSINESS

# U.S., Cuba Sign Deal to Reopen Scheduled Air Travel Between Nations

Agreement expected to set off scramble among U.S. carriers to win route rights to Havana



A taxi at Havana's Jose Marti International Airport on Monday. U.S. and Cuban officials have signed an agreement to provide for the reopening of scheduled air service between the two nations. *PHOTO: ENRIQUE DE LA OSA/REUTERS*

By **SUSAN CAREY**

Feb. 16, 2016 4:15 p.m. ET

U.S. and Cuban officials signed an agreement Tuesday in Havana that provides for the reopening of scheduled air services between the two nations for the first time in more than 50 years.

The move is expected to set off a scramble among U.S. carriers to win route rights to serve Havana, which will be capped at 20 round trips a day from anywhere in the U.S.

Despite the restoration of diplomatic relations between the U.S. and Cuba last year, the U.S. government still doesn't allow its citizens to visit Cuba strictly for tourism.

Visitors must vouchsafe that they fall into one of 12 categories of authorized travel, including family visits, educational or religious activities, humanitarian projects, athletic competitions, or public performances or exhibitions.

Americans traveling on charter flights that already link the U.S. and Cuba must certify to the tour company that the trips fall under a permitted category, something they presumably will have to do when they travel on scheduled flights.

But many experts think it is only a matter of time until tourism truly opens up. Canadians and Europeans routinely visit Cuba for the beaches.

The U.S. Department of Transportation said U.S. carriers must make their applications by March 2, with final comments and answers due March 21. Passenger and cargo carriers can apply, U.S. government officials said, and there is no restriction on aircraft type or size. The government expects to make its decision this summer and carriers could begin selling tickets on those flights in the fall.

The agreement also provides for as many as 10 round trips a day to each of Cuba's nine other international airports. As those routes may not be as hotly contested, the government could award rights to airlines that want to offer those services more quickly, officials said in a briefing last week. The new aviation protocol doesn't affect the charter flights now linking the U.S. and Cuba, and those flights can continue with unlimited frequency. Currently there are 10 to 15 of those flights a day. JetBlue Airways Corp., for instance, operates charter flights to Havana from New York's John F. Kennedy International Airport, Fort Lauderdale and Tampa, Fla., and flies from Tampa to Santa Clara, Cuba.

American Airlines Group Inc. operated about 1,200 charter flights to Cuba last year, more than any other U.S. carrier. United Continental Holdings Inc., Delta Air Lines Inc., American and JetBlue all said Tuesday that they are interested in bidding for scheduled flights, but didn't say on which specific routes.

Twenty daily scheduled flights to Havana aren't that many considering the airport in Kingston, Jamaica, receives more than 20 flights a day from seven U.S. airlines.

A newer tourism destination, Punta Cana, Dominican Republic, gets a similar number of daily flights. But once Cuba's airport and tourism infrastructure improves and relations continue to normalize, the nation is expected to take off as a major new travel destination among Americans. And, U.S. airlines want to be part of that.



U.S. Transportation Secretary Anthony Foxx, left, with Cuban Minister of Foreign Affairs Bruno Rodriguez in Havana on Tuesday. *PHOTO: ALEJANDRO ERNESTO/EUROPEAN PRESSPHOTO AGENCY*

Cuba attracts about 3 million arrivals a year, a third of which come from Canada and the next-largest group coming from Western Europe. But an estimated 160,000 Americans visited Cuba last year, many of them to see their relatives.

The Obama administration eased travel restrictions in 2009 by making it easier for Cuban-Americans to visit family. In 2011, the U.S. government opened the island for group travel for educational, cultural and religious visits.

U.S. government officials said Cuban authorities said they would consider future requests by the U.S. to increase the number of scheduled flights. Cuban airlines still would need to obtain licenses from the Treasury Department's Office of Foreign Assets Control and the Commerce Department's Bureau of Industry and Security to serve the U.S.

"We do not anticipate Cuban-owned aircraft serving the U.S. in the near future," U.S. officials said at the briefing.

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