



Mr. Olivier Onidi  
Head of Unit Internal Market, Air Transport Agreements and Multilateral Relations  
European Commission  
DG TREN

11<sup>th</sup> May 2009

**Re : Validation of Airline Pilot Licenses in Latvia / Social Dumping**

Dear Mr Onidi,

ECA would like to share with you its concern about some operations carried out by the Icelandair Group.

According to information held by our Icelandic Member Association, Icelandair Group carries out some operations for Santa Barbara Airlines in Venezuela (flights between Caracas and Madrid, Tenerife and Miami and Maracaibo/Miami). These operations were flown by Icelandic Pilots in Icelandic registered aircraft. Icelandair Group recently decided to change these flights from Iceland to Latvia, under the AOC of another Icelandair Group airline called Smart Lynx. The Icelandair pilots were made redundant. Their positions are now being filled by Venezuelan pilots who were granted JAR FCL validations (waiver) from the Latvian authorities plus contractor pilots from all over the globe.

The Icelandic Pilots Associations (FIA) believes the only reason to change these flights is to be able to employ cheap contractor pilots and pilots from Venezuela, who are supposed to undertake this work in the future within their company Santa Barbara. For political reasons these aircraft will not be registered in Venezuela. This would not have been possible if the airplanes had remained on the Iceland Register as the Icelandic CAA applies the rules in JAR FCL for the validation of licenses. The Latvian CAA, however, seems to have chosen a different approach.

This operation bears much resemblance to social dumping and flags of convenience. ECA has shown concern in the past about these kinds of operations. The Commission and Member States have assured us that under the current European legislative framework, such acts were neither possible nor politically desirable.

We would therefore like to ask the Commission to verify that the Latvian CAA has applied the validation requirements laid down in the Annex to Directive 670/91 and that the reported operations are in full compliance with the Community acquis.

In the context of the current crisis, it is not acceptable that EU law facilitates the replacement of European jobs by cheap third country labour and "contractors." We would therefore appreciate if you could give this issue high priority.

Yours sincerely,

Capt. Martin Chalk  
ECA President

Philip von Schöppenthau  
ECA Secretary General