

MEMORANDUM

To: Cabinet

From: Minister for Transport, Infrastructure and Capital Projects

Date: 23rd of August 2023

Re: Ratification of EU Aviation Agreements signed with Third Countries

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Recommendation

Cabinet approval is requested for Malta to ratify and provisionally apply the following agreements, namely:

1. Air Transport Agreement between the United States of America, of the first part, the European Union and its Member States, of the second part, Iceland, of the third part, and the Kingdom of Norway, of the fourth part signed on 16 June 2011;
2. Ancillary Agreement between the European Union and its Member States, of the first part, Iceland, of the second part, and the Kingdom of Norway, of the third part, on the application of the Air Transport Agreement between the United States of America, of the first part, the European Union and its Member States, of the second part, Iceland, of the third part, and the Kingdom of Norway, of the fourth part signed on 16 June 2011;
3. Common Aviation Area Agreement between the European Union and its Member States, of the one part, and the Republic of Armenia, of the other part signed on 15 November 2021;
4. Comprehensive Air Transport Agreement between the Member States of the Association of the Southeast Asian Nations, and the European Union and its Member States signed on 17 October 2022;
5. Agreement on air transport between the European Union and its Member States, of the one part, and the State of Qatar, of the other part signed on 18 October 2021;

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6. Common Aviation Area Agreement between the European Union and its Member States, of the One Part, and Ukraine, of the Other Part signed on 12 October 2021.

Background

Due to the creation of a single market for aviation in the European Union, the economic and regulatory landscape of air transport has undergone revolutionary changes. All players of the air transport industry have benefited from new routes and airports, greater choice, lower prices and better overall quality of service.

However, airlines still have less commercial freedom when flying to countries outside the European Union, and passengers have less choice. International aviation has traditionally been governed by bilateral agreements between individual countries, restricting the number of airlines on the routes concerned, the number of flights and the possible destinations.

The European Union is extending its external aviation policy beyond its borders to overcome these limitations. First, any bilateral agreements that are not in line with the freedom of operation deriving from the single market need to be revised to ensure legal certainty and to put all European Union airlines on an equal footing for flights to countries outside the European Union. Second, the European Union is working to establish a common aviation area with neighbouring countries in the Mediterranean and to the east. Third, the European Union is setting up open aviation areas with other key international partners. Closer international relations will not only open markets, but also allow the European Union to ensure high standards of safety and security in international air transport and to work with others more effectively to address the impact of aviation on the environment.

Comprehensive Aviation Agreements are meant to deliver substantial benefits to passengers, freight operators and airlines, by means both of market access and provision of traffic rights; as well as regulatory convergence in order to promote adequate safety, security, social and environmental standards, as well as fair competition between operators.

Such aviation agreements have been signed by the Union and its Member States with Canada, the Western Balkans, Georgia, the Hashemite Kingdom of Jordan, the Kingdom of Morocco, the United States of America, the Republic of Moldova, Armenia, the Association of the Southeast Asian Nations, and the European Union and its Member States (ASEAN), Qatar and Ukraine.

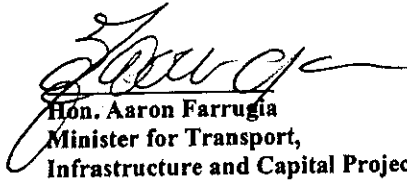
Position

Malta supported the accession of Norway and Iceland to the EU-US Air Transport Agreement since this will ensure a consistent regulatory framework for flights between the US and the single aviation market in the EU – including Iceland and Norway. Such an agreement will also create commercial benefits for airlines and consumers in the EU and it will particularly ensure the consistency of the EU-US Air Transport Agreement with the common Scandinavian air transport policy.

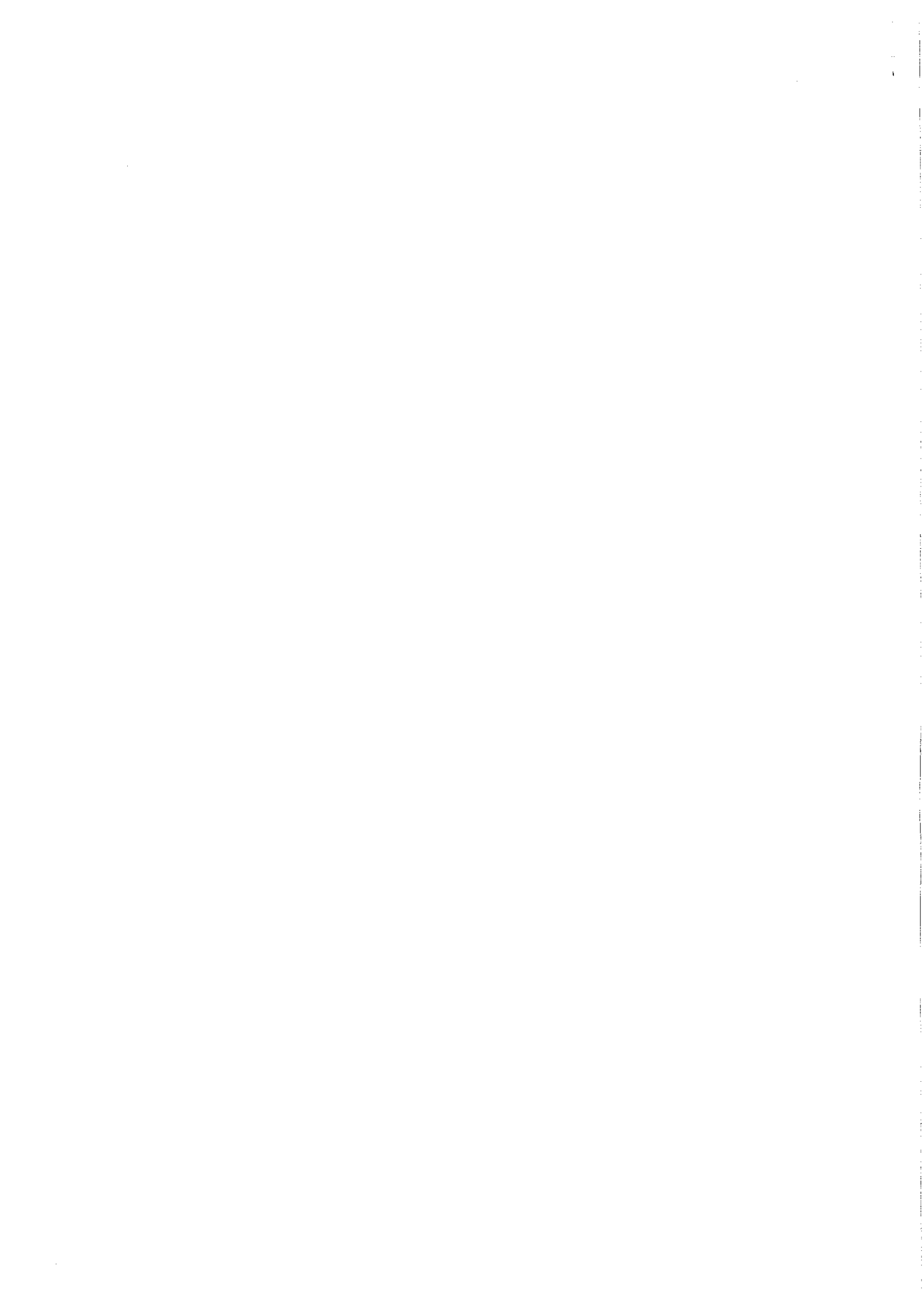
Consequently, since Malta had no objection to the European Union signing these agreements, it is recommended to proceed with the ratification process of the Ancillary agreement between the EU and its Member states and Iceland, the Kingdom of Norway on

Malta is bound to ratify in its own name or on behalf of the European Community by virtue of its membership within the European Union, then by Article 4(2)(b) of CAP. 460 these shall come into force one month following their being submitted in order to be discussed by the Standing Committee on Foreign and European Affairs (or any such Standing Committee from time to time substituting the same).

Considering that reference is made solely to the treaty or international convention in question "com[ing] into force one month following their being submitted in order to be discussed by the Standing Committee on Foreign and European Affairs", it can be taken that the referral to the Standing Committee for discussion may take place either before or after a cabinet decision to ratify has been taken.



Hon. Aaron Farrugia
Minister for Transport,
Infrastructure and Capital Projects



II

(Non-legislative acts)

INTERNATIONAL AGREEMENTS

DECISION OF THE COUNCIL AND OF THE REPRESENTATIVES OF THE GOVERNMENTS OF THE MEMBER STATES OF THE EUROPEAN UNION, MEETING WITHIN THE COUNCIL

of 16 June 2011

on the signing, on behalf of the Union, and provisional application of the Air Transport Agreement between the United States of America, of the first part, the European Union and its Member States, of the second part, Iceland, of the third part, and the Kingdom of Norway, of the fourth part; and on the signing, on behalf of the Union, and provisional application of the Ancillary Agreement between the European Union and its Member States, of the first part, Iceland, of the second part, and the Kingdom of Norway, of the third part, on the application of the Air Transport Agreement between the United States of America, of the first part, the European Union and its Member States, of the second part, Iceland, of the third part, and the Kingdom of Norway, of the fourth part

(2011/708/EU)

THE COUNCIL AND THE REPRESENTATIVES OF THE GOVERNMENTS OF THE MEMBER STATES OF THE EUROPEAN UNION, MEETING WITHIN THE COUNCIL,

Having regard to the Treaty on the Functioning of the European Union and in particular Article 100(2), in conjunction with Article 218(5) and the first subparagraph of Article 218(8) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The Air Transport Agreement between the European Community and its Member States, on the one hand, and the United States of America, on the other hand ⁽¹⁾ ('the Air Transport Agreement'), signed by the United States of America and the Member States of the European Community and the European Community on 25 and 30 April 2007, as amended by the Protocol to amend the Air Transport Agreement between the United States of America and the European Community and its Member States, signed on 25 and 30 April 2007 ⁽²⁾ ('the Protocol'), signed by the United States of America, the Member States of the European Union and the European Union on 24 June 2010, explicitly provides for the accession of third countries to the Air Transport Agreement.
- (2) In accordance with Article 18(5) of the Air Transport Agreement, as amended by the Protocol, the Joint Committee established thereunder has developed a proposal for the accession of Iceland and the Kingdom of Norway to the Air Transport Agreement, as amended by the Protocol.

- (3) On 16 November 2010 the Joint Committee proposed an Air Transport Agreement between the United States of America, of the first part, the European Union and its Member States, of the second part, Iceland, of the third part, and the Kingdom of Norway, of the fourth part ('the Accession Agreement').
- (4) The Commission has negotiated an Ancillary Agreement between the European Union and its Member States, of the first part, Iceland, of the second part, and the Kingdom of Norway, of the third part, on the application of the Air Transport Agreement between the United States of America, of the first part, the European Union and its Member States, of the second part, Iceland, of the third part, and the Kingdom of Norway, of the fourth part ('the Ancillary Agreement').
- (5) The Accession Agreement and the Ancillary Agreement should be signed and applied on a provisional basis, pending the completion of the procedures for their conclusion.

HAVE ADOPTED THIS DECISION:

Article 1

The signing of the Air Transport Agreement between the United States of America, of the first part, the European Union and its Member States, of the second part, Iceland, of the third part, and the Kingdom of Norway, of the fourth part and of the Ancillary Agreement between the European Union and its Member States, of the first part, Iceland, of the second part, and the Kingdom of Norway, of the third part, on the application of the Air Transport Agreement between the United States of America, of the first part, the European Union and its Member States, of the second part, Iceland, of the third part,

⁽¹⁾ OJ L 134, 25.5.2007, p. 4.

⁽²⁾ OJ L 223, 25.8.2010, p. 3.

and the Kingdom of Norway, of the fourth part, is hereby authorised on behalf of the Union, subject to the conclusion of the said Agreements.

The texts of the Accession Agreement and of the Ancillary Agreement are attached to this Decision.

Article 2

The President of the Council is hereby authorised to designate the person(s) empowered to sign the Accession Agreement and the Ancillary Agreement on behalf of the Union.

Article 3

The Accession Agreement and the Ancillary Agreement shall be applied on a provisional basis as from the date of signature (*)

by the Union and, to the extent permitted under applicable national law, by its Member States and by the relevant Parties, pending the completion of the procedures for their conclusion.

Article 4

This Decision shall enter into force on the day of its adoption.

Done at Luxembourg, 16 June 2011.

The President
VÖLNER P.

(*) The date of signature of the Accession Agreement and the Ancillary Agreement will be published in the *Official Journal of the European Union* by the General Secretariat of the Council.

ANCILLARY AGREEMENT

between the European Union and its Member States, of the first part, Iceland, of the second part, and the Kingdom of Norway, of the third part, on the application of the Air Transport Agreement between the United States of America, of the first part, the European Union and its Member States, of the second part, Iceland, of the third part, and the Kingdom of Norway, of the fourth part

THE KINGDOM OF BELGIUM,

THE REPUBLIC OF BULGARIA,

THE CZECH REPUBLIC,

THE KINGDOM OF DENMARK,

THE FEDERAL REPUBLIC OF GERMANY,

THE REPUBLIC OF ESTONIA,

IRELAND,

THE HELLENIC REPUBLIC,

THE KINGDOM OF SPAIN,

THE FRENCH REPUBLIC,

THE ITALIAN REPUBLIC,

THE REPUBLIC OF CYPRUS,

THE REPUBLIC OF LATVIA,

THE REPUBLIC OF LITHUANIA,

THE GRAND DUCHY OF LUXEMBOURG,

THE REPUBLIC OF HUNGARY,

MALTA,

THE KINGDOM OF THE NETHERLANDS,

THE REPUBLIC OF AUSTRIA,

THE REPUBLIC OF POLAND,

THE PORTUGUESE REPUBLIC,

ROMANIA,

THE REPUBLIC OF SLOVENIA,

THE SLOVAK REPUBLIC,

THE REPUBLIC OF FINLAND,

THE KINGDOM OF SWEDEN,

THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND,

being parties to the Treaty on European Union and to the Treaty on the Functioning of the European Union and being Member States of the European Union (hereinafter, 'the Member States'),

and

THE EUROPEAN UNION,

of the first part;

ICELAND,

of the second part;

and

THE KINGDOM OF NORWAY (hereinafter, 'Norway'),

of the third part;

NOTING that the European Commission has negotiated, on behalf of the European Union and of the Member States, an Agreement on Air Transport with the United States of America in accordance with the Council Decision authorising the Commission to open negotiations,

NOTING that the Air Transport Agreement between the United States of America and the European Community and its Member States (hereinafter, 'the Air Transport Agreement') was initialled on 2 March 2007, signed at Brussels on 25 April 2007 and at Washington, D.C. on 30 April 2007 and provisionally applied from 30 March 2008,

NOTING that the Air Transport Agreement was amended by the Protocol to amend the Air Transport Agreement between the United States of America and the European Union and its Member States (hereinafter, 'the Protocol'), initialled on 25 March 2010, and signed at Luxembourg on 24 June 2010,

NOTING that Iceland and Norway, being fully integrated members of the single European Aviation Market through the Agreement on the European Economic Area, have adhered to the Air Transport Agreement as amended by the Protocol through an Agreement between the United States of America, of the first part, the European Union and its Member States, of the second part, Iceland, of the third part, and the Kingdom of Norway, of the fourth part (hereinafter 'the Agreement'), of even date, which incorporates the Air Transport Agreement as amended by the Protocol,

RECOGNISING that it is necessary to lay down procedural arrangements for deciding, if appropriate, how to take measures pursuant to Article 21, paragraph 5 of the Air Transport Agreement as amended by the Protocol,

RECOGNISING that it is furthermore necessary to lay down procedural arrangements for the participation of Iceland and Norway in the Joint Committee set up under Article 18 of the Air Transport Agreement as amended by the Protocol and in the arbitration procedures provided for in Article 19 of the Air Transport Agreement as amended by the Protocol. These procedural arrangements should ensure the necessary cooperation, flow of information and consultation before Joint Committee meetings, as well as the implementation of certain provisions of the Air Transport Agreement as amended by the Protocol, including those concerning security, safety, the granting and revocation of traffic rights and government support,

HAVE AGREED AS FOLLOWS:

Article 1

Notification

Should the European Union and its Member States decide to terminate the Agreement in accordance with Article 3 of the Agreement or to discontinue its provisional application, or to withdraw notices to that effect, the Commission shall, before giving notice through diplomatic channels to the United States of America, immediately notify Iceland and Norway thereof. Iceland and/or Norway shall likewise immediately notify the Commission of any such decision.

Article 2

Suspension of Traffic Rights

A decision not to allow airlines of the other Party to operate additional frequencies or enter new markets under the Agreement and give notice thereof to the United States of America, or to agree to lift any such decision, taken in accordance with Article 21, paragraph 5 of the Air Transport Agreement as amended by the Protocol, shall be adopted by the Council, on behalf of the European Union and of the Member States, acting unanimously in accordance with the relevant

Treaty provisions, and by Iceland and Norway. The President of the Council, acting on behalf of the European Union and of the Member States, Iceland and Norway shall then give notice to the United States of America of any such decision.

Article 3

Joint Committee

1. The European Union, the Member States, Iceland and Norway shall be represented in the Joint Committee established under Article 18 of the Air Transport Agreement as amended by the Protocol by representatives of the Commission, the Member States, Iceland and Norway.

2. The position of the European Union, the Member States, Iceland and Norway within the Joint Committee shall be presented by the Commission, except in areas within the EU that fall exclusively within Member States' competence, in which case it shall be presented by the Presidency of the Council or by the Commission, Iceland and Norway as appropriate.

3. The position to be taken by Iceland and Norway within the Joint Committee as regards matters that fall within Articles 14 or 20 of the Air Transport Agreement as amended by the Protocol, or matters that do not require the adoption of a decision having legal effects shall be adopted by the Commission in agreement with Iceland and Norway.

4. For other Joint Committee decisions concerning matters that fall within regulations and directives that are incorporated in the Agreement on the European Economic Area, the position to be taken by Iceland and Norway shall be adopted by Iceland and Norway on a proposal from the Commission.

5. For other Joint Committee decisions concerning matters that fall outside regulations and directives that are incorporated in the Agreement on the European Economic Area, the position to be taken by Iceland and Norway, shall be adopted by Iceland and Norway in agreement with the Commission.

6. The Commission shall take adequate measures to ensure full participation of Iceland and Norway in any coordination, consultation or decision shaping meetings with the Member States and access to the relevant information in preparation to Joint Committee meetings to be held.

Article 4

Arbitration

1. The Commission shall represent the European Union, the Member States, Iceland and Norway in arbitration proceedings under Article 19 of the Air Transport Agreement as amended by the Protocol.

2. The Commission shall, as appropriate, take measures to ensure the involvement of Iceland and Norway in the preparation and coordination of arbitration proceedings.

3. If the Council decides to suspend benefits in accordance with Article 19, paragraph 7 of the Air Transport Agreement as amended by the Protocol that decision shall be notified to Iceland and Norway. Iceland and/or Norway shall likewise inform the Commission of any such decision made.

4. Any other appropriate action to be taken under Article 19 of the Air Transport Agreement as amended by the Protocol on matters which within the EU fall within the Union competence shall be decided upon by the Commission, with assistance of a Special Committee of representatives of the Member States appointed by the Council, of Iceland and of Norway.

Article 5

Exchange of Information

1. Iceland and Norway shall promptly inform the Commission of any decision to refuse, revoke, suspend or limit the authorisations of an airline of the United States of America that they have adopted under Article 4 or 5 of the Air Transport Agreement as amended by the Protocol. The Commission shall likewise promptly inform Iceland and Norway of any such decision taken by Member States.

2. Iceland and Norway shall inform the Commission immediately of any requests or notifications made or received by them under Article 8 of the Air Transport Agreement as amended by the Protocol. The Commission shall likewise immediately inform Iceland and Norway of any such requests or notifications made or received by Member States.

3. Iceland and Norway shall inform the Commission immediately of any requests or notifications made or received by them under Article 9 of the Air Transport Agreement as amended by the Protocol. The Commission shall likewise immediately inform Iceland and Norway of any such requests or notifications made or received by Member States.

Article 6

Government subsidies and support

1. Should Iceland or Norway believe that a subsidy or support being considered or provided by a governmental entity in the territory of the United States of America will have the adverse competitive effects referred to in Article 14, paragraph 2 of the Air Transport Agreement as amended by the Protocol, it shall bring the matter to the attention of the Commission. Should a Member State have brought a similar matter to the attention of the Commission, the Commission shall likewise bring the matter to the attention of Iceland and Norway.

2. The Commission, Iceland and Norway may approach such entity or request a meeting of the Joint Committee established under Article 18 of the Air Transport Agreement as amended by the Protocol.

3. The Commission, Iceland and Norway shall inform each other immediately when they are contacted by the United States of America under Article 14, paragraph 3 of the Air Transport Agreement as amended by the Protocol.

Article 7

Termination or cessation of provisional application

1. A Party may, at any time, give notice in writing through diplomatic channels to the other Parties of its decision to terminate this Ancillary Agreement or to end its provisional application. This Ancillary Agreement shall terminate or shall cease to be provisionally applied at midnight GMT six months following the date of the written notification of termination or of cessation of provisional application, unless the notice is withdrawn by agreement of the Parties before the end of this period.

2. Notwithstanding any other provision of this Article, if the Agreement is terminated or its provisional application is ended, this Ancillary Agreement shall simultaneously terminate or cease to be provisionally applied.

Article 8

Provisional application

Pending entry into force pursuant to Article 9, the Parties agree to provisionally apply this Ancillary Agreement, to the extent permitted under applicable domestic law, from the later of the date of the signature of this Ancillary Agreement or of the date specified in Article 5 of the Agreement.

Article 9

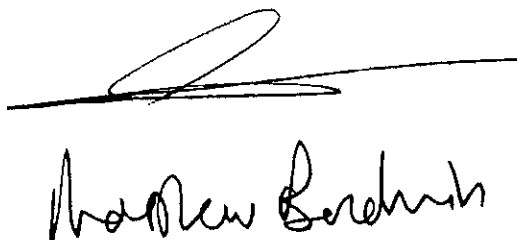
Entry into force

This Ancillary Agreement shall enter into force either (a) one month after the date of the latest note in exchange of diplomatic notes between the Parties confirming that all necessary procedures for entry into force of this Ancillary Agreement have been completed, or (b) on the date of entry into force of the Agreement, whichever is the later.

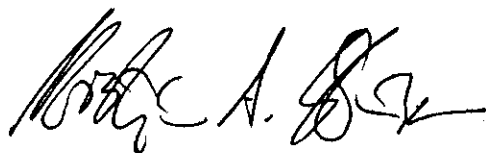
IN WITNESS WHEREOF, the undersigned, duly authorised to that effect, have signed this Ancillary Agreement.

Done at Luxembourg and Oslo, in triplicate, on the 16th and 21st of June 2011 respectively, in the Bulgarian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Icelandic, Italian, Latvian, Lithuanian, Maltese, Norwegian, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish and Swedish languages, all texts being authentic.

За Европейския съюз
 Por la Unión Europea
 Za Evropskou unii
 For Den Europæiske Union
 Für die Europäische Union
 Euroopa Liidu nimel
 Για την Ευρωπαϊκή Ένωση
 For the European Union
 Pour l'Union européenne
 Per l'Unione europea
 Eiropas Savienības vārdā –
 Europos Sąjungos vardu
 Az Európai Unió részéről
 Għall-Unjoni Ewropea
 Voor de Europese Unie
 W imieniu Unii Europejskiej
 Pela União Europeia
 Pentru Uniunea Europeană
 Za Európsku úniu
 Za Evropsko unijo
 Euroopan unionin puolesta
 För Europeiska unionen



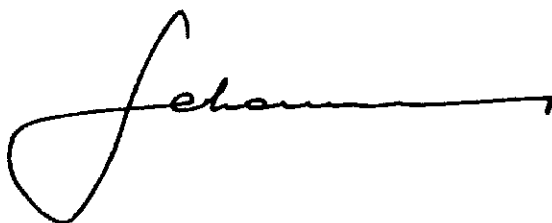
Fyrir Ísland



For Kongeriket Norge



Voor het Koninkrijk België
 Pour le Royaume de Belgique
 Für das Königreich Belgien

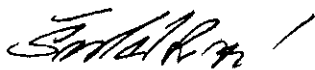


Deze handtekening verbindt eveneens het Vlaamse Gewest, het Waalse Gewest en het Brussels Hoofdstedelijk Gewest.
 Cette signature engage également la Région wallonne, la Région flamande et la Région de Bruxelles-Capitale.
 Diese Unterschrift bindet zugleich die Wallonische Region, die Flämische Region und die Region Brüssel-Hauptstadt.

За Република България



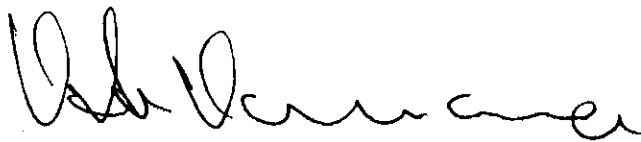
Za Českou republiku



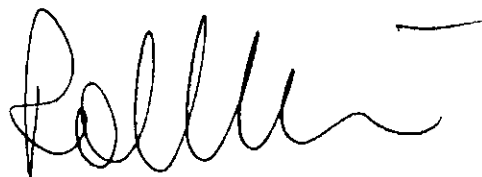
For Kongeriget Danmark



Für die Bundesrepublik Deutschland



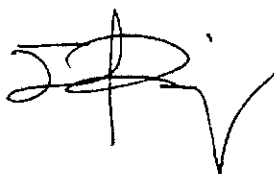
Eesti Vabariigi nimel




Thar cheann Na hÉireann
For Ireland



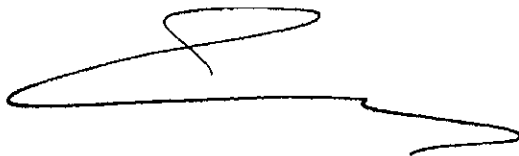
Για την Ελληνική Δημοκρατία



Por el Reino de España



Pour la République française



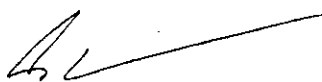
Per la Repubblica italiana



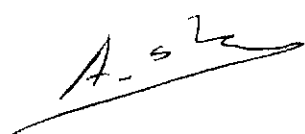
Για την Κυπριακή Δημοκρατία



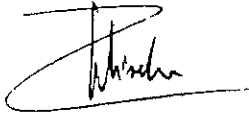
Latvijas Republikas vārdā –



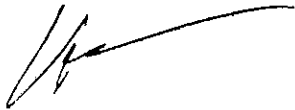
Lietuvos Respublikos vardu



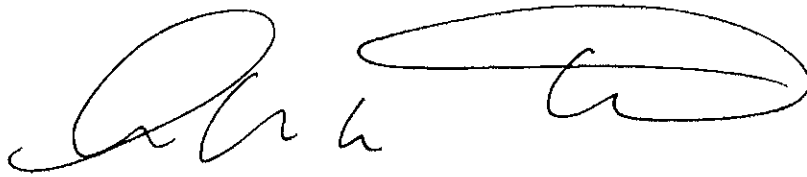
Pour le Grand-Duché de Luxembourg



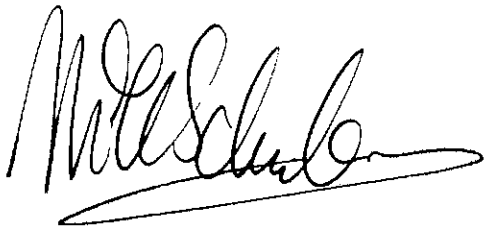
A Magyar Köztársaság részéről



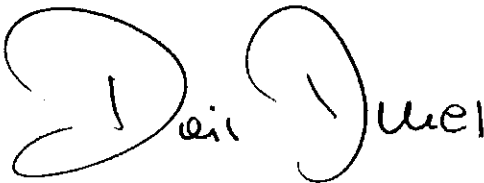
Għal Malta



Voor het Koninkrijk der Nederlanden



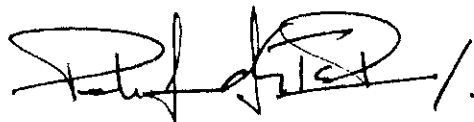
Für die Republik Österreich



W imieniu Rzeczypospolitej Polskiej



Pela República Portuguesa



Pentru România



Za Republiko Slovenija



Za Slovenskú republiku



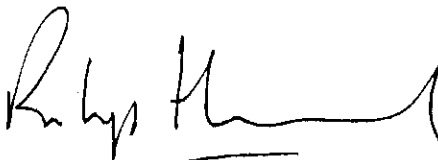
Suomen tasavallan puolesta
För Republiken Finland



För Konungariket Sverige



For the United Kingdom of Great Britain and Northern Ireland



COMMON AVIATION AREA AGREEMENT

between the European Union and its Member States, of the one part, and the Republic of Armenia, of the other part

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THE KINGDOM OF BELGIUM,
THE REPUBLIC OF BULGARIA,
THE CZECH REPUBLIC,
THE KINGDOM OF DENMARK,
THE FEDERAL REPUBLIC OF GERMANY,
THE REPUBLIC OF ESTONIA,
IRELAND,
THE HELLENIC REPUBLIC,
THE KINGDOM OF SPAIN,
THE FRENCH REPUBLIC,
THE REPUBLIC OF CROATIA,
THE ITALIAN REPUBLIC,
THE REPUBLIC OF CYPRUS,
THE REPUBLIC OF LATVIA,
THE REPUBLIC OF LITHUANIA,
THE GRAND DUCHY OF LUXEMBOURG,
HUNGARY,
THE REPUBLIC OF MALTA,
THE KINGDOM OF THE NETHERLANDS,
THE REPUBLIC OF AUSTRIA,
THE REPUBLIC OF POLAND,
THE PORTUGUESE REPUBLIC,
ROMANIA,
THE REPUBLIC OF SLOVENIA,
THE SLOVAK REPUBLIC,
THE REPUBLIC OF FINLAND,
THE KINGDOM OF SWEDEN,

being parties to the Treaty on European Union and the Treaty on the Functioning of the European Union, hereinafter referred to as "the EU Treaties", and being Member States of the European Union, hereinafter collectively referred to as "EU Member States" or individually as "EU Member State",

and the EUROPEAN UNION,

of the one part,

and the REPUBLIC OF ARMENIA, hereinafter referred to as "Armenia",

of the other part,

hereinafter jointly referred to as the "Parties",

the EU Member States and Armenia being parties to the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944, together with the European Union;

NOTING the Partnership and Cooperation Agreement between the European Communities and their Member States, of the one part, and the Republic of Armenia, of the other part, done at Luxembourg on 22 April 1996;

DESIRING to create a common aviation area (hereinafter referred to as "CAA") based on the goal of opening access to markets of the Parties, with equal conditions of competition, non-discrimination and respect for the same rules – including in the areas of safety, security, air traffic management, competition, social aspects and the environment;

DESIRING to enhance air services and to promote an international aviation system based on non-discrimination and open and fair competition among air carriers in the marketplace;

DESIRING to promote their interests in respect of air transport;

RECOGNISING the importance of efficient air transport connectivity in promoting trade, tourism, investment, and economic and social development;

AGREEING that it is appropriate to base the CAA rules on the relevant legislation in force within the European Union, as laid down in Annex II to this Agreement;

RECOGNISING that full compliance with the CAA rules enables the Parties to reap the full advantages of the CAA, including the opening of access to markets and the maximisation of benefits for the consumers and the industries and workers of both Parties;

RECOGNISING that the creation of the CAA and implementation of its rules cannot be achieved without transitional arrangements, where necessary, and that adequate assistance is important in this regard;

DESIRING to ensure the highest degree of safety and security in air transport and affirming their grave concern with regard to acts or threats against the security of aircraft which jeopardise the safety of persons or property, adversely affect the operation of aircraft and undermine the confidence of the travelling public in the safety of civil aviation;

DETERMINED to maximise the potential benefits of regulatory cooperation and harmonisation of their respective laws and regulations applicable to civil aviation;

ACKNOWLEDGING the significant potential benefits that may arise from competitive air services and viable air transport industries;

DESIRING to foster free, fair and undistorted competition, recognising that subsidies may adversely affect competition and may jeopardise the basic objectives of this Agreement and recognising that, where there is not a competitive level playing field for air carriers with free, fair and undistorted competition, potential benefits may not be realised;

INTENDING to build upon the framework of existing agreements and arrangements between the Parties with the aim of opening access to markets and maximising benefits to consumers, shippers, air carriers and airports and their employees, communities and others benefiting indirectly;

AFFIRMING the importance of protecting the environment in developing and implementing international aviation policy;

AFFIRMING the need for urgent actions to address climate change and for continued cooperation to reduce greenhouse gas emissions in the aviation sector, in a manner consistent with multilateral arrangements on this matter and in particular relevant International Civil Aviation Organization (hereinafter referred to as "ICAO") instruments and the Paris Agreement of 12 December 2015 under the United Nations Framework Convention on Climate Change;

AFFIRMING the importance of protecting consumers, including the protections afforded by the Convention for the Unification of Certain Rules for International Carriage by Air, done at Montreal on 28 May 1999, and of achieving an appropriate level of consumer protection associated with air services; and recognising the need for mutual cooperation in this area;

RECOGNISING that increased commercial opportunities are not intended to undermine their labour or labour-related standards and affirming the importance of the social dimension of international aviation and of considering the effects of opening access to markets on labour, employment and working conditions;

NOTING the importance of better access to capital for the air transport industry in order to further develop air transport;

RECOGNISING the potential benefits of providing for the accession of third countries to this Agreement;

DESIRING to conclude an agreement on air transport, supplementary to the Convention on International Civil Aviation;

HAVE AGREED AS FOLLOWS:

Article 1

Objective

The objective of this Agreement is the creation of a common aviation area between the Parties based on progressive market opening, liberalisation of air carrier ownership and control, fair and equal conditions of competition, non-discrimination and common rules, including in the areas of safety, security, air traffic management, social aspects and the environment. To this end, this Agreement sets out the rules applicable between the Parties. These rules include the provisions laid down by the legislation specified in Annex II.

Article 2

Definitions

For the purposes of this Agreement, unless otherwise stated, the following definitions apply:

- (1) "Agreement" means this Agreement, any Annexes and Appendices to it, and any amendments thereto;
- (2) "air transport" means the carriage by aircraft of passengers, baggage, cargo and mail, separately or in combination, held out to the public for remuneration or hire, including scheduled and non-scheduled air services;
- (3) "citizenship determination" means a finding that an air carrier proposing to operate air services under this Agreement satisfies the requirements set out in Article 4 regarding its ownership, effective control, and principal place of business;
- (4) "fitness determination" means a finding that an air carrier proposing to operate air services under this Agreement has satisfactory financial capability and adequate managerial expertise to operate such services and is disposed to comply with the laws, regulations, and requirements that govern the operation of such services;
- (5) "competent authority" means the government agency or State entity responsible for the administrative functions under this Agreement;
- (6) "Convention" means the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944, and includes:
 - (a) any amendment that has come into force under Article 94(a) of the Convention and has been ratified by both Armenia and the EU Member State or EU Member States as is relevant to the issue in question; and
 - (b) any annex or any amendment thereto adopted under Article 90 of the Convention, insofar as such annex or amendment is at any given time effective for both Armenia and the EU Member State or EU Member States as is relevant to the issue in question;
- (7) "full cost" means the cost of service provided plus a reasonable charge for administrative overhead;
- (8) "international air transport" means air transport that passes through the airspace over the territory of more than one State;

- (9) "principal place of business" means the head office or registered office of an air carrier in the territory of the Party within which the principal financial functions and operational control, including continued airworthiness management, of the air carrier are exercised;
- (10) "stop for non-traffic purposes" means a landing for any purpose other than taking on board or discharging passengers, baggage, cargo or mail in air transport;
- (11) "air fares" means the prices to be paid to air carriers or their agents or other ticket sellers for the carriage of passengers on air services (including any other mode of transport in connection therewith) and any conditions under which those prices apply, including remuneration and conditions offered to agency and other auxiliary services;
- (12) "air rates" means the prices to be paid for the carriage of cargo on air services (including any other mode of transport in connection therewith) and the conditions under which those prices apply, including remuneration and conditions offered to agency and other auxiliary services;
- (13) "territory" means, for Armenia, the territory of the Republic of Armenia and, for the European Union and the EU Member States, the land territory, internal waters and territorial sea of the EU Member States to which the EU Treaties apply and under the conditions laid down in the EU Treaties, as well as the air space above them;
- (14) "user charge" means a charge imposed on air carriers for the provision of airport, airport environmental, air navigation or aviation security facilities or services, including related services and facilities;
- (15) "self-handling" means a situation in which an airport user directly provides for himself one or more categories of ground handling services and concludes no contract of any description with a third party for the provision of such services; for the purpose of this definition, among themselves airport users shall not be deemed to be third parties where:
- (a) one holds the majority in the other; or
 - (b) a single body has a majority holding in each;
- (16) "fifth freedom right" means the right or privilege granted by one State ("the Granting State") to the air carriers of another State ("the Recipient State") to provide international air transport services between the territory of the Granting State and the territory of a third State, subject to the condition that such services originate or terminate in the territory of the Recipient State;
- (17) "third country" means a country which is not an EU Member State or Armenia.

TITLE I

ECONOMIC PROVISIONS

Article 3

Grant of rights

1. The rights set out in this Article are subject to the transitional provisions contained in Annex I to this Agreement.

Traffic rights and route schedule

2. Each Party shall grant to the other Party the following rights for the conduct of international air transport by the air carriers of the other Party on a non-discriminatory basis:
- (a) the right to fly across its territory without landing;
 - (b) the right to make stops in its territory for non-traffic purposes;

- (c) the right to perform scheduled and non-scheduled passenger, combination and all-cargo international air transport between points ⁽¹⁾ on the following routes:
- (i) for air carriers of the European Union:
- points in the European Union – intermediate points in the territories of European Neighbourhood Policy partners ⁽²⁾, parties to the Multilateral Agreement establishing a European Common Aviation Area ⁽³⁾, or Member States of the European Free Trade Association ⁽⁴⁾ – points in Armenia – points beyond;
- (ii) for air carriers of Armenia:
- points in Armenia – intermediate points in the territories of European Neighbourhood Policy partners, parties to the Multilateral Agreement establishing a European Common Aviation Area or Member States of the European Free Trade Association – points in the European Union;
- (d) the rights otherwise specified in this Agreement.

Operational flexibility

3. Air carriers of each Party may on any or all flights and at their option on the routes specified in paragraph 2:

- (a) operate flights in either or both directions;
- (b) combine different flight numbers within one aircraft operation;
- (c) serve intermediate and beyond points, and points in the territories of the Parties in any combination and in any order according to the provisions of paragraph 2;
- (d) omit stops at any point or points;
- (e) transfer traffic from any of their aircraft to any of their other aircraft at any point (change of gauge);
- (f) make stopovers at any points whether within or outside the territory of either Party;
- (g) carry transit traffic through the territory of the other Party;
- (h) combine traffic on the same aircraft regardless of where such traffic originates; and
- (i) serve more than one point on the same service (co-terminalisation).

The operational flexibility provided for in this paragraph may be exercised without directional or geographic limitation and without loss of any right to carry traffic otherwise permissible under this Agreement, provided that:

- (a) the services of air carriers of Armenia serve a point in Armenia;
- (b) the services of air carriers of the European Union serve a point in the European Union.

4. Each Party shall allow air carriers to determine the frequency and capacity of the international air transport that they offer based on commercial considerations in the marketplace. Consistent with this right, neither Party shall unilaterally limit the volume of traffic, frequency or regularity of service, routing, origin or destination of traffic, or the aircraft type or types operated by the air carriers of the other Party, except for customs, technical, operational, air traffic management safety, environmental or health protection reasons or unless otherwise provided for in this Agreement.

⁽¹⁾ The reference to points in this Article shall be understood as internationally recognised airports.

⁽²⁾ See: Council Conclusions of 16 June 2003 taken together with the Communication from the Commission on the European Neighbourhood Policy of 12 May 2004 endorsed by the Council in its Conclusions of 14 June 2004.

⁽³⁾ Multilateral Agreement between the European Community and its Member States, the Republic of Albania, Bosnia and Herzegovina, the Republic of Bulgaria, the Republic of Croatia, the former Yugoslav Republic of Macedonia, the Republic of Iceland, the Republic of Montenegro, the Kingdom of Norway, Romania, the Republic of Serbia and the United Nations Interim Administration Mission in Kosovo ⁽¹⁾ on the establishment of a European Common Aviation Area (OJ L 285, 16.10.2006, p. 3) ⁽²⁾ Pursuant to UN Security Council Resolution 1244 of 10 June 1999).

⁽⁴⁾ The Republic of Iceland, the Principality of Liechtenstein, the Kingdom of Norway and the Swiss Confederation.

5. The air carriers of each Party may serve, including within the framework of code share arrangements, any point located in a third country that is not included on the specified routes, provided that they do not exercise fifth freedom rights.

6. Nothing in this Agreement shall be deemed to:

- (a) confer on the air carriers of Armenia the right to take on board in any EU Member State passengers, baggage, cargo, or mail carried for compensation and destined for another point in that same EU Member State;
- (b) confer on the air carriers of the European Union the right to take on board in Armenia passengers, baggage, cargo, or mail carried for compensation and destined for another point in Armenia.

7. In exercising their respective rights and obligations under this Agreement, the Parties shall refrain from any form of discrimination between air carriers of the other Party, in particular on the grounds of nationality.

8. Notwithstanding any other provisions of this Agreement, each Party has the right to refuse the operation of international air transport to, from or through the territory of a third country with which this Party does not have diplomatic relations.

Article 4

Operating authorisation and technical permission

1. On receipt of an application for an operating authorisation from an air carrier of a Party, the other Party shall grant the appropriate operating authorisations and technical permissions with minimum procedural delay, provided that:

- (a) for an air carrier of Armenia:
 - (i) the air carrier has its principal place of business in Armenia, and holds a valid operating licence in accordance with the law of Armenia;
 - (ii) effective regulatory control of the air carrier is exercised and maintained by Armenia having issued its air operator certificate and the competent authority is clearly identified; and
 - (iii) unless otherwise determined under Article 6, the air carrier is owned, directly or through majority ownership, and is effectively controlled by Armenia, or its nationals, or both;
- (b) for an air carrier of the European Union:
 - (i) the air carrier has its principal place of business in the territory of the European Union and holds a valid operating licence in accordance with European Union law;
 - (ii) effective regulatory control of the air carrier is exercised and maintained by the EU Member State responsible for issuing its air operator certificate and the competent authority is clearly identified; and
 - (iii) unless otherwise determined under Article 6, the air carrier is owned, directly or through majority ownership, and is effectively controlled by one or more EU Member States or Member States of the European Free Trade Association or by their nationals, or both;
- (c) Articles 14 and 15 are complied with; and
- (d) the air carrier meets the conditions prescribed under the laws and regulations normally applied to the operation of international air transport by the Party considering the application.

2. When granting operating authorisations and technical permissions, each Party shall treat all carriers of the other Party in a non-discriminatory manner.

3. On receipt of an application for an operating authorisation from an air carrier of a Party, the other Party shall recognise any fitness determination or citizenship determination made by the first Party with respect to that air carrier as if such determination had been made by its own competent authorities, and shall not enquire further into such matters, except as provided in the second and third subparagraphs.

If, after receipt of an application for operating authorisation from an air carrier, or after the grant of such authorisation, the competent authorities of the receiving Party have a specific concern that, despite the determination made by the other Party, any condition prescribed in paragraph 1 for the grant of appropriate operating authorisations or technical permissions has not been met, the receiving Party shall promptly advise the other Party, giving substantive reasons for its concern. In that event, either Party may request consultations, which may include representatives of the competent authorities of the Parties, or additional information relevant to the concern and the request for consultation shall be met as soon as practicable. If the matter remains unresolved, either Party may bring the matter to the Joint Committee referred to in Article 23 ("the Joint Committee").

This paragraph does not cover the recognition of determinations in relation to safety certificates or licences, security arrangements or insurance coverage.

Article 5

Refusal, revocation, suspension or limitation of operating authorisation and technical permission

1. Either Party may refuse, revoke, suspend, impose conditions on or limit the operating authorisations or technical permissions or otherwise refuse, suspend, impose conditions on or limit the operations of an air carrier of the other Party where:

(a) for an air carrier of Armenia:

- (i) the air carrier does not have its principal place of business in Armenia or does not hold a valid operating licence in accordance with the law of Armenia;
- (ii) effective regulatory control of the air carrier is not exercised or not maintained by Armenia, where Armenia is responsible for issuing its air operator certificate, or the competent authority is not clearly identified; or
- (iii) unless otherwise determined under Article 6, the air carrier is not owned, directly or through majority ownership or is not effectively controlled by Armenia, or its nationals, or both;

(b) for an air carrier of the European Union:

- (i) the air carrier does not have its principal place of business in the territory of the European Union or does not hold a valid operating licence in accordance with European Union law;
- (ii) effective regulatory control of the air carrier is not exercised or not maintained by the EU Member State responsible for issuing its air operator certificate or the competent authority is not clearly identified; or
- (iii) unless otherwise determined under Article 6, the air carrier is not owned, directly or through majority ownership, or is not effectively controlled by a Member State or Member States of the European Union or the European Free Trade Association or by nationals of such States, or both;

(c) Articles 8, 14 and 15 are not complied with; or

(d) the air carrier has failed to comply with the laws and regulations referred to in Article 7 or with the laws and regulations normally applied to the operation of international air transport by the Party considering the application.

2. Unless immediate action is essential to prevent further non-compliance with point (c) or (d) of paragraph 1, the rights established by this Article shall be exercised only after consultation with the other Party.

3. This Article does not limit the rights of either Party to refuse, revoke, suspend, impose conditions on or limit the operating authorisation or technical permission of an air carrier or air carriers of the other Party in accordance with Articles 14 or 15.

Article 6

Investment in air carriers

1. Notwithstanding Articles 4 and 5, and upon verification by the Joint Committee in accordance with Article 23(8) that, under their respective laws, each of the Parties or their nationals may acquire majority ownership or the effective control of an air carrier of the other Party, the Parties may allow majority ownership or the effective control of an air carrier of Armenia by EU Member States or their nationals, or of an air carrier of the European Union by Armenia or its nationals, in accordance with paragraph 2 of this Article.

2. In relation to paragraph 1 of this Article, investments in air carriers by the Parties or their nationals shall be individually permitted by virtue of a prior decision of the Joint Committee in accordance with Article 23(2).

That decision shall specify the conditions associated with the operation of the agreed services under this Agreement and with the services between third countries and the Parties. Article 23(11) shall not apply to that decision.

Article 7

Compliance with laws and regulations

1. While entering, within or leaving, the territory of one Party, the laws and regulations applicable within that territory relating to the admission to, operating within, or departure from its territory of aircraft engaged in international air transport shall be complied with by the air carriers of the other Party.

2. While entering, within or leaving, the territory of one Party, the laws and regulations applicable within that territory relating to the admission to, operating within, or departure from its territory of passengers, crew, baggage, cargo or mail on aircraft (including regulations relating to entry, clearance, immigration, passports, customs and quarantine, or in the case of mail, postal regulations) shall be complied with by, or on behalf of, such passengers, crew, baggage, cargo and mail of the air carriers of the other Party.

3. The Parties shall permit, in their respective territory, the air carriers of the other Party to take measures to ensure that only persons with the travel documents required for entry into or transit through the territory of the other Party are carried.

Article 8

Fair competition

1. The Parties acknowledge that it is their joint objective to have a fair and competitive environment and fair and equal opportunity for the companies involved in air transport services of both Parties to compete in operating the agreed services on the specified routes. Therefore, the Parties shall take all appropriate measures to ensure the full enforcement of this objective.

2. The Parties assert that free, fair and undistorted competition is important to promote the objectives of this Agreement and note that the existence of comprehensive competition laws and of an independent competition authority as well as the sound and effective enforcement of their respective competition laws are important for the efficient provision of air transport services. The competition laws of each Party addressing the issues covered by this Article, as amended from time to time, shall apply to the operation of the air carriers within the jurisdiction of the respective Party. The Parties share the objectives of compatibility and convergence of competition law and of its effective application. They will cooperate as appropriate and where relevant on the effective application of competition law, including by allowing the disclosure, in accordance with their respective rules and jurisprudence, by their respective companies or other nationals of information pertinent to a competition law action by the competition authorities of the other Party.

3. Nothing in this Agreement shall affect, limit or jeopardise in any way the authority and powers of the relevant competition authorities and courts of either Party (and of the European Commission), and all matters relating to the enforcement of competition law shall continue to fall under the exclusive competence of those authorities and courts. Therefore, any action taken pursuant to this Article by a Party shall be without prejudice to any possible actions taken by those authorities and courts.
4. Any action taken pursuant to this Article shall fall under the exclusive responsibility of the Parties and shall be exclusively directed towards the other Party or to companies providing air transport services to/from the Parties. Such action shall not be subject to the dispute settlement procedure foreseen in Article 24.
5. Each Party shall eliminate all forms of discrimination or unfair practices which would adversely affect the fair and equal opportunity of the companies involved in air transport services of the other Party to compete in providing air transport services.
6. Neither Party shall provide or permit public subsidies or support to any company if these subsidies or support would significantly and adversely affect the fair and equal opportunity of the companies of the other Party to compete in providing air transport services. Such public subsidies or support may include, but are not limited to: cross-subsidisation; the setting-off of operational losses; the provision of capital; grants; guarantees; loans or insurance on privileged terms; protection from bankruptcy; foregoing the recovery of amounts due; foregoing a normal return on public funds invested; tax relief or tax exemptions; compensation for financial burdens imposed by public authorities; and access on a discriminatory or non-commercial basis to air navigation or airport facilities and services, fuel, ground handling, security, computerised reservation systems, slot allocation or other related facilities and services necessary for the operation of air services.
7. If a Party provides public subsidies or support to a company, it shall ensure the transparency of such measure through any appropriate means, which may include requiring that the company identifies the subsidy or support clearly and separately in its accounts.
8. Each Party shall, at the request of the other Party, provide to the other Party within a reasonable time financial reports relating to the entities under the jurisdiction of the first Party, and any other such information that may be reasonably requested by the other Party to ensure that the provisions of this Article are being complied with. This may include detailed information relating to subsidies or support. Such information may be subject to its confidential treatment by the Party requesting access to the information.
9. Without prejudice to any action undertaken by the relevant competition authority or court for the enforcement of the rules referred to in paragraphs 5 and 6:
- (a) if one Party finds that a company is being subject to discrimination or unfair practices in the sense of paragraph 5 or 6 and that this can be substantiated, it may submit observations in writing to the other Party. After informing the other Party, a Party may also approach responsible government entities in the territory of the other Party, including entities at the central, regional, provincial or local level to discuss matters relating to this Article. Moreover, a Party may request consultations on this matter with the other Party with a view to solving the problem. Such consultations shall start within 30 days of the receipt of the request. In the meantime, the Parties shall exchange sufficient information to enable a full examination of the concern expressed by one of the Parties;
 - (b) if the Parties fail to reach a resolution of the matter through consultations within 30 days of the start of consultations or consultations do not start within 30 days of the receipt of the request concerning an alleged violation of paragraph 5 or 6, the Party which requested the consultation shall have the right to suspend the exercise of the rights specified in this Agreement by the concerned companies of the other Party by refusing, revoking or suspending the operating authorisation/permit, or to impose such conditions as it may deem necessary on the exercise of such rights, or impose duties or take other actions. Any action taken pursuant to this paragraph shall be appropriate, proportionate and restricted with regard to scope and duration to what is strictly necessary.
10. Each Party shall effectively apply antitrust laws in accordance with paragraph 2, and shall prohibit companies:

- (a) in conjunction with any other company to enter into agreements, take decisions or engage in concerted practices which may affect air transport services to/from that Party and which have as their object or effect the prevention, restriction or distortion of competition. This prohibition may be declared inapplicable where such agreements, decisions or practices contribute to improving the production or distribution of services or to promoting technical or economic progress, while allowing consumers a fair share of the resulting benefit, and do not: (i) impose on the companies concerned restrictions which are not indispensable to the attainment of these objectives; (ii) afford such companies the possibility of eliminating competition in respect of a substantial part of the services in question; and
- (b) to abuse a dominant position in a way which may affect air transport services to/from that Party.

11. Each Party shall entrust the enforcement of the antitrust rules referred to in paragraph 10 exclusively to its relevant and independent competition authority or court.

12. Without prejudice to any action undertaken by the relevant competition authority or court for the enforcement of the rules referred to in paragraph 10, if one Party finds that a company suffers from an alleged violation of paragraph 10 and that this can be substantiated, it may submit observations in writing to the other Party. After informing the other Party, a Party may also approach responsible government entities in the territory of the other Party, including entities at the central, regional, provincial or local level to discuss matters relating to this Article. Moreover, a Party may request consultations on this matter with the other Party with a view to solving the problem. Such consultations shall start within 30 days of the receipt of the request. In the meantime, the Parties shall exchange sufficient information to enable a full examination of the concern expressed by one of the Parties.

13. If the Parties fail to reach a resolution of the matter through consultations within 30 days of the start of consultations or consultations do not start within 30 days of the receipt of the request concerning an alleged violation of paragraph 10, and provided that the relevant competent competition authority or court has found an antitrust violation, the Party which requested the consultation shall have the right to suspend the exercise of the rights specified in this Agreement by the concerned companies of the other Party by refusing, revoking or suspending the operating authorisation/permit, or to impose such conditions as it may deem necessary on the exercise of such rights, or impose duties or take other actions. Any action taken pursuant to this paragraph shall be appropriate, proportionate and restricted with regard to scope and duration to what is strictly necessary.

Article 9

Commercial opportunities

1. Subject to the transitional provisions set out in Annex I, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Annex II, Part A.

2. The Parties agree that obstacles to doing business encountered by commercial operators would hamper the benefits to be achieved by this Agreement. The Parties shall therefore engage in an effective and reciprocal process to remove obstacles to doing business encountered by commercial operators of both Parties where such obstacles may hamper commercial operations or create distortions to competition or affect equal opportunities to compete.

3. Air carriers of the two Parties shall not be required to retain a local sponsor.

4. The Joint Committee shall develop a process of cooperation in relation to doing business and commercial opportunities, shall monitor progress in effectively addressing obstacles to doing business encountered by commercial operators and shall regularly review developments, including towards legislative and regulatory changes. In accordance with Article 23, a Party may request a meeting of the Joint Committee to discuss any question related to the application of this Article.

5. The air carriers of each Party shall have the right to freely establish offices and facilities in the territory of the other Party where such offices and facilities are required for the provision of air transport and for the promotion and sale of air transport and related activities, including the right to sell and to issue any ticket or airway bill of its own or of any other air carrier.

6. The air carriers of each Party shall be entitled, in accordance with the laws and regulations of the other Party relating to entry, residence, and employment, to bring in and maintain in the territory of the other Party managerial, sales, technical, operational, and other specialist staff who are required to support the provision of air transport. Both Parties shall facilitate and expedite the granting of employment authorisations, where required, for personnel employed in the offices according to this paragraph, including those performing certain temporary duties not exceeding 90 days, subject to the relevant laws and regulations in force.

7. Without prejudice to the second subparagraph, each air carrier shall have in relation to ground handling in the territory of the other Party:

- (a) the right to perform its own ground handling (self-handling); or
- (b) the right to select among competing suppliers, including other air carriers, that provide ground handling services in whole or in part where such suppliers are allowed market access on the basis of the laws and regulations of each Party, and where such suppliers are present in the market.

The rights under points (a) and (b) of the first subparagraph shall be subject only to specific constraints of available space or capacity arising from the need to maintain the safe operation of the airport. Where such constraints limit, prevent or preclude self-handling and where there is no effective competition between suppliers that provide ground handling services, the relevant Party shall ensure that all such services are available on both an equal and an adequate basis to all air carriers; prices of such services shall be determined according to relevant, objective, transparent and non-discriminatory criteria.

8. Each supplier of ground handling services, whether an air carrier or not, shall have in relation to ground handling in the territory of the other Party the right to provide ground handling services for air carriers operating at the same airport, where authorised and consistent with applicable laws and regulations.

9. Each Party shall ensure that its regulations, guidelines and procedures for allocation of slots at the airports in its territory are applied in an independent, transparent, effective, non-discriminatory and timely manner.

10. Notification of operational plans, programmes or schedules for air services operated under this Agreement may be required by a Party for information purposes only in order to being able to verify that the rights granted under this Agreement are respected. If a Party requires such notification, it shall minimise the administrative burdens of notification requirements and procedures on air transport intermediaries and on air carriers of the other Party.

11. Any air carrier of each Party may engage in the sale of air transport and related services in the territory of the other Party directly or, at the air carrier's discretion, through its sales agents, other intermediaries appointed by the air carrier or through the internet or any other available channel. Each air carrier shall have the right to sell such transport and related services, and any person shall be free to purchase such transport and related services, in the currency of that territory or in freely convertible currencies.

12. The air carriers of each Party shall be permitted to pay for local expenses, including purchases of fuel and payment of airport charges in the territory of the other Party in local currency. At their discretion, the air carriers of each Party may pay for such expenses in the territory of the other Party in freely convertible currencies at the market rate of exchange.

13. Each air carrier shall have the right on demand to convert into freely convertible currencies and remit at any time, in any way, from the territory of the other Party to the country of its choice, local revenues. Conversion and remittance shall be permitted promptly without restrictions or taxation in respect thereof at the market rate of exchange applicable to current transactions and remittance on the date the air carrier makes the initial application for remittance and shall not be subject to any charges except those normally made by banks for carrying out such conversion and remittance.

14. In operating or holding out services under this Agreement, any air carrier of a Party may enter into cooperative marketing arrangements, such as blocked-space or code-sharing arrangements, with:

- (a) any air carrier or carriers of the Parties;

- (b) any air carrier or carriers of a third country; and
- (c) any surface (land or maritime) transport provider of any country;

provided that (i) the operating carrier holds the appropriate traffic rights; (ii) the marketing carriers hold the appropriate underlying route rights; and (iii) the arrangements meet the requirements relating to safety and competition normally applied to such arrangements.

15. In respect to the transport of passengers sold involving cooperative marketing arrangements, the purchaser shall be informed at the point of sale, or in any case at check-in, or before boarding where no check-in is required for a connecting flight, which transport providers will operate each sector of the service.

16. In relation to the transport of passengers, surface transport providers shall not be subject to laws and regulations governing air transport on the sole basis that such surface transport is held out by an air carrier under its own name.

17. Notwithstanding any other provision of this Agreement, air carriers and indirect providers of cargo transport of the Parties shall be permitted, without restriction, to employ in connection with international air transport any surface transport for cargo to or from any points in the territories of the Parties, or in third countries, including transport to and from all airports internationally recognised with customs facilities, and including, where applicable, the right to transport cargo in bond under applicable laws and regulations. Such cargo, whether moving by surface or by air, shall have access to airport customs processing and facilities. Air carriers may elect to perform their own surface transport or to provide it through arrangements with other surface transport providers, including surface transport operated by other air carriers and indirect providers of cargo air transport. Such intermodal cargo services may be offered at a single, through price for the air and surface transport combined, provided that shippers are not misled as to the facts concerning such transport.

18. The air carriers of each Party shall be entitled to enter into franchising or branding arrangements with companies, including air carriers, of either Party or third countries, provided that the air carriers hold the appropriate authority and meet the conditions prescribed under the laws and regulations normally applied by the Parties to such arrangements, particularly those requiring the disclosure of the identity of the air carrier operating the service.

19. The air carriers of each Party may enter into arrangements for the provision of aircraft with or without crew for the operation of international air transport with:

- (a) any air carrier or carriers of the Parties; and
- (b) any air carrier or carriers of a third country,

provided that all participants in such arrangements hold the appropriate authority and meet the conditions prescribed under the respective laws and regulations applied by the Parties to such arrangements. Neither Party shall require the air carrier providing the aircraft to hold traffic rights under this Agreement for the routes on which the aircraft will be operated. The Parties may require these arrangements to be approved by their competent authorities. Where a Party requires such approval, it shall minimise the administrative burdens for air carriers of the approval procedures.

Article 10

Customs duties and taxation

1. On arriving in the territory of one Party, aircraft operated in international air transport by the air carriers of the other Party, their regular equipment, fuel, lubricants, consumable technical supplies, ground equipment, spare parts (including engines), aircraft stores (including such items as food, beverages and liquor, tobacco and other products destined for sale to or use by passengers in limited quantities during flight), and other items intended for or used solely in connection with the operation or servicing of aircraft engaged in international air transport shall be exempt on the basis of reciprocity and provided that such equipment and supplies remain on board the aircraft, from all import restrictions, property taxes and capital levies, customs duties, excise duties, and similar fees and charges that are:

- (a) imposed by the national or local authorities or the European Union; and

(b) not based on the cost of service provided.

2. The following shall also be exempted, on the basis of reciprocity, from the taxes, levies, duties, fees and charges referred to in paragraph 1, with the exception of charges based on the cost of service provided:

- (a) aircraft stores introduced into or supplied in the territory of a Party and taken on board, within reasonable limits, for use on outbound aircraft of an air carrier of the other Party engaged in international air transport, including in cases where such stores are to be used on a part of the journey performed over that territory;
- (b) ground equipment and spare parts (including engines) introduced into the territory of a Party for the servicing, maintenance, or repair of aircraft of an air carrier of the other Party used in international air transport;
- (c) fuel, lubricants and consumable technical supplies introduced into or supplied in the territory of a Party for use in an aircraft of an air carrier of the other Party engaged in international air transport, including in cases where such supplies are to be used on a part of the journey performed over that territory; and
- (d) printed material, as provided for by the customs legislation of each Party, introduced into or supplied in the territory of a Party and taken on board for use on outbound aircraft of an air carrier of the other Party engaged in international air transport, including in cases where such stores are to be used on a part of the journey performed over that territory.

3. Nothing in this Agreement shall prevent a Party from imposing taxes, levies, duties, fees or charges on fuel supplied in its territory, on a non-discriminatory basis, for use in an aircraft of an air carrier that operates between two points in its territory.

4. The regular airborne equipment, as well as the material, supplies and spare parts referred to in paragraphs 1 and 2 normally retained on board aircraft operated by an air carrier of one Party may be unloaded in the territory of the other Party only with the prior approval of the customs authorities of that Party and may be required to be kept under the supervision or control of those authorities until they are re-exported or otherwise disposed of in accordance with customs regulation.

5. The exemptions provided for by this Article shall also be available where the air carriers of a Party have contracted with another air carrier which similarly enjoys such exemptions from the other Party for the loan or transfer in the territory of the other Party of the items specified in paragraphs 1 and 2.

6. Nothing in this Agreement shall prevent either Party from imposing taxes, levies, duties, fees or charges on goods sold other than for consumption on board to passengers during a sector of an air service between two points within its territory at which embarkation or disembarkation is permitted.

7. Baggage and cargo in direct transit across the territory of a Party shall be exempt from taxes, customs duties, fees and other similar charges that are not based on the cost of service provided.

8. Equipment and supplies referred to in paragraphs 1 and 2 may be required to be kept under the supervision or control of the competent authorities.

9. The provisions of this Agreement shall not affect the field of Value Added Tax (VAT).

10. This Agreement is without prejudice to the provisions of the respective conventions between EU Member States and Armenia for the avoidance of double taxation on income and on capital.

Article 11

User charges

1. Subject to the transitional provisions set out in Annex I, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Annex II, Part A.
2. Each Party shall ensure that user charges that may be imposed by its competent charging authorities or bodies on the air carriers of the other Party for the use of air navigation and air traffic control are cost-related and non-discriminatory. In any event, any such user charges shall be imposed on the air carriers of the other Party on terms not less favourable than the most favourable terms available to any other air carrier.
3. Each Party shall ensure that user charges that may be imposed by its competent charging authorities or bodies on the air carriers of the other Party for the use of airport, aviation security and related facilities and services, with the exception of charges levied with respect to the services described in Article 9(7), are not unjustly discriminatory, do not discriminate on grounds of nationality and are equitably apportioned among categories of users. Without prejudice to Article 16(1), such user charges shall reflect, but shall not exceed, the full cost to the competent charging authorities or bodies of providing the appropriate airport and aviation security facilities and services at that airport or those airports at which a common charging system applies. Such user charges may include a reasonable return on assets, after depreciation. Facilities and services for which user charges are imposed shall be provided on an efficient and economic basis. In any event, such user charges shall apply to the air carriers of the other Party on terms not less favourable than the most favourable terms available to any other air carrier at the time the charges are applied.
4. Each Party shall require the competent charging authorities or bodies in its territory and the air carriers using the services and facilities to undertake consultations and to exchange such information as may be necessary to permit an accurate assessment of the reasonableness of the user charges in accordance with the principles set out in paragraphs 2 and 3. Each Party shall ensure that the competent charging authorities or bodies provide users with reasonable notice of any proposal for changes in user charges in order to enable users to express their views and provide comments before any changes are made.

Article 12

Air fares and air rates

1. Each Party shall permit the air carriers of the Parties to freely establish air fares and air rates on the basis of free and fair competition.
2. Each Party may require, on a non-discriminatory basis, notification to its competent authorities of air fares and air rates offered for services originating from its territory by air carriers of both Parties on a simplified basis and for information purposes only. Such notification by the air carriers may be required to be made no earlier than the initial offering of an air fare or an air rate.
3. Discussions between the competent authorities may be held on matters such as the requirements and procedures for notification of air rates and air fares, and air fares and air rates which may be unjust, unreasonable, discriminatory or subsidised.

Article 13

Statistics

1. Each Party shall provide the other Party with available statistics related to air transport under this Agreement, as required by its laws and regulations, on a non-discriminatory basis, and as may reasonably be required.
2. The Parties shall cooperate, including within the Joint Committee, to facilitate the exchange of statistical information between them for the purpose of monitoring the development of air transport under this Agreement.

TITLE II

REGULATORY COOPERATION

*Article 14***Aviation safety**

1. Subject to the transitional provisions set out in Annex I, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Annex II, Part B.

2. For the purposes of ensuring the Parties' implementation of the provisions of this Article and the regulatory requirements and standards referred to in paragraph 1, Armenia shall be involved in the work of the European Aviation Safety Agency as an observer from the date of entry into force of this Agreement.

The transition of Armenia to compliance with the regulatory requirements and standards relating to air transport specified in Annex II, Part B, shall be subject to continued monitoring and periodic assessments, to be carried out by the European Union in cooperation with Armenia.

When Armenia is satisfied that it complies with the regulatory requirements and standards relating to air transport specified in Annex II, Part B, it shall inform the European Union that an evaluation should be carried out.

When Armenia has fully complied with the regulatory requirements and standards relating to air transport specified in Annex II, Part B, the Joint Committee shall determine the precise status and conditions for the participation of Armenia in the European Aviation Safety Agency and for its observer status.

3. The Parties shall ensure that aircraft registered in one Party suspected of non-compliance with international aviation safety standards established pursuant to the Convention landing at airports open to international air traffic in the territory of the other Party are subject to ramp inspections by the competent authorities of that other Party, on board and around the aircraft, to check both the validity of the aircraft documents and those of its crew and the apparent condition of the aircraft and its equipment.

4. The competent authorities of a Party may request consultations at any time concerning the safety standards maintained by the other Party.

5. The competent authorities of a Party shall take all appropriate and immediate measures whenever they ascertain that:

- (a) an aircraft, a product or an operation may fail to satisfy the minimum standards established pursuant to the Convention or the regulatory requirements and standards relating to air transport specified in Annex II, Part B, whichever is applicable,
- (b) there are serious concerns that an aircraft or the operation of an aircraft does not comply with the minimum standards established pursuant to the Convention or the regulatory requirements and standards relating to air transport specified in Annex II, Part B, whichever is applicable, or
- (c) there are serious concerns that there is a lack of effective maintenance and administration of minimum standards established pursuant to the Convention or the regulatory requirements and standards relating to air transport specified in Annex II, Part B, whichever is applicable.

6. Where one Party takes action under paragraph 5, it shall promptly inform the other Party, providing reasons for its action.

7. Any action by a Party in accordance with paragraph 5 shall be discontinued once the basis for the taking of that action ceases to exist.

Article 15

Aviation security

1. Subject to the transitional provisions set out in Annex I, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to aviation security specified in Annex II, Part C.
2. Armenia may be subjected to a European Commission inspection in accordance with the relevant European Union aviation security legislation specified in Annex II, Part C. The Parties shall establish the necessary mechanism for the exchange of information on the results of such security inspections.
3. The assurance of safety for civil aircraft, their passengers and crew being a fundamental precondition for the operation of international air services, the Parties reaffirm their obligations to each other to provide for the security of civil aviation against acts of unlawful interference, and in particular their obligations under the Convention, the Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16 December 1970, the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971, the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, signed at Montreal on 24 February 1988 and the Convention on the Marking of Plastic Explosives for purpose of Detection, signed at Montreal on 1 March 1991, insofar as both Parties are parties to these conventions, as well as all other conventions and protocols relating to civil aviation security of which the Parties are parties.
4. The Parties shall provide upon request all necessary assistance to each other to prevent acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, their passengers and crew, airports and air navigation facilities, and any other threat to the security of civil aviation.
5. Where not provided for in the regulatory requirements and standards relating to aviation security specified in Annex II, Part C, the Parties shall, in their mutual relations, act in conformity with the international aviation security standards and appropriate recommended practices established by ICAO. Both Parties shall require that operators of aircraft of their registry, operators who have their principal place of business or permanent residence in their territory, and the operators of airports in their territory, act in conformity with such aviation security provisions.
6. Each Party shall ensure that effective measures are taken within its territory to protect civil aviation against acts of unlawful interference, including, but not limited to, screening of passengers and their cabin baggage, screening of hold baggage, screening and security controls for persons other than passengers, including crew, and their items carried, screening and security controls for cargo, mail, in-flight and airport supplies, and access control to airside and security restricted areas. Those measures shall be adjusted to meet increases in the threat to the security of civil aviation. Each Party agrees that their air carriers may be required to observe the aviation security provisions referred to in paragraphs 1 and 5 and other security provisions required by the other Party, for entrance into, departure from or while within the territory of that other Party.
7. With full regard and mutual respect for each other's sovereignty, a Party may adopt security measures for entry into its territory, as well as emergency measures, in order to meet a specific security threat, which should be communicated to the other Party without delay. Each Party shall give positive consideration to any request from the other Party for reasonable special security measures, and the first Party shall take into account the security measures already applied by the other Party and any views that the other Party may offer. Each Party recognises, however, that nothing in this Article limits the ability of a Party to refuse entry into its territory of any flight or flights that it deems to present a threat to its security. Except where not reasonably possible in case of emergency, each Party will inform the other Party in advance of any special security measures it intends to introduce which could have a significant financial or operational impact on the air transport services provided under this Agreement. Either Party may request a meeting of the Joint Committee to discuss such security measures, as provided for in Article 23.
8. When an incident or threat of an incident of unlawful seizure of civil aircraft or other unlawful acts against the safety of such aircraft, their passengers and crew, airports or air navigation facilities occurs, the Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat.

9. Each Party shall take all measures it finds practicable to ensure that an aircraft subjected to an act of unlawful seizure or other acts of unlawful interference which is on the ground in its territory is detained on the ground unless its departure is necessitated by the overriding duty to protect human life. Wherever practicable, such measures shall be taken on the basis of mutual consultations.

10. When a Party has reasonable grounds to believe that the other Party has departed from the aviation security provisions of this Article, that Party shall request immediate consultations with the other Party. Such consultations shall start within 30 days of receipt of such request.

11. Without prejudice to Article 5, failure to reach a satisfactory agreement within 30 days from the starting date of such consultations or such longer period as may be agreed shall constitute grounds to withhold, revoke, limit or impose conditions on the operating authorisation of one or more air carriers of such other Party.

12. When required by an immediate and extraordinary threat, a Party may take immediate interim action.

13. Any action taken in accordance with paragraph 11 shall be discontinued upon compliance by the other Party with the provisions of this Article.

Article 16

Air traffic management

1. Subject to the transitional provisions set out in Annex I, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Annex II, Part D, and where not provided for in the EU regulatory framework at least the relevant ICAO standards and recommended practices under the conditions set out in this Article.

2. The Parties shall cooperate in the field of air traffic management with a view to extending the Single European Sky to Armenia in order to enhance current safety standards and overall efficiency of general air traffic operations in Europe, to optimise air traffic control capacities, to minimise delays and to increase environmental efficiency. To this purpose, Armenia shall be involved as observer in the Single Sky Committee and other Single European Sky related bodies from the date of entry into force of this Agreement. The Joint Committee shall be responsible for monitoring and facilitating cooperation in the field of air traffic management.

3. With a view to facilitating the application of the Single European Sky legislation in their territories:

- (a) Armenia shall take the necessary measures to adjust its air navigation services and air traffic management institutional and oversight structures so as to comply with the Single European Sky requirements;
- (b) Armenia shall in particular establish a pertinent national supervisory body at least functionally independent of the air navigation service provider(s);
- (c) the European Union shall associate Armenia with relevant operational initiatives in the fields of air navigation services, airspace and interoperability that stem from the Single European Sky, including through:
 - (i) the examination of the possibility to cooperate with or associate with an existing functional airspace block or to create a new one;
 - (ii) the participation in the network functions of the Single European Sky;
 - (iii) the alignment to the SESAR deployment plans;
 - (iv) the enhancement of interoperability; and
- (d) Armenia shall take the necessary measures to implement the European Union performance scheme with the objective of optimising overall flight efficiency, reducing costs, and enhancing the safety and capacity of the existing systems.

*Article 17***Environment**

1. Subject to the transitional provisions set out in Annex I, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Annex II, Part E.
2. The Parties support the need to protect the environment by promoting the sustainable development of aviation. The Parties intend to work together to identify issues related to the impacts of aviation on the environment.
3. The Parties recognise the importance of working together in order to consider and minimise the effects of aviation on the environment in a manner consistent with the objectives of this Agreement.
4. The Parties recognise the importance of tackling climate change and therefore of addressing greenhouse gas emissions associated with aviation, both at domestic and international levels. They agree to step up cooperation on these matters, including through relevant multilateral arrangements, particularly the implementation of the global market-based measure that was agreed at the 39th ICAO Assembly and the use of the mechanism established by Article 6(4) of the Paris Agreement under the United Nations Framework Convention on Climate Change in the development of global market-based measures to address greenhouse gas emissions in the aviation sector and any other aspect under that Article of particular relevance for international aviation emissions.
5. The Parties undertake to exchange information and have regular direct communication and dialogue among experts to enhance cooperation on addressing aviation environmental impacts, including:
 - (a) on research and development with regard to environmentally friendly aviation technology;
 - (b) in air traffic management innovation with a view to reducing the environmental impacts of aviation;
 - (c) on research and development of sustainable alternative fuels for aviation;
 - (d) on issues dealing with the environmental effects of aviation and mitigation of climate-related emissions of aviation; and
 - (e) in noise mitigation and monitoring, with a view to reducing the environmental impacts of aviation.
6. The Parties shall also, in compliance with their multilateral environmental rights and obligations, effectively enhance cooperation, including financial and technological, in relation to measures aimed at addressing greenhouse gas emissions from international aviation.
7. The Parties recognise the need to take appropriate measures to prevent or otherwise address the environmental impacts of air transport provided that such measures are fully consistent with their rights and obligations under international law.

*Article 18***Air carrier liability**

The Parties reaffirm their obligations under the Convention for the Unification of Certain Rules for International Carriage by Air, done at Montreal on 28 May 1999 (the Montreal Convention).

*Article 19***Consumer protection**

Subject to the transitional provisions set out in Annex I, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Annex II, Part F.

*Article 20***Computerised reservation systems**

1. Subject to the transitional provisions set out in Annex I, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Annex II, Part A.
2. Computerised reservation systems (hereinafter referred to as "CRS") vendors operating in the territory of a Party shall be entitled to bring in, maintain and make freely available their CRSs to travel agencies or travel companies whose principal business is the distribution of travel-related products in the territory of the other Party, provided that each CRS complies with the relevant regulatory requirements of the other Party.
3. Each Party shall annul any existing requirement which could restrict free access by one Party's CRSs to the other Party's market or otherwise limit competition. The Parties shall refrain from adopting any such requirements.
4. Neither Party shall, in its territory, impose or permit to be imposed on the CRS vendors of the other Party requirements with respect to CRS displays different from those imposed on its own CRS vendors or any other CRS operating on its market. Neither Party shall prevent the conclusion of agreements between CRS vendors, their providers and their subscribers which are related to the exchange of travel services information and which facilitate the display of comprehensive and unbiased information to consumers, or which are related to the fulfilment of regulatory requirements on neutral displays.
5. The Parties shall ensure that owners and operators of CRSs of a Party that comply with the relevant regulatory requirements of the other Party have the same opportunity to own CRSs within the territory of the other Party as the owners and operators of any other CRS operating in the market of that Party.

*Article 21***Social aspects**

1. Subject to the transitional provisions set out in Annex I, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Annex II, Part G.
2. The Parties recognise the importance of considering the effects of this Agreement on labour, employment and working conditions. The Parties undertake to cooperate on labour matters within the scope of this Agreement, inter alia in relation to impacts on employment, fundamental rights at work, working conditions, social protection and social dialogue.
3. The Parties shall through their laws, regulations and practices promote high levels of protection in the labour and social domain of the civil aviation sector.
4. The Parties recognise the importance of the benefits that arise when the significant economic gains from open and competitive markets are combined with high labour standards for workers. The Parties shall implement this Agreement in a manner that contributes to high labour standards, irrespective of the ownership or nature of the air carriers concerned, and to ensure that the rights and principles contained in their respective laws and regulations are not undermined but effectively enforced.
5. The Parties commit to the promotion and effective implementation in their laws and practices of internationally recognised core labour standards as contained in the fundamental Conventions of the International Labour Organization as ratified by Armenia and EU Members States.
6. The Parties commit to promoting also other internationally agreed standards and agreements in the labour and social domain of relevance for the civil aviation sector and their effective implementation and enforcement in their domestic legislation.
7. Either Party may request a meeting of the Joint Committee to address labour issues that it identifies as significant.

TITLE III

INSTITUTIONAL AND FINAL PROVISIONS

Article 22

Interpretation and enforcement

1. The Parties shall take all appropriate measures, whether general or particular, to ensure fulfilment of the obligations arising out of this Agreement and shall refrain from any measures which would jeopardise attainment of the objectives of this Agreement.
2. Each Party shall be responsible, in its own territory, for the proper enforcement of this Agreement.
3. Each Party shall give the other Party all necessary information and assistance subject to the applicable laws and regulations of the respective Party, in relation to investigations on possible infringements which that other Party carries out under its respective competences in accordance with this Agreement.
4. Whenever the Parties act under the powers granted to them by this Agreement on matters which are of interest to the other Party and which concern the competent authorities or undertakings of the other Party, the competent authorities of the other Party shall be fully informed and given the opportunity to comment before a final decision is taken.
5. Insofar as the provisions of this Agreement and the provisions of the acts specified in Annex II are identical in substance to corresponding rules of the EU Treaties and to acts adopted pursuant to the EU Treaties, those provisions shall, in their implementation and application, be interpreted in conformity with the relevant rulings and decisions of the Court of Justice and the European Commission.

Article 23

Joint Committee

1. A Joint Committee composed of representatives of the Parties is hereby established. It shall be responsible for overseeing the administration of this Agreement and shall ensure its proper implementation. It shall make recommendations and take decisions where expressly provided in this Agreement.
2. The Joint Committee shall operate, and take decisions, on the basis of consensus. Decisions taken by the Joint Committee shall be binding on the Parties.
3. The Joint Committee shall adopt its rules of procedure.
4. The Joint Committee shall meet as and when necessary and at least once a year. Either Party may request the convening of a meeting of the Joint Committee.
5. A Party may request a meeting of the Joint Committee to seek to resolve any question relating to the interpretation or application of this Agreement. Such a meeting shall begin at the earliest possible date, and not later than two months from the date of receipt of the request, unless otherwise agreed by the Parties.
6. For the purpose of the proper implementation of this Agreement, the Parties shall exchange information and, at the request of either Party, shall hold consultations within the Joint Committee.
7. Pursuant to the grant of rights set out in Article 3, the Joint Committee shall validate by a decision the evaluation carried out by the European Union of the implementation and application by Armenia of the provisions of EU legislation as set out in paragraph 1 of Annex I.
8. In accordance with Article 6, the Joint Committee shall examine questions relating to investments in air carriers of the Parties and to changes in the effective control of air carriers of the Parties.

9. In accordance with Article 14, the Joint Committee shall monitor the process of phasing-out during the transition phase described in Annex I of aircraft registered in Armenia and used by operators under the regulatory control of Armenia which do not have a type certificate issued in accordance with the relevant EU legislation specified in Annex II, Part B, with a view to ensuring the phasing-out of such aircraft in accordance with paragraph 7 of Annex I.

10. The Joint Committee shall also develop cooperation, in particular by:

- (a) reviewing market conditions affecting air services under this Agreement;
- (b) addressing, with the aim of effectively resolving, issues related to doing business and commercial opportunities, as referred to in Article 9, that may, inter alia, hamper market access and the smooth operation of air services under this Agreement, as a means of ensuring fair competition, regulatory convergence and the minimisation of the regulatory burden as regards the operation of air services;
- (c) exchanging information, including advising as to changes to laws, regulations and policies of the Parties which may affect air services;
- (d) considering potential areas for the further development of this Agreement, including the recommendation of amendments to this Agreement or of conditions and procedures for accession of third countries to this Agreement;
- (e) discussing general issues related to investment, ownership and control;
- (f) developing regulatory cooperation and mutual commitment to achieve reciprocal recognition and convergence of rules and measures;
- (g) fostering consultation, where appropriate, on air transport issues dealt with in international organisations, in relations with third countries and in multilateral arrangements, including consideration of whether to adopt a joint approach;
- (h) facilitating the exchange of statistical information between the Parties for the purpose of monitoring the development of air services under this Agreement; and
- (i) considering the social effects of this Agreement as it is implemented and developing appropriate responses to concerns found to be legitimate.

11. If the Joint Committee does not consider an issue which has been referred to it within six months of the date of referral, the Parties may take appropriate safeguard measures under Article 25.

12. This Agreement shall not preclude cooperation and discussions between competent authorities of the Parties outside the Joint Committee, including in the fields of security, safety, environment, air traffic management, aviation infrastructure, competition and consumer protection. The Parties shall inform the Joint Committee of the outcome of such cooperation and discussions which may have an impact on the implementation of this Agreement.

Article 24

Dispute resolution and arbitration

1. Any dispute relating to the application or interpretation of this Agreement, other than issues arising under Article 8, that is not resolved by a meeting of the Joint Committee may, at the request of either Party, be submitted to arbitration in accordance with the procedures set out in this Article.

2. The request for arbitration shall be made in writing to the other Party. The complaining Party shall identify in its request the measure at issue, and it shall clearly explain the reasons why it considers such measure to be inconsistent with this Agreement.

3. Unless the Parties otherwise agree, arbitration shall be by a tribunal of three arbitrators to be constituted as follows:

- (a) within 20 days after the receipt of a request for arbitration, each Party shall appoint one arbitrator. Within 30 days after these two arbitrators have been appointed, they shall by agreement appoint a third arbitrator, who shall act as President of the tribunal;

- (b) if either Party fails to appoint an arbitrator, or if the third arbitrator is not appointed in accordance with point (a), either Party may request the President of the ICAO Council to appoint the necessary arbitrator or arbitrators within 30 days of receipt of that request. If the President of the ICAO Council is a national of either Armenia or an EU Member State, the most senior Vice President of the ICAO Council who is not a national of neither Armenia nor an EU Member State shall make the appointment.
4. The date of establishment of the tribunal shall be the date on which the last of the three arbitrators accepts the appointment according to procedures to be established by the Joint Committee.
5. If a Party so requests, the tribunal shall, within 10 days of its establishment, give a preliminary ruling on whether it deems the case to be urgent.
6. At the request of a Party, the tribunal may order the other Party to implement interim relief measures pending the tribunal's final ruling.
7. The tribunal shall notify an interim report to the Parties setting out the findings of fact, the applicability of relevant provisions and the basic rationale behind any findings and recommendations that it makes, not later than 90 days after the date of its establishment. Where it considers that that deadline cannot be met, the President of the tribunal shall notify the Parties in writing, stating the reasons for the delay and the date on which the tribunal plans to notify its interim report. Under no circumstances shall the interim report be notified later than 120 days after the date of establishment of the tribunal.
8. A Party may submit a written request to the tribunal to review specific aspects of the interim report within 14 days of its notification.
9. In cases of urgency, the tribunal shall make every effort to notify its interim report within 45 days and, in any case, no later than 60 days after the date of its establishment. A Party may submit a written request to the tribunal to review precise aspects of the interim report, within seven days of the notification of the interim report. After considering any written comments by the Parties on the interim report, the tribunal may modify its report and make any further examination it considers appropriate. The findings of the final ruling shall include a sufficient discussion of the arguments made at the interim review stage, and shall answer clearly to the questions and observations of the Parties.
10. The tribunal shall notify its final ruling to the Parties within 120 days of the date of its establishment. Where it considers that that deadline cannot be met, the President of the tribunal shall notify the Parties in writing, stating the reasons for the delay and the date on which the tribunal plans to notify its ruling. Under no circumstances shall the ruling be notified later than 150 days after the date of establishment of the tribunal.
11. In cases of urgency, the tribunal shall make every effort to notify its ruling within 60 days of the date of its establishment. Where it considers that that deadline cannot be met, the President of the tribunal shall notify the Parties in writing, stating the reasons for the delay and the date on which the tribunal plans to notify its ruling. Under no circumstances shall the ruling be notified later than 75 days after the date of establishment of the tribunal.
12. The Parties may submit requests for clarification of the final ruling within 10 days after it is notified and any clarification given shall be issued within 15 days of such request.
13. If the tribunal determines that there has been a violation of this Agreement and the responsible Party does not comply with the tribunal's final ruling, or does not reach agreement with the other Party on a mutually satisfactory resolution within 40 days of notification of the tribunal's final ruling, the other Party may suspend the application of comparable benefits arising under this Agreement or may partially or, if necessary, fully suspend the implementation of this Agreement until such time as the responsible Party complies with the tribunal's final ruling or the Parties have reached agreement on a mutually satisfactory resolution.

*Article 25***Safeguard measures**

1. If either Party considers that the other Party has failed to fulfil an obligation under this Agreement, it may take appropriate safeguard measures. Safeguard measures shall be restricted with regard to their scope and duration to what is strictly necessary in order to remedy the situation or maintain the balance of this Agreement. Priority shall be given to such measures which will least disturb the functioning of this Agreement.
2. A Party which is considering taking safeguard measures shall notify the other Party through the Joint Committee and shall provide all relevant information.
3. The Parties shall immediately enter into consultations in the Joint Committee with a view to finding a commonly acceptable solution.
4. Without prejudice to Article 4(1)(c) and Article 5(1)(c), the Party concerned may not take safeguard measures until one month has elapsed after the date of notification under paragraph 2 of this Article, unless the consultation procedure under paragraph 3 of this Article has been concluded before the expiration of the said time limit.
5. The Party concerned shall, without delay, notify the measures taken to the Joint Committee and shall provide all relevant information.
6. Any action taken under the terms of this Article shall be terminated as soon as the Party at fault satisfies the provisions of this Agreement.

*Article 26***Relationship to other agreements**

1. During the period of provisional application pursuant to Article 30, the existing bilateral agreements and arrangements between Armenia and EU Member States which are in place at the time of signature of this Agreement shall be suspended, except to the extent provided in paragraph 2 of this Article.
2. Notwithstanding paragraphs 1 and 3 and provided that there is no discrimination between air carriers of the European Union on the basis of nationality:
 - (a) existing rights and more favourable provisions or treatments concerning ownership, traffic rights, capacity, frequencies, type or change of aircraft, code-sharing and pricing under the bilateral agreements or arrangements between Armenia and EU Member States which are in place at the time of signature of this Agreement and which are not covered or which are more favourable or flexible in terms of freedom for the air carriers concerned than under this Agreement can continue to be exercised;
 - (b) a dispute between Parties as to whether the provisions or treatments under the bilateral agreements or arrangements between Armenia and EU Member States are more favourable or flexible shall be settled in the framework of the dispute settlement mechanism provided for in Article 24. Disputes on how to determine the relationship between conflicting provisions or treatments shall also be settled in the framework of the dispute settlement mechanism provided for in Article 24.
3. Upon entry into force pursuant to Article 30 and subject to paragraph 2 of this Article, this Agreement shall prevail over the relevant provisions of existing bilateral agreements and arrangements between Armenia and EU Member States which are in place at the time of signature of this Agreement.
4. If the Parties become parties to a multilateral agreement, or endorse a decision adopted by the ICAO or another international organisation, that addresses matters covered by this Agreement, they shall consult in the Joint Committee pursuant to Article 23 in a timely manner to determine whether this Agreement should be revised to take into account such developments.

*Article 27***Amendments**

1. Any amendment to this Agreement may be agreed by the Parties pursuant to consultations held in accordance with Article 23. Amendments shall come into force in accordance with the terms set out in Article 30.
2. If one of the Parties wishes to amend the provisions of this Agreement, it shall notify the Joint Committee accordingly of its decision.
3. The Joint Committee may, upon the proposal of one Party and in accordance with this Article, decide by consensus to modify the Annexes to this Agreement.
4. This Agreement shall be without prejudice to the right of each Party, subject to compliance with the principle of non-discrimination and the provisions of this Agreement to unilaterally adopt new legislation or amend its existing legislation in the field of air transport or an associated area mentioned in Annex II.
5. When new legislation or an amendment to its existing legislation in the field of air transport or an associated area mentioned in Annex II is being considered by one of the Parties, it shall inform the other Party as appropriate and possible. At the request of either Party, an exchange of views may take place in the Joint Committee.
6. Each Party shall regularly and as soon as appropriate inform the other Party of newly adopted legislation or amendment to its existing legislation in the field of air transport or an associated area mentioned in Annex II. Upon the request of any Party, the Joint Committee shall within 60 days thereafter hold an exchange of views on the implications of such new legislation or amendment for the proper functioning of this Agreement.
7. Following the exchange of views referred to in paragraph 6, the Joint Committee shall:
 - (a) adopt a decision revising Annex II so as to integrate therein, if necessary on a basis of reciprocity, the new legislation or amendment in question;
 - (b) adopt a decision to the effect that the new legislation or amendment in question shall be regarded as in accordance with this Agreement; or
 - (c) recommend any other measures, to be adopted within a reasonable period of time, to safeguard the proper functioning of this Agreement.

*Article 28***Termination**

Either Party may, at any time, give notice in writing, through diplomatic channels, to the other Party of its decision to terminate this Agreement. Such notice shall be sent simultaneously to the ICAO and to the United Nations Secretariat.

This Agreement shall terminate at midnight GMT at the end of the International Air Transport Association (IATA) traffic season in effect one year following the date of written notice of termination, unless the notice is withdrawn by agreement of the Parties before the end of this period.

*Article 29***Registration**

This Agreement and any amendments thereto shall be registered with the ICAO Council, in accordance with Article 83 of the Convention, and with the United Nations Secretariat, in accordance with Article 102 of the Charter of the United Nations, following their entry into force.

*Article 30***Entry into force and provisional application**

1. This Agreement shall be subject to ratification or approval by the Parties in accordance with their own procedures. The instruments of ratification or approval shall be deposited with the Depositary, which shall notify the other Party thereof.
2. The Secretary-General of the Council of the European Union shall be the Depositary of this Agreement.
3. This Agreement shall enter into force on the first day of the second month following the notification by the Depositary to the Parties confirming the receipt of the last instrument of ratification or approval.
4. Notwithstanding paragraph 3, the Parties agree to provisionally apply this Agreement, as set out in paragraph 5, in accordance with their respective internal procedures and domestic legislation as applicable.
5. The provisional application shall be effective from the first day of the second month following the notification by the Depositary to the Parties confirming the receipt of the following:
 - (a) notification from the European Union on the completion of the procedures relevant to the European Union and its Member States and necessary for this purpose; and
 - (b) the instrument of ratification or approval deposited by Armenia as referred to in paragraph 1.

*Article 31***Authentic texts**

This Agreement shall be drawn up in duplicate in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, Swedish and Armenian languages, each text being equally authentic.

In the event of any divergence between language versions, the Joint Committee shall decide on the language of the text to be used.

IN WITNESS WHEREOF the undersigned Plenipotentiaries, duly authorised to this effect, have signed this Agreement.

Съставено в Брюксел на петнадесети ноември две хиляди и двадесет и първа година.

Hecho en Bruselas, el quince de noviembre de dos mil veintiuno.

V Bruselu dne patnáctého listopadu dva tisíce dvacet jedna.

Udfærdiget i Bruxelles den femtende november to tusind og enogtyve.

Geschehen zu Brüssel am fünfzehnten November zweitausendeinundzwanzig.

Kahe tuhande kahekümne esimese aasta novembrikuu viieteistkümnendal päeval Brüsselis.

Έγινε στις Βρυξέλλες, στις δέκα πέντε Νοεμβρίου δύο χιλιάδες είκοσι ένα.

Done at Brussels on the fifteenth day of November in the year two thousand and twenty one.

Fait à Bruxelles, le quinze novembre deux mille vingt et un.

Arna dhéanamh sa Bhruiséil, an cúigiú lá déag de mhí na Samhna sa bhliain dhá mhíle fiche agus a haon.

Sastavljeno u Bruxellesu petnaestog studenoga godine dvije tisuće dvadeset prve.

Fatto a Bruxelles, addì quindici novembre duemilaventuno.

Briseļē, divi tūkstoši divdesmit pirmā gada piecpadsmitajā novembrī.

Priimta du tūkstančiai dvidešimt pirmų metų lapkričio penkioliktą dieną Briuselyje.

Kelt Brüsszelben, a kétézer-huszonegyedik év november havának tizenötödik napján.

Magħmul fi Brussell, fil-ħmistax-il jum ta' Novembru fis-sena elfejn u wiehed u għoxrin.

Gedaan te Brussel, vijftien november tweeduizend eenentwintig.

Sporządzono w Brukseli dnia piętnastego listopada roku dwa tysiące dwudziestego pierwszego.

Feito em Bruxelas, em quinze de novembro de dois mil e vinte e um.

Íntocmit la Bruxelles la cincisprezece noiembrie două mii douăzeci și unu.

V Bruseli pätnásteho novembra dvetisícdvadsatjeden.

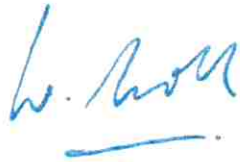
V Bruslju, dne petnajstega novembra leta dva tisoč enaindvajset.

Tehty Brysselissä viidentenätoista päivänä marraskuuta vuonna kaksituhattakaksikymmentäyksi.

Som skedde i Bryssel den femtonde november år tjugohundratjugoett.

Կառուարված՝ Բրյուսելում երկու հազար քսուսուհին քվարտի նոյեմբերի տասնհինգին:

Voor het Koninkrijk België
Pour le Royaume de Belgique
Für das Königreich Belgien



Deze handtekening verbindt eveneens het Vlaamse Gewest, het Waalse Gewest en het Brussels Hoofdstedelijk Gewest.

Cette signature engage également la Région wallonne, la Région flamande et la Région de Bruxelles-Capitale.

Diese Unterschrift bindet zugleich die Wallonische Region, die Flämische Region und die Region Brüssel-Hauptstadt.

За Република България



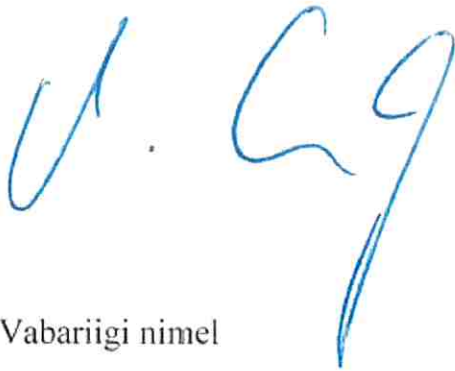
Za Českou republiku



For Kongeriget Danmark



Für die Bundesrepublik Deutschland



Eesti Vabariigi nimel



Thar ceann na hÉireann
For Ireland



Για την Ελληνική Δημοκρατία

A handwritten signature in blue ink, appearing to be 'K. Karamanlis', written over a horizontal line.

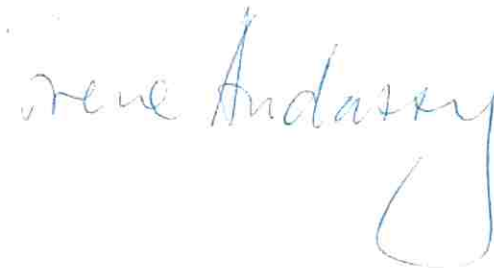
Por el Reino de España

A handwritten signature in blue ink, appearing to be 'M. Aznar', written over a horizontal line.

Pour la République française

A handwritten signature in blue ink, appearing to be 'J. P. Coe', written over a horizontal line.

Za Republiku Hrvatsku

A handwritten signature in blue ink, appearing to be 'Ivica Andrić', written over a horizontal line.

Per la Repubblica italiana



Για την Κυπριακή Δημοκρατία



Latvijas Republikas vārdā –



Lietuvos Respublikos vardu



Pour le Grand-Duché de Luxembourg



Magyarország részéről



Għar-Repubblika ta' Malta



Voor het Koninkrijk der Nederlanden



Für die Republik Österreich

Nikolaus Jansen

W imieniu Rzeczypospolitej Polskiej

Andrzej Sauer

Pela República Portuguesa

Nuno Brito

Pentru România

Lothar Cser

Za Republiko Slovenijo



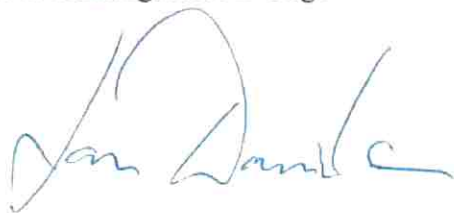
Za Slovenskú republiku



Suomen tasavallan puolesta
För Republiken Finland



För Konungariket Sverige



За Европейския съюз
 Por la Unión Europea
 Za Evropskou unii
 For Den Europæiske Union
 Für die Europäische Union
 Euroopa Liidu nimel
 Για την Ευρωπαϊκή Ένωση
 For the European Union
 Pour l'Union européenne
 Thar ceann an Aontais Eorpaigh
 Za Europsku uniju
 Per l'Unione europea
 Eiropas Savienības vārdā –
 Europos Sąjungos vardu
 Az Európai Unió részéről
 Għall-Unjoni Ewropea
 Voor de Europese Unie
 W imieniu Unii Europejskiej
 Pela União Europeia
 Pentru Uniunea Europeană
 Za Európsku úniu
 Za Evropsko unijo
 Euroopan unionin puolesta
 För Europeiska unionen

Հայաստանի Հանրապետության կողմից՝

ANNEX I

TRANSITIONAL PROVISIONS

1. Compliance by Armenia with all regulatory requirements and standards relating to air transport specified in Annex II, with the exception of the aviation security legislation specified in Annex II, Part C, shall be the subject of an evaluation under the responsibility of the European Union, which shall be validated by a decision of the Joint Committee. Such an evaluation shall be conducted two years after the entry into force of this Agreement at the latest.
2. Notwithstanding Article 3, the agreed rights and specified routes of this Agreement shall not include, until the moment of the adoption of the decision referred to in paragraph 1, the right for the air carriers of both Parties to exercise fifth freedom rights other than those already granted in accordance with bilateral agreements between Armenia and EU Member States, including for the air carriers of Armenia between points within the territory of the European Union.

Upon the adoption of the decision referred to in paragraph 1, the air carriers of both Parties shall be entitled to exercise fifth freedom rights, including for the air carriers of Armenia between points within the territory of the European Union in accordance with Article 3.

3. Compliance by Armenia with the regulatory requirements and standards relating to the aviation security legislation specified in Annex II, Part C, shall be subject to an evaluation under the responsibility of the European Union, which shall be validated by a decision of the Joint Committee. Such an evaluation shall be conducted at the latest three years after the entry into force of this Agreement. In the meantime, Armenia shall implement Document 30 of the European Civil Aviation Conference.
4. Upon the adoption of the decision referred to in paragraph 3, the confidential part of the aviation security legislation as specified in Annex II, Part C, shall be made available to the appropriate authority of Armenia, subject to an agreement on the exchange of sensitive security information, including EU classified information.
5. The gradual transition of Armenia to the full application of the legislation of the European Union relating to air transport specified in Annex II may be subject to regular assessments. The assessments shall be carried out by the European Commission in cooperation with Armenia.
6. As of the date of the decision referred to in paragraph 1, Armenia will apply operating licensing rules substantially equivalent to those contained in Chapter II of Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules for the operation of air services in the Community. The provisions of Article 4(3) with regard to the reciprocal recognition of fitness determination or citizenship determination made by the competent authorities of Armenia shall be applied by the competent authorities of the European Union upon the confirmation by the Joint Committee of the full application by Armenia of such operating licensing rules.
7. Without prejudice to a decision within the Joint Committee or in accordance with Article 25, airworthiness of aircraft registered in the Armenian register and used by operators under the regulatory control of Armenia which do not have a type certificate issued by the European Union Aviation Safety Agency (EASA) in accordance with the relevant EU legislation in Annex II, Part B, can be managed under the responsibility of the Armenian competent authorities in accordance with the applicable national requirements of Armenia until no later than 1 January 2023 provided that the aircraft comply with international safety standards established pursuant to the Convention. Such aircraft shall not benefit from any rights granted under this Agreement and shall not operate on air routes to, from or within the European Union.

ANNEX II

(Subject to regular update)

RULES APPLICABLE TO CIVIL AVIATION

The regulatory requirements and standards of the applicable provisions of the following acts shall be complied with in accordance with this Agreement unless otherwise specified in this Annex or in Annex I. Where necessary, specific adaptations for each individual act are set out in this Annex:

A. MARKET ACCESS AND ANCILLIARY ISSUES

No 1008/2008

Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules for the operation of air services in the Community

Applicable provisions: Articles 2, 23(1), 24 and Annex I, as well as Chapter II in accordance with paragraph 6 of Annex I to this Agreement.

No 785/2004

Regulation (EC) No 785/2004 of the European Parliament and of the Council of 21 April 2004 on insurance requirements for air carriers and aircraft operators, as amended by:

— Commission Regulation (EU) No 285/2010 of 6 April 2010

Applicable provisions: Articles 1 to 8.

No 2009/12

Directive 2009/12/EC of the European Parliament and of the Council of 11 March 2009 on airport charges

Applicable provisions: Articles 1 to 11.

No 96/67

Council Directive 96/67/EC of 15 October 1996 on access to the groundhandling market at Community airports

Applicable provisions: Articles 1 to 9, 11 to 21 and the Annex; as regards the application of Article 20(2), the term "the Commission" shall read "the Joint Committee".

No 80/2009

Regulation (EC) No 80/2009 of the European Parliament and of the Council of 14 January 2009 on a Code of Conduct for computerised reservation systems and repealing Council Regulation (EEC) No 2299/89

Applicable provisions: Articles 1 to 11 and the Annexes.

B. AVIATION SAFETY

Civil aviation safety and EASA's Basic Regulation

No 216/2008

Regulation (EC) No 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC, as amended by:

— Commission Regulation (EC) No 690/2009 of 30 July 2009

— Regulation (EC) No 1108/2009

Applicable provisions: Articles 1 to 3 (only first paragraph) and the Annex

— Commission Regulation (EU) No 6/2013 of 8 January 2013

— Commission Regulation (EU) 2016/4 of 5 January 2016

Applicable provisions: Articles 1 to 68 with the exception of Article 65, the second subparagraph of Article 69(1), 69(4), Annexes I to VI.

No 319/2014

Commission Regulation (EU) No 319/2014 of 27 March 2014 on the fees and charges levied by the European Aviation Safety Agency, and repealing Regulation (EC) No 593/2007

Applicable provisions: Articles 1 to 17 and the Annex.

No 646/2012

Commission Implementing Regulation (EU) No 646/2012 of 16 July 2012 laying down detailed rules on fines and periodic penalty payments pursuant to Regulation (EC) No 216/2008 of the European Parliament and of the Council

Applicable provisions: Articles 1 to 25.

No 104/2004

Commission Regulation (EC) No 104/2004 of 22 January 2004 laying down rules on the organisation and composition of the Board of Appeal of the European Aviation Safety Agency

Applicable provisions: Articles 1 to 7 and the Annex.

Air operations

No 965/2012

Commission Regulation (EU) No 965/2012 of 5 October 2012 laying down technical requirements and administrative procedures related to air operations pursuant to Regulation (EC) No 216/2008 of the European Parliament and of the Council, as amended by:

- Commission Regulation (EU) No 800/2013 of 14 August 2013
- Commission Regulation (EU) No 71/2014 of 27 January 2014
- Commission Regulation (EU) No 83/2014 of 29 January 2014
- Commission Regulation (EU) No 379/2014 of 7 April 2014
- Commission Regulation (EU) 2015/140 of 29 January 2015
- Commission Regulation (EU) 2015/1329 of 31 July 2015
- Commission Regulation (EU) 2015/640 of 23 April 2015
- Commission Regulation (EU) 2015/2338 of 11 December 2015
- Commission Regulation (EU) 2016/1199 of 22 July 2016
- Commission Regulation (EU) 2017/363 of 1 March 2017

Applicable provisions: Articles 1 to 9a, Annexes I to VIII.

Air crew

No 1178/2011

Commission Regulation (EU) No 1178/2011 of 3 November 2011 laying down technical requirements and administrative procedures related to civil aviation aircrew pursuant to Regulation (EC) No 216/2008 of the European Parliament and of the Council, as amended by:

- Commission Regulation (EU) No 290/2012 of 30 March 2012
- Commission Regulation (EU) No 70/2014 of 27 January 2014
- Commission Regulation (EU) No 245/2014 of 13 March 2014
- Commission Regulation (EU) 2015/445 of 17 March 2015
- Commission Regulation (EU) 2016/539 of 6 April 2016

Applicable provisions: Articles 1 to 11, Annexes I to IV.

Accidents investigation

No 996/2010

Regulation (EU) No 996/2010 of the European Parliament and of the Council of 20 October 2010 on the investigation and prevention of accidents and incidents in civil aviation and repealing Directive 94/56/EC, as amended by:

— Regulation (EU) No 376/2014 of the European parliament and of the Council of 3 April 2014

Applicable provisions: Articles 1 to 23 with the exception of Articles 7(4) and of Article 19 (repealed by Regulation (EU) No 376/2014).

No 2012/780

Commission Decision 2012/780/EU of 5 December 2012 on access rights to the European Central Repository of Safety Recommendations and their responses established by Article 18(5) of Regulation (EU) No 996/2010 of the European Parliament and of the Council on the investigation and prevention of accidents and incidents in civil aviation and repealing Directive 94/56/EC.

Applicable provisions: Articles 1 to 5.

Initial airworthiness

No 748/2012

Commission Regulation (EU) No 748/2012 of 3 August 2012 laying down implementing rules for the airworthiness and environmental certification of aircraft and related products, parts and appliances, as well as for the certification of design and production organisations, as amended by:

— Commission Regulation (EU) No 7/2013 of 8 January 2013

— Commission Regulation (EU) No 69/2014 of 27 January 2014

— Commission Regulation (EU) 2015/1039 of 30 June 2015

— Commission Regulation (EU) 2016/5 of 5 January 2016

Applicable provisions: Articles 1 to 10, Annex I.

Continuing airworthiness

No 1321/2014

Commission Regulation (EU) No 1321/2014 of 26 November 2014 on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks, as amended by:

— Commission Regulation (EU) 2015/1088 of 3 July 2015

— Commission Regulation (EU) 2015/1536 of 16 September 2015

— Commission Regulation (EU) 2017/334 of 27 February 2017

Applicable provisions: Articles 1 to 6, Annexes I to IV.

Additional airworthiness specifications

No 2015/640

Commission Regulation (EU) 2015/640 of 23 April 2015 on additional airworthiness specification for a given type of operations and amending Regulation (EU) No 965/2012

Applicable provisions: Articles 1 to 5 and the Annexes.

Aerodromes

No 139/2014

Commission Regulation (EU) No 139/2014 of 12 February 2014 laying down requirements and administrative procedures related to aerodromes pursuant to Regulation (EC) No 216/2008 of the European Parliament and of the Council

Applicable provisions: Articles 1 to 10, Annexes I to IV.

Third-country operators

No 452/2014

Commission Regulation (EU) No 452/2014 of 29 April 2014 laying down technical requirements and administrative procedures related to air operations of third country operators pursuant to Regulation (EC) No 216/2008 of the European Parliament and of the Council

Applicable provisions: Articles 1 to 4 and Annexes 1 and 2.

Air traffic management and air navigation services

No 2015/340

Commission Regulation (EU) 2015/340 of 20 February 2015 laying down technical requirements and administrative procedures relating to air traffic controllers' licences and certificates pursuant to Regulation (EC) No 216/2008 of the European Parliament and of the Council, amending Commission Implementing Regulation (EU) No 923/2012 and repealing Commission Regulation (EU) No 805/2011

Applicable provisions: Articles 1 to 10, Annexes I to IV.

No 2017/373

Commission Implementing Regulation (EU) 2017/373 of 1 March 2017 laying down common requirements for providers of air traffic management/air navigation services and other air traffic management network functions and their oversight, repealing Regulation (EC) No 482/2008, Implementing Regulations (EU) No 1034/2011, (EU) No 1035/2011 and (EU) 2016/1377 and amending Regulation (EU) No 677/2011

Applicable provisions: Articles 1 to 10 and the Annexes.

Occurrence reporting

No 376/2014

Regulation (EU) No 376/2014 of the European Parliament and of the Council of 3 April 2014 on the reporting, analysis and follow-up of occurrences in civil aviation, amending Regulation (EU) No 996/2010 of the European Parliament and of the Council and repealing Directive 2003/42/EC of the European Parliament and of the Council and Commission Regulations (EC) No 1321/2007 and (EC) No 1330/2007

Applicable provisions: Articles 1 to 7; Articles 9(3); Article 10(2) to (4); Article 11(1) and (7); Article 13 with the exception of Article 13 (9); Articles 14 to 16; Article 21 and Annexes I to III.

No 2015/1018

Commission Implementing Regulation (EU) 2015/1018 of 29 June 2015 laying down a list classifying occurrences in civil aviation to be mandatorily reported according to Regulation (EU) No 376/2014 of the European Parliament and of the Council

Applicable provisions: Article 1 and Annexes I to V.

Standardisation inspections

No 628/2013

Commission Implementing Regulation (EU) No 628/2013 of 28 June 2013 on working methods of the European Aviation Safety Agency for conducting standardisation inspections and for monitoring the application of the rules of Regulation (EC) No 216/2008 of the European Parliament and of the Council and repealing Commission Regulation (EC) No 736/2006

Applicable provisions: Articles 1 to 26.

EU air safety list of air carriers subject to an operating ban within the European Union

No 2111/2005

Regulation (EC) No 2111/2005 of the European Parliament and of the Council of 14 December 2005 on the establishment of a Community list of air carriers subject to an operating ban within the Community and on informing air transport passengers of the identity of the operating air carrier, and repealing Article 9 of directive 2004/36/EC

Applicable provisions: Articles 1 to 13, 15 to 16 and the Annex.

No 473/2006

Commission Regulation (EC) No 473/2006 of 22 March 2006 laying down implementing rules for the Community list of air carriers which are subject to an operating ban within the Community referred to in Chapter II of Regulation (EC) No 2111/2005 of the European Parliament and of the Council

Applicable provisions: Articles 1 to 6, Annexes A to C.

No 474/2006

Commission Regulation (EC) No 474/2006 of 22 March 2006 establishing the Community list of air carriers which are subject to an operating ban within the Community referred to in Chapter II of Regulation (EC) No 2111/2005 of the European Parliament and of the Council, as last amended by:

— Commission Implementing Regulation (EU) 2016/963 of 16 June 2016

Applicable provisions: Articles 1 and 2, Annexes I and II.

Technical requirements and administrative procedures in the field of civil aviation

No 3922/91

Council Regulation (EEC) No 3922/91 of 16 December 1991 on the harmonisation of technical requirements and administrative procedures in the field of civil aviation, as amended by:

— Regulation (EC) No 1899/2006 of the European Parliament and of the Council of 12 December 2006

— Regulation (EC) No 1900/2006 of the European Parliament and of the Council of 20 December 2006

— Commission Regulation (EC) No 8/2008 of 11 December 2007

— Commission Regulation (EC) No 859/2008 of 20 August 2008

Applicable provisions: Articles 1 to 10 with the exception of Article 4(1) and Article 8(2) (second sentence), Articles 12 to 13, Annexes I to III

C. AVIATION SECURITY

No 300/2008

Regulation (EC) No 300/2008 of the European Parliament and of the Council of 11 March 2008 on common rules in the field of civil aviation security and repealing Regulation (EC) No 2320/2002

Applicable provisions: Articles 1 to 15, 18, 21 and the Annex.

No 272/2009

Commission Regulation (EC) No 272/2009 of 2 April 2009 supplementing the common basic standards on civil aviation security laid down in the Annex to Regulation (EC) No 300/2008 of the European Parliament and of the Council, as amended by:

— Commission Regulation (EU) No 297/2010 of 9 April 2010

— Commission Regulation (EU) No 720/2011 of 22 July 2011

— Commission Regulation (EU) No 1141/2011 of 10 November 2011

— Commission Regulation (EU) No 245/2013 of 19 March 2013

Applicable provisions: Articles 1 to 2 and the Annex.

No 1254/2009

Commission Regulation (EU) No 1254/2009 of 18 December 2009 setting criteria to allow Member States to derogate from the common basic standards on civil aviation security and to adopt alternative security measures, as amended by:

— Commission Regulation (EU) 2016/2096 of 30 November 2016

No 18/2010

Commission Regulation (EU) No 18/2010 of 8 January 2010 amending Regulation (EC) No 300/2008 of the European Parliament and of the Council as far as specifications for national quality control programmes in the field of civil aviation security are concerned

No 2015/1998

Commission Implementing Regulation (EU) 2015/1998 of 5 November 2015 laying down detailed measures for the implementation of the common basic standards on aviation security, as amended by:

— Commission Implementing Regulation (EU) 2015/2426 of 18 December 2015

— Commission Implementing Regulation (EU) 2017/815 of 12 May 2017

No 2015/8005

Commission Implementing Decision C (2015) 8005 of 16 November 2015 laying down detailed measures for the implementation of the common basic standards on aviation security containing information, as referred to in point (a) of Article 18 of Regulation (EC) No 300/2008, as amended by:

— Commission Implementing Decision C (2017) 3030 of 15 May 2017

No 72/2010

Commission Regulation (EU) No 72/2010 of 26 January 2010 laying down procedures for conducting Commission inspections in the field of aviation security, as amended by:

— Commission Implementing Regulation (EU) 2016/472 of 31 March 2016

D. AIR TRAFFIC MANAGEMENT

No 549/2004

Regulation (EC) No 549/2004 of the European Parliament and of the Council of 10 March 2004 laying down the framework for the creation of the Single European Sky (the Framework Regulation), as amended by:

— Regulation (EC) No 1070/2009 of the European Parliament and of the Council of 21 October 2009*

Applicable provisions: Articles 1 to 4, 6, 9 to 13.

No 550/2004

Regulation (EC) No 550/2004 of the European Parliament and of the Council of 10 March 2004 on the provision of air navigation services in the Single European Sky (the Service Provision Regulation), as amended by:

— Regulation (EC) No 1070/2009 of the European Parliament and of the Council of 21 October 2009*

Applicable provisions: Articles 1 to 18, Annex I.

No 551/2004

Regulation (EC) No 551/2004 of the European Parliament and of the Council of 10 March 2004 on the organisation and use of the airspace in the Single European Sky (the Airspace Regulation), as amended by:

— Regulation (EC) No 1070/2009 of the European Parliament and of the Council of 21 October 2009*

Applicable provisions: Articles 1 to 9.

No 552/2004

Regulation (EC) No 552/2004 of the European Parliament and of the Council of 10 March 2004 on the interoperability of the European Air Traffic Management network (the Interoperability Regulation), as amended by:

— Regulation (EC) No 1070/2009 of the European Parliament and of the Council of 21 October 2009 (*)

Applicable provisions: Articles 1 to 10, Annexes I to V.

Performance and charging

No 390/2013

Commission Implementing Regulation (EU) No 390/2013 of 3 May 2013 laying down a performance scheme for air navigation services and network functions

No 391/2013

Commission Implementing Regulation (EU) No 391/2013 of 3 May 2013 laying down a common charging scheme for air navigation services

Network functions

No 677/2011

Commission Regulation (EU) No 677/2011 of 7 July 2011 laying down detailed rules for the implementation of air traffic management (ATM) network functions and amending Regulation (EU) No 691/2010, as amended by:

— Commission Implementing Regulation (EU) No 970/2014 of 12 September 2014

— Commission Implementing Regulation (EU) 2017/373 of 1 March 2017

Applicable provisions: Articles 1 to 25 and the Annexes.

No 255/2010

Commission Regulation (EU) No 255/2010 of 25 March 2010 laying down common rules on air traffic flow management, as amended by:

— Commission Implementing Regulation (EU) No 923/2012 of 26 September 2012

— Commission Implementing Regulation (EU) 2016/1006 of 22 June 2016

Applicable provisions: Articles 1 to 15 and the Annexes.

No 2011/4130

Commission Decision C(2011) 4130 of 7 July 2011 on the nomination of the Network Manager for the air traffic management (ATM) network functions of the single European sky

Interoperability

No 1032/2006

Commission Regulation (EC) No 1032/2006 of 6 July 2006 laying down requirements for automatic systems for the exchange of flight data for the purpose of notification, coordination and transfer of flights between air traffic control units, as amended by:

— Commission Regulation (EC) No 30/2009 of 16 January 2009

Applicable provisions: Articles 1 to 9, Annexes I to V.

No 1033/2006

Commission Regulation (EC) No 1033/2006 of 4 July 2006 laying down the requirements on procedures for flight plans in the pre-flight phase for the Single European Sky, as amended by:

— Commission Regulation (EU) No 929/2010 of 18 October 2010

(*) For Regulation (EC) No 1070/2009 – applicable provisions: Articles 1 to 4, with the exception of Article 1(4)

- Commission Implementing Regulation (EU) No 923/2012 of 26 September 2012
- Commission Implementing Regulation (EU) No 428/2013 of 8 May 2013
- Commission Implementing Regulation (EU) 2016/2120 of 2 December 2016

Applicable provisions: Articles 1 to 5 and the Annex.

No 633/2007

Commission Regulation (EC) No 633/2007 of 7 June 2007 laying down requirements for the application of a flight message transfer protocol used for the purpose of notification, coordination and transfer of flights between air traffic control units, as amended by:

- Commission Regulation (EU) No 283/2011 of 22 March 2011

Applicable provisions: Articles 1 to 6, Annexes I to IV.

No 29/2009

Commission Regulation (EC) No 29/2009 of 16 January 2009 laying down requirements on data link services for the Single European Sky, as amended by:

- Commission Implementing Regulation (EU) 2015/310 of 26 February 2015

Applicable provisions: Articles 1 to 14, Annexes I to III.

No 262/2009

Commission Regulation (EC) No 262/2009 of 30 March 2009 laying down requirements for the coordinated allocation and use of Mode S interrogator codes for the Single European Sky, as amended by:

- Commission Implementing Regulation (EU) 2016/2345 of 14 December 2016

Applicable provisions: Articles 1 to 12, Annexes I to VI.

No 73/2010

Commission Regulation (EU) No 73/2010 of 26 January 2010 laying down requirements on the quality of aeronautical data and aeronautical information for the Single European Sky, as amended by:

- Commission Implementing Regulation (EU) No 1029/2014 of 26 September 2014

Applicable provisions: Articles 1 to 13, Annexes I to X.

No 1206/2011

Commission Implementing Regulation (EU) No 1206/2011 of 22 November 2011 laying down requirements on aircraft identification for surveillance for the single European sky

Applicable provisions: Articles 1 to 11, Annexes I to VII.

No 1207/2011

Commission Implementing Regulation (EU) No 1207/2011 of 22 November 2011 laying down requirements for the performance and the interoperability of surveillance for the single European sky, as amended by:

- Commission Implementing Regulation (EU) No 1028/2014 of 26 September 2014
- Commission Implementing Regulation (EU) 2017/386 of 6 March 2017

Applicable provisions: Articles 1 to 14, Annexes I to IX.

No 1079/2012

Commission Implementing Regulation (EU) No 1079/2012 of 16 November 2012 laying down requirements for voice channels spacing for the single European sky, as amended by:

- Commission Implementing Regulation (EU) No 657/2013 of 10 July 2013
- Commission Implementing Regulation (EU) 2016/2345 of 14 December 2016

Applicable provisions: 1 to 14, Annexes I to V.

SESAR

No 219/2007

Council Regulation (EC) No 219/2007 of 27 February 2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR), as amended by:

— Council Regulation (EC) No 1361/2008 of 16 December 2008

— Council Regulation (EU) No 721/2014 of 16 June 2014

Applicable provisions: Articles 1(1), (2), (5) to (7), 2, 3, 4(1) and the Annex.

No 409/2013

Commission Implementing Regulation (EU) No 409/2013 of 3 May 2013 on the definition of common projects, the establishment of governance and the identification of incentives supporting the implementation of the European Air Traffic Management Master Plan

Applicable provisions: Articles 1 to 15.

No 716/2014

Commission Implementing Regulation (EU) No 716/2014 of 27 June 2014 on the establishment of the Pilot Common Project supporting the implementation of the European Air Traffic Management Master Plan

A airspace

No 2150/2005

Commission Regulation (EC) No 2150/2005 of 23 December 2005 laying down common rules for the flexible use of airspace

Applicable provisions: Articles 1 to 9 and the Annex.

No 923/2012

Commission Implementing Regulation (EU) No 923/2012 of 26 September 2012 laying down the common rules of the air and operational provisions regarding services and procedures in air navigation and amending Implementing Regulation (EU) No 1035/2011 and Regulations (EC) No 1265/2007, (EC) No 1794/2006, (EC) No 730/2006, (EC) No 1033/2006 and (EU) No 255/2010, as amended by:

— Commission Regulation (EU) 2015/340 of 20 February 2015,

— Commission Implementing Regulation (EU) 2016/1185 of 20 July 2016.

Applicable provisions: Articles 1 to 10 and the Annex, including its appendices.

No 1332/2011

Commission Regulation (EU) No 1332/2011 of 16 December 2011 laying down common airspace usage requirements and operating procedures for airborne collision avoidance, as amended by:

— Commission Regulation (EU) 2016/583 of 15 April 2016

Applicable provisions: Articles 1 to 4 and the Annex.

E. ENVIRONMENT AND NOISE

No 2002/49

Directive 2002/49/EC of the European Parliament and of the Council of 25 June 2002 relating to the assessment and management of environmental noise, as amended by:

— Regulation (EC) No 1137/2008 of the European Parliament and of the Council of 22 October 2008

— Commission Directive (EU) 2015/996 of 19 May 2015

Applicable provisions: Articles 1 to 12, Annexes I to VI.

No 2003/96

Council Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity

Applicable provisions: Articles 14(1)(b) and 14(2).

No 2006/93

Directive 2006/93/EC of the European Parliament and of the Council of 12 December 2006 on the regulation of the operation of aeroplanes covered by Part II, Chapter 3, Volume 1 of Annex 16 to the Convention on International Civil Aviation, second edition (1988)

Applicable provisions: Articles 1 to 5, Annexes I and II.

No 598/2014

Regulation (EU) No 598/2014 of the European Parliament and of the Council of 16 April 2014 on the establishment of rules and procedures with regard to the introduction of noise-related operating restrictions at Union airports within a Balanced Approach and repealing Directive 2002/30/EC

Applicable provisions: Articles 1 to 10, Annexes I and II.

F. CONSUMER PROTECTION

No 2027/97

Council Regulation (EC) No 2027/97 of 9 October 1997 on air carrier liability in the event of accidents, as amended by:

— Regulation (EC) No 889/2002 of the European Parliament and of the Council of 13 May 2002

Applicable provisions: Articles 1 to 6 and the Annex.

No 261/2004

Regulation (EC) No 261/2004 of the European Parliament and of the Council of 11 February 2004 establishing common rules on compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights, and repealing Regulation (EEC) No 295/91

Applicable provisions: Articles 1 to 16.

No 1107/2006

Regulation (EC) No 1107/2006 of the European Parliament and of the Council of 5 July 2006 concerning the right of disabled persons and persons with reduced mobility when travelling by air

Applicable provisions: Articles 1 to 16, Annexes I and II.

G. SOCIAL ASPECTS

No 89/391

Council Directive 89/391/EEC of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work, as amended by:

— Directive 2007/30/EC of the European Parliament and of the Council of 20 June 2007

Applicable provisions – only as applicable to civil aviation: Articles 1 to 16.

No 2000/79

Council Directive 2000/79/EC of 27 November 2000 concerning the implementation of the European Agreement on the Organisation of Working Time of Mobile Workers in Civil Aviation concluded by the Association of European Airlines (AEA), the European Transport Workers' Federation (ETF), the European Cockpit Association (ECA), the European Regions Airline Association (ERA) and the International Air Carrier Association (IACA)

Applicable provisions: Articles 2 and 3 and the Annex.

No 2003/88

Directive 2003/88/EC of the European Parliament and of the Council of 4 November 2003 concerning certain aspects of the organisation of working time

Applicable provisions – only as applicable to civil aviation: Articles 1 to 20, 22 and 23.

COMMON AVIATION AREA AGREEMENT

Between the European Union and its Member States, of the One Part, and Ukraine, of the Other Part

THE KINGDOM OF BELGIUM,
THE REPUBLIC OF BULGARIA,
THE CZECH REPUBLIC,
THE KINGDOM OF DENMARK,
THE FEDERAL REPUBLIC OF GERMANY,
THE REPUBLIC OF ESTONIA,
IRELAND,
THE HELLENIC REPUBLIC,
THE KINGDOM OF SPAIN,
THE FRENCH REPUBLIC,
THE REPUBLIC OF CROATIA,
THE ITALIAN REPUBLIC,
THE REPUBLIC OF CYPRUS,
THE REPUBLIC OF LATVIA,
THE REPUBLIC OF LITHUANIA,
THE GRAND DUCHY OF LUXEMBOURG,
HUNGARY,
THE REPUBLIC OF MALTA,
THE KINGDOM OF THE NETHERLANDS,
THE REPUBLIC OF AUSTRIA,
THE REPUBLIC OF POLAND,
THE PORTUGUESE REPUBLIC,
ROMANIA,
THE REPUBLIC OF SLOVENIA,
THE SLOVAK REPUBLIC,
THE REPUBLIC OF FINLAND,
THE KINGDOM OF SWEDEN,

being parties to the Treaty on European Union and the Treaty on the Functioning of the European Union (hereinafter referred to as "the EU Treaties") and being Member States of the European Union (hereinafter referred to as the "EU Member States"),

and

THE EUROPEAN UNION, hereinafter also referred to as "the EU",

of the one part,

and

UKRAINE, of the other part,

hereinafter jointly referred to as "the Parties";

DESIRING to create a common aviation area (CAA) based on mutual market access to the air transport markets of the Parties, with equal conditions of competition and respect for the same rules – including in the areas of safety, security, air traffic management, social harmonisation and the environment;

RECOGNISING the integrated character of international civil aviation and the rights and obligations of Ukraine and the EU Member States stemming from their membership of international aviation organisations, in particular the International Civil Aviation Organisation (ICAO) and the European Organisation for the Safety of Air Navigation, as well as their rights and obligations under international agreements with third parties and international organisations;

DESIRING to deepen relations between the Parties in the field of air transport, including in the area of industrial cooperation, and to build upon the framework of the existing system of air services agreements in order to promote economic, cultural and transport links between the Parties;

DESIRING to facilitate the expansion of air transport opportunities, including through the development of air transport networks in order to meet the needs of passengers and shippers for convenient air transport services;

RECOGNISING the importance of air transport in promoting trade, tourism and investment;

NOTING the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944;

BEARING IN MIND that the Association Agreement between the European Union and the European Atomic Energy Community and their Member States and Ukraine provides that, with a view to assuring a coordinated development of transport between the Parties adapted to their commercial needs, the conditions of mutual market access and provision of services in air transport may be dealt with by specific agreements;

DESIRING to make it possible for air carriers to offer passengers and shippers competitive prices and services in open markets;

DESIRING to have all sectors of the air transport industry, including air carrier workers, benefit from a liberalised agreement;

INTENDING to build upon the framework of existing air transport agreements with the goal of gradually opening access to markets and maximising benefits for the consumers, air carriers, workers and communities of both Parties;

AGREEING that it is appropriate to base the CAA rules on the relevant legislation within the European Union, as laid down in Annex I to this Agreement, without prejudice to the EU Treaties and the Constitution of Ukraine;

NOTING the intention of Ukraine to incorporate into its aviation legislation the corresponding requirements and standards of the European Union, including with regard to future legislative developments within the EU;

DESIRING to ensure the highest degree of safety and security in international air transport and reaffirming their grave concern with regard to acts or threats against the security of aircraft which jeopardise the safety of persons or property, adversely affect the operation of aircraft and undermine the confidence of the travelling public in the safety of civil aviation;

RECOGNISING the benefits that both Parties can reap from full compliance with the CAA rules, including the opening of access to markets and the maximisation of benefits for the consumers and the industries of both Parties;

RECOGNISING that the creation of the CAA and implementation of its rules cannot be achieved without transitional arrangements and that adequate assistance is important in this perspective;

EMPHASISING that air carriers should be treated in a transparent and non-discriminatory manner regarding their access to air transport infrastructures, especially where these infrastructures are limited, including access to airports;

DESIRING to ensure a level playing field for air carriers, allowing fair and equal opportunity for their air carriers to operate the agreed services;

RECOGNISING that government subsidies may adversely affect air carrier competition and may jeopardise the basic objectives of this Agreement;

AFFIRMING the importance of protecting the environment in developing and implementing international aviation policy and recognising the rights of sovereign States to take appropriate measures to this effect;

NOTING the importance of protecting consumers, including the protections afforded by the Convention for the Unification of Certain Rules for International Carriage by Air, done at Montreal 28 May 1999;

WELCOMING the ongoing dialogue between the Parties to deepen their relations in other areas, in particular to facilitate the movement of people,

HAVE AGREED AS FOLLOWS:

TITLE I

GENERAL PROVISIONS

Article 1

Objectives and scope

The aim of this Agreement is the gradual creation of a CAA between the European Union, its Member States and Ukraine founded on, in particular, identical rules in the areas of safety, security, air traffic management, the environment, consumer protection and computerised reservation systems, as well as identical rules with regard to social aspects. For this purpose, this Agreement sets out the rules, technical requirements, administrative procedures, basic operational standards and implementing rules applicable between the Parties.

That CAA shall be based on free access to the air transportation market and equal conditions of competition.

Article 2

Definitions

For the purposes of this Agreement, unless otherwise stated, the following definitions apply:

- (1) "agreed services" and "specified routes" mean international air transport pursuant to Article 16 and Annex II to this Agreement;
- (2) "Agreement" means this Agreement, its Annexes and any amendments thereto;

- (3) "air transport" means the public carriage by aircraft of passengers, baggage, cargo and mail, separately or in combination, for remuneration or hire; for the avoidance of doubt, this includes scheduled and non-scheduled (charter) services and full cargo services;
- (4) "air carrier" means a company or undertaking with a valid operating licence or equivalent;
- (5) "competent authorities" means the government agencies or public bodies responsible for the administrative functions under this Agreement;
- (6) "companies or undertakings" means entities constituted under civil or commercial law, including cooperative societies, and other legal persons governed by public or private law, save for those which are non-profit-making;
- (7) "Convention" means the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944 and includes:
- (a) any amendment that has come into force under Article 94(a) of the Convention and has been ratified by both Ukraine and an EU Member State or the EU Member States; and
- (b) any annex or any amendment thereto adopted under Article 90 of the Convention, insofar as such annex or amendment is at any given time effective for both Ukraine and an EU Member State or the EU Member States as is relevant to the issue in question;
- (8) "ECAA Agreement" means the multilateral Agreement between the European Community and its Member States, the Republic of Albania, Bosnia and Herzegovina, the Republic of Bulgaria, the Republic of Croatia, the former Yugoslav Republic of Macedonia, the Republic of Iceland, the Republic of Montenegro, the Kingdom of Norway, Romania, the Republic of Serbia and the United Nations Interim Administration Mission in Kosovo ⁽¹⁾ on the establishment of a European Common Aviation Area;
- (9) "EASA" means the European Aviation Safety Agency, established by Regulation (EC) No 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC;
- (10) "effective control" means a relationship constituted by rights, contracts or any other means which, either separately or jointly, and having regard to the considerations of fact or law involved, confer the possibility of directly or indirectly exercising a decisive influence on an undertaking, in particular by means of:
- (a) the right to use all or part of the assets of an undertaking;
- (b) rights or contracts which confer a decisive influence on the composition, voting or decisions of the bodies of an undertaking or otherwise confer a decisive influence on the running of the business of the undertaking;
- (11) "effective regulatory control" means that the competent licensing authority of a Party which issued an operating licence or permit to an air carrier:
- (a) continuously verifies that the applicable criteria for the operation of international air services, on the basis of which an operating licence or permit is issued, are met by that air carrier, in accordance with relevant national laws and regulations; and
- (b) maintains appropriate oversight as regards safety and security in compliance with at least ICAO standards;
- (12) "EU Treaties" means the Treaty on European Union and the Treaty on the Functioning of the European Union;
- (13) "EU Member State" means a Member State of the European Union;
- (14) "fitness" means whether an air carrier is fit to operate international air services, i.e. whether it has satisfactory financial capability and adequate managerial expertise and is disposed to comply with the laws, regulations and requirements which govern the operation of such services;

(1) This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

- (15) "fifth freedom right" means the right or privilege granted by one State ("the Granting State") to the air carriers of another State ("the Recipient State") to provide international air transport services between the territory of the Granting State and the territory of a third State, subject to the condition that such services originate or terminate in the territory of the Recipient State;
- (16) "full cost" means the cost of providing air service plus reasonable charge for administrative overhead and, where relevant, any applicable charges aimed at reflecting environmental costs and applied without distinction as to nationality;
- (17) "ICAO" means the International Civil Aviation Organization established according to the Convention;
- (18) "international air transport" means air transport between points in at least two States;
- (19) "intermodal transportation" means the public carriage by aircraft and by one or more surface modes of transport of passengers, baggage, cargo and mail, separately or in combination, for remuneration or hire;
- (20) "measure" means any measure by a Party, whether in the form of a law, regulation, rule, procedure, decision or administrative action, or in any other form;
- (21) "national" means:
- (a) in the case of Ukraine, any person having Ukrainian nationality or, in the case of the European Union and its Member States, any person having the nationality of an EU Member State; or
- (b) any legal entity:
- (i) which is owned directly or through majority ownership and is at all times effectively controlled by, in the case of Ukraine, persons or entities having Ukrainian nationality or, in the case of the European Union and its Member States, persons or entities having the nationality of an EU Member State or one of the other States listed in Annex V to this Agreement, and
- (ii) the principal place of business of which is, in the case of Ukraine, in Ukraine or, in the case of the European Union and its Member States, in a Member State;
- (22) "nationality", in the context of an air carrier, means whether an air carrier satisfies requirements regarding such issues as its ownership, effective control and principal place of business;
- (23) "operating licence" means:
- (a) in the case of the European Union and its Member States, an authorisation granted by the competent licensing authority to a company or undertaking, permitting it to provide air services under the relevant EU legislation; and
- (b) in the case of Ukraine, a licence for carriage by air of passengers and/or cargo, given under the relevant legislation of Ukraine;
- (24) "price" means:
- (a) air fares to be paid to air carriers or their agents or other ticket sellers for the carriage of passengers and baggage on air services and any conditions under which those prices apply, including remuneration and conditions offered to agency and other auxiliary services; and
- (b) air rates to be paid for the carriage of mail and cargo and the conditions under which those prices apply, including remuneration and conditions offered to agency and other auxiliary services.

This definition covers, where applicable, the surface transport in connection with international air transport, and the conditions to which the application of air fares and air rates is subject;

- (25) "Association Agreement" means the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part, done at Brussels on 21 March 2014 and 27 June 2014, and any successor instrument;

- (26) "principal place of business" means the head office or registered office of an air carrier, within which the principal financial functions and operational control, including continued airworthiness management, of the air carrier are exercised;
- (27) "public service obligation" means any obligation imposed upon air carriers to ensure on a specified route the minimum provision of scheduled air services satisfying fixed standards of continuity, regularity, pricing and minimum capacity which air carriers would not assume if they were solely considering their commercial interest. Air carriers may be compensated by the Party concerned for fulfilling public service obligations;
- (28) "SESAR" means the Single European Sky ATM Research Programme, which is the technological element of the Single European Sky and aims to give the EU a high-performance air traffic control infrastructure to enable the safe and environmentally friendly development of air transport;
- (29) "subsidy" means any financial contribution granted by a government, regional public body or other public organisation, i.e. where:
- (a) a practice of a government, regional public body or other public organisation involves a direct transfer of funds such as grants, loans or equity infusion, a potential direct transfer of funds to the company, the assumption of liabilities of the company such as loan guarantees, capital injections, ownership, protection against bankruptcy or insurance;
 - (b) revenue of a government, regional public body or other public organisation that is otherwise due is foregone, not collected or unduly diminished;
 - (c) a government, regional public body or other public organisation provides goods or services other than general infrastructure, or purchases goods or services; or
 - (d) a government, regional public body or other public organisation makes payments to a funding mechanism or entrusts or directs a private body to carry out one or more of the types of functions referred to in points (a), (b) and (c) which would normally be vested in the government and, in practice, in no real sense differ from practices normally followed by governments;
- and where a benefit is thereby conferred;
- (30) "territory" means, for Ukraine, the land areas and territorial waters adjacent thereto under the sovereignty of Ukraine and, for the European Union, the land areas (mainland and islands), internal waters and territorial sea in which the Treaty on European Union and the Treaty on the Functioning of the European Union are applied and under the conditions laid down in those Treaties and any successor instrument;
- (31) "Transit Agreement" means the International Air Services Transit Agreement, done at Chicago on 7 December 1944;
- (32) "user charge" means a charge imposed on air carriers by the competent authority or permitted by that authority for the use by aircrafts, their crews, passengers, cargo and mail of facilities and services related to air navigation (including in the case of overflights), air traffic control, and airport and aviation security.

Article 3

Implementation of the Agreement

1. The Parties shall take all appropriate measures, whether general or particular, to ensure fulfilment of the obligations arising out of this Agreement and shall abstain from any measure which could jeopardise the attainment of the objectives of this Agreement.
2. The implementation of the measures referred to in paragraph 1 of this Article shall be without prejudice to the rights and obligations of any Party stemming from its participation in international organisations and/or international agreements, in particular the Convention and the Transit Agreement.

3. In applying the measures of paragraph 1 of this Article, the Parties shall, within the scope of this Agreement:
- (a) abolish all unilateral administrative, technical or other measures which could constitute an indirect restriction and have discriminatory effects on the provision of air services under this Agreement; and
 - (b) refrain from implementing administrative, technical or legislative measures which could have the effect of discriminating against nationals or companies or undertakings of the other Party in the provision of services under this Agreement.

Article 4

Non-discrimination

Within the scope of this Agreement, and without prejudice to any special provisions contained therein, any discrimination on grounds of nationality shall be prohibited.

TITLE II

REGULATORY COOPERATION

Article 5

General principles of regulatory cooperation

1. The Parties shall cooperate through all possible means to ensure the progressive incorporation in Ukraine's legislation of the requirements and standards of the European Union acts listed in Annex I to this Agreement, as well as the implementation by Ukraine of these provisions via:
- (a) periodic consultations, within the framework of the Joint Committee referred to in Article 29 ("Joint Committee") of this Agreement on the interpretation of the European Union acts listed in Annex I to this Agreement related to aviation safety and security, air traffic management, environmental protection, market access and ancillary issues, social matters, consumer protection and other areas covered by this Agreement;
 - (b) provision of adequate assistance in specific areas identified by the Parties;
 - (c) consultations and exchange of information on new legislation according to Article 15 of this Agreement.
2. Ukraine shall adopt the necessary measures to incorporate into the Ukrainian legal system and implement the requirements and standards of the European Union acts listed in Annex I to this Agreement in accordance with the transitional arrangements specified in Article 33 and the related Annex III to this Agreement.
3. The Parties shall inform each other on their respective authorities responsible in the area of safety oversight, airworthiness, air carriers licensing, airport matters, aviation security, air traffic management, accident and incident investigation, establishment of air navigation and airport charges without delay through the Joint Committee.

Article 6

Compliance with laws and regulations

1. While entering, within or leaving the territory of one Party, the laws and regulations applicable within that territory relating to the admission to or departure from its territory of aircraft engaged in air transport, or to the operation and navigation of aircraft shall be complied with by the other Party's air carriers.

2. While entering, within or leaving the territory of one Party, the laws and regulations applicable within that territory relating to the admission to or departure from its territory of passengers, crew or cargo on aircraft (including regulations relating to entry, clearance, immigration, passports, customs and quarantine or, in the case of mail, postal regulations) shall be complied with by, or on behalf of, such passengers, crew or cargo of the other Party's air carriers.

Article 7

Aviation safety

1. Subject to the transitional provisions set out in Annex III to this Agreement, the Parties shall act in conformity with their respective legislation concerning the requirements and standards relating to aviation safety specified in Annex I, Part C, to this Agreement under the conditions set out in this Article.

2. While continuing to carry out functions and tasks of the State of design, manufacture, registration and operator, as provided by the Convention, Ukraine shall incorporate in its legislation and effectively implement the requirements and standards referred to in paragraph 1 of this Article, in accordance with the transitional provisions stipulated in Annex III to this Agreement.

3. The Parties shall cooperate to ensure the effective implementation by Ukraine of its legislation adopted with the aim of incorporating the requirements and standards referred to in paragraph 1 of this Article. For this purpose, Ukraine shall be involved in the work of EASA as an observer from the date of entry into force of this Agreement, as provided for in Annex VI to this Agreement.

4. To ensure operating of agreed services under points (a), (b), (c) and (d) of Article 16(1) of this Agreement, each Party shall recognise as valid certificates of airworthiness, certificates of competency and licences issued or validated by the other Party and still in force, provided that the requirements for such certificates or licences at least equal to the minimum standards that may be established pursuant to the Convention.

5. The recognition by the EU Member States of certificates issued by Ukraine referred to in Annex IV, Section 1, to this Agreement shall be decided in accordance with the provisions stipulated in Annex III to this Agreement.

6. The Parties shall cooperate towards the convergence of certification systems in the areas of initial and continuing airworthiness.

7. The Parties shall ensure that aircraft registered in one Party suspected of non-compliance with international aviation safety standards established pursuant to the Convention and landing at airports open to international air traffic in the territory of the other Party shall be subject to ramp inspections by the competent authorities of that other Party, on board and around the aircraft, to check both the validity of the aircraft documents and those of its crew and the apparent condition of the aircraft and its equipment.

8. The Parties shall exchange information, including on any findings, identified during ramp inspections carried out in accordance with paragraph 7 of this Article through the relevant means.

9. The competent authorities of a Party may request consultations with the competent authorities of the other Party at any time concerning the safety standards maintained by the other Party, including in areas other than those covered by the acts referred to in Annex I to this Agreement, or on findings, identified during the ramp inspections. Such consultations shall take place within 30 days of that request.

10. Nothing in this Agreement shall be construed so as to limit the authority of a Party to take all appropriate and immediate measures whenever it ascertains that an aircraft, a product or an operation may:

(a) fail to satisfy the minimum standards established pursuant to the Convention or the requirements and standards specified in Annex I, Part C, to this Agreement whichever is applicable;

- (b) give rise to serious concerns – established through an inspection referred to in paragraph 7 of this Article – that an aircraft or the operation of an aircraft does not comply with the minimum standards established pursuant to the Convention or the requirements and standards specified in Annex I, Part C, to this Agreement whichever is applicable; or
- (c) give rise to serious concerns that there is a lack of effective maintenance and administration of minimum standards established pursuant to the Convention or the requirements and standards specified in Annex I, Part C, to this Agreement whichever is applicable.

11. Where a Party takes action under paragraph 10 of this Article, it shall promptly inform the competent authorities of the other Party of taking such action, providing reasons for its action.

12. Where measures taken in application of paragraph 10 of this Article are not discontinued even though the basis for taking them has ceased to exist, either Party may refer the matter to the Joint Committee.

13. Any amendments to national law with respect to the status of the competent authorities of Ukraine or any competent authority of the EU Member States shall be notified, without delay, by the Party concerned to the other Parties.

Article 8

Aviation security

1. Ukraine shall incorporate in its legislation and effectively implement the provisions contained in the European Civil Aviation Conference (ECAC) Document 30, Part II, in accordance with the transitional provisions stipulated in Annex III to this Agreement. In the context of the assessments provided for in Article 33(2) of this Agreement, European Commission inspectors may participate as observers in the inspections carried out by the Ukrainian competent authorities in airports located in the territory of Ukraine, according to a mechanism agreed by the two Parties. This Agreement shall be without prejudice to the rights and obligations of Ukraine and the EU Member States under Annex 17 to the Convention.

2. The assurance of safety for civil aircraft, their passengers and crew being a fundamental pre-condition for the operation of international air services, the Parties reaffirm their obligations to each other to provide for the security of civil aviation against acts of unlawful interference, and in particular their obligations under the Convention, the Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16 December 1970, the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971, the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, signed at Montreal on 24 February 1988 and the Convention on the Marking of Plastic Explosives for purpose of Detection, signed at Montreal on 1 March 1991, insofar as both Parties are parties to these conventions, as well as all other conventions and protocols relating to civil aviation security of which both Parties are parties.

3. The Parties shall provide upon request all necessary assistance to each other to prevent acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, their passengers and crew, airports and air navigation facilities, and any other threat to the security of civil aviation.

4. The Parties shall, in their mutual relations, act in conformity with the aviation security Standards and, so far as they are applied by them, the Recommended Practices established by the ICAO and designated as Annexes to the Convention, to the extent that such security provisions are applicable to the Parties. Both Parties shall require that operators of aircraft of their registry, operators who have their principal place of business or permanent residence in their territory, and the operators of airports in their territory, act in conformity with such aviation security provisions.

5. Each Party shall ensure that effective measures are taken within its territory to protect civil aviation against acts of unlawful interference, including, but not limited to, screening of passengers and their cabin baggage, screening of hold baggage and security controls for cargo and mail prior to boarding or loading of aircraft, as well as security controls for

in-flight supplies and airport supplies and access control and screening of persons other than passengers upon entering to security restricted areas. Those measures shall be adjusted as necessary, to address vulnerabilities and threats in civil aviation. Each Party agrees that their air carriers may be required to observe the aviation security provisions referred to in paragraph 4 of this Article required by the other Party, for entry into, departure from or while within the territory of that other Party.

6. Each Party shall also give positive consideration to any request from the other Party for reasonable special security measures to meet a particular threat. Except where not reasonably possible in case of emergency, each Party will inform the other Party in advance of any special security measures it intends to introduce which could have a significant financial or operational impact on the air transport services provided under this Agreement. Either Party may request a meeting of the Joint Committee to discuss such security measures, as provided for in Article 29 of this Agreement.

7. When an incident or threat of an incident of unlawful seizure of civil aircraft or other unlawful acts against the safety of such aircraft, their passengers and crew, airports or air navigation facilities occurs, the Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat.

8. Each Party shall take all measures it finds practicable to ensure that an aircraft subjected to an act of unlawful seizure or other acts of unlawful interference which is on the ground in its territory is detained on the ground unless its departure is necessitated by the overriding duty to protect human life. Wherever practicable, such measures shall be taken on the basis of mutual consultations.

9. When a Party has reasonable grounds to believe that the other Party has departed from the aviation security provisions of this Article, that Party shall request immediate consultations with the other Party.

10. Without prejudice to Article 19 of this Agreement, failure to reach a satisfactory agreement within 15 days from the date of such request shall constitute grounds to withhold, revoke, limit or impose conditions on the operating authorisation of one or more air carriers of such other Party.

11. When required by an immediate and extraordinary threat, a Party may take interim action prior to the expiry of 15 days.

12. Any action taken in accordance with the paragraph 10 or 11 of this Article shall be discontinued upon compliance by the other Party with the full provisions of this Article.

Article 9

Air traffic management

1. Subject to the transitional provisions set out in Annex III to this Agreement, the Parties shall act in conformity with their respective legislation concerning the requirements and standards relating to air traffic management specified in Annex I, Part B, to this Agreement under the conditions set out in this Article.

2. Ukraine shall incorporate in its legislation and effectively implement the requirements and standards referred to in paragraph 1 of this Article in accordance with the transitional provisions stipulated in Annex III to this Agreement.

3. The Parties shall cooperate in the field of air traffic management to ensure the effective implementation by Ukraine of its legislation adopted with the aim of incorporating the requirements and standards referred to in paragraph 1 of this Article, as well as with a view to extending the Single European Sky to Ukraine in order to enhance current safety standards and overall efficiency of general air traffic operations in Europe, to optimise air traffic control capacities, to minimise delays and to increase environmental efficiency.

4. To this purpose, Ukraine shall be involved as an observer in the Single Sky Committee from the date of entry into force of this Agreement and Ukrainian competent entities and/or authorities shall be associated on a non-discriminatory basis, through appropriate coordination regarding SESAR in accordance with the relevant legislation.

5. The Joint Committee shall be responsible for monitoring and facilitating cooperation in the field of air traffic management.

6. With a view to facilitating the application of the Single European Sky legislation:

- (a) Ukraine shall take the necessary measures to adjust its air traffic management institutional structures to the Single European Sky; and
- (b) the European Union shall facilitate the participation of Ukraine in operational activities in the fields of air navigation services, airspace use and interoperability that stem from the Single European Sky.

7. This Agreement shall be without prejudice to the rights and obligations of Ukraine under the Convention, as well as regional air navigation agreements in force and approved by the ICAO Council. After the entry into force of this Agreement, any subsequent regional agreement should comply with its provisions.

8. With a view to maintaining a high level of safety in order to maximise the capacity of airspace and efficiency of air traffic management and subject to the transitional provisions set out in Annex III to this Agreement, Ukraine shall organise the airspace under its responsibility in line with the EU requirements concerning the establishment of functional airspace blocks (FABs), as referred to in Annex I, Part B, to this Agreement.

The Parties shall cooperate to consider the possible integration of the airspace under Ukraine's responsibility into a FAB, in line with EU legislation and taking into consideration the operational benefits of such integration.

9. The recognition by the EU Member States of the relevant certificates issued by Ukraine referred to in Annex IV, Section 2, to this Agreement shall be decided in accordance with Annex III to this Agreement.

Article 10

Environment

1. The Parties recognise the importance of protecting the environment when developing and implementing aviation policy. The Parties acknowledge that effective global, regional, national and/or local action is needed to minimise civil aviation's impact on the environment.

2. Subject to the transitional provisions set out in Annex III to this Agreement, the Parties shall act in conformity with their respective legislation concerning the requirements and standards relating to the environment specified in Annex I, Part D, to this Agreement under the conditions set out in this Article.

3. Ukraine shall incorporate in its legislation and effectively implement the requirements and standards referred to in paragraph 2 of this Article, in accordance with the transitional provisions stipulated in Annex III to this Agreement.

4. The Parties shall cooperate to ensure the effective implementation by Ukraine of its legislation adopted with the aim of incorporating the requirements and standards referred to in paragraph 2 of this Article, while recognising the importance of working together, and within the framework of multilateral discussions, to consider the effects of aviation on the environment, and to ensure that any mitigating measures are fully consistent with the objectives of this Agreement.

5. Nothing in this Agreement shall be construed to limit the authority of the competent authorities of a Party to take all appropriate measures to prevent or otherwise address the environmental impacts of air transport provided that such measures are applied without distinction as to nationality and do not contradict rights and obligations of the Parties under international law.

*Article 11***Consumer protection**

1. Subject to the transitional provisions set out in Annex III to this Agreement, the Parties shall act in conformity with their respective legislation concerning the requirements and standards relating to consumer protection specified in Annex I, Part F, to this Agreement.
2. Ukraine shall incorporate in its legislation and effectively implement the requirements and standards referred to in paragraph 1 of this Article, in accordance with the transitional provisions stipulated in Annex III to this Agreement.
3. The Parties shall cooperate to ensure the effective implementation by Ukraine of its legislation adopted with the aim of incorporating the requirements and standards referred to in paragraph 1 of this Article.
4. The Parties shall also cooperate to ensure the protection of consumers' rights ensuing from this Agreement.

*Article 12***Industrial cooperation**

1. The Parties shall aim at enhancing industrial cooperation, and in particular by means of:
 - (i) development of business links between aviation manufacturers of both sides;
 - (ii) promotion and development of joint projects aiming at the sustainable development of the air transport sector, including its infrastructure;
 - (iii) technical cooperation for the implementation of EU standards;
 - (iv) promotion of opportunities for aviation manufacturers and designers; and
 - (v) promotion of investment within the scope of this Agreement.
2. This Agreement shall be without prejudice to existing technical and industrial standards in Ukraine for the manufacturing of aircraft and their components that are not covered by Annex I to this Agreement.
3. The Joint Committee shall monitor and facilitate industrial cooperation.

*Article 13***Computerised reservation systems**

1. Subject to the transitional provisions set out in Annex III to this Agreement, the Parties shall act in conformity with their respective legislation concerning the requirements and standards relating to computerised reservation systems specified in Annex I, Part G, to this Agreement. The Parties shall guarantee free access by one Party's computerised reservation systems to the other Party's market.
2. Ukraine shall incorporate in its legislation and effectively implement the requirements and standards referred to in paragraph 1 of this Article, in accordance with transitional provisions stipulated in Annex III to this Agreement.
3. The Parties shall cooperate to ensure the implementation by Ukraine of its legislation adopted with the aim of incorporating the requirements and standards referred to in paragraph 1 of this Article.

*Article 14***Social aspects**

1. Subject to the transitional provisions set out in Annex III to this Agreement, the Parties shall act in conformity with their respective legislation concerning the requirements and standards relating to social aspects specified in Annex I, Part E, to this Agreement.
2. Ukraine shall adopt the necessary measures to incorporate in its legislation and effectively implement the requirements and standards referred to in paragraph 1 of this Article, in accordance with transitional provisions stipulated in Annex III to this Agreement.
3. The Parties shall cooperate to ensure the implementation by Ukraine of its legislation adopted with the aim of incorporating the requirements and standards referred to in paragraph 1 of this Article.

*Article 15***New legislation**

1. This Agreement shall be without prejudice to the right of each Party, subject to compliance with the principle of non-discrimination and the provisions of this Article and of Article 4 of this Agreement, to unilaterally adopt new legislation or amend its existing legislation in the field of air transport or an associated area mentioned in Annex I to this Agreement.
2. When one Party considers adopting new legislation within the scope of this Agreement or an amendment to its legislation it shall inform the other Party. Upon the request of either Party, the Joint Committee shall within two months thereafter hold an exchange of views on the implications of such new legislation or amendment for the proper functioning of this Agreement.
3. The Joint Committee shall:
 - (a) adopt a decision revising Annex I to this Agreement so as to integrate therein, if necessary on a basis of reciprocity, the new legislation or amendment in question;
 - (b) adopt a decision to the effect that the new legislation or amendment in question is to be regarded as in accordance with this Agreement; or
 - (c) recommend any other measures for adoption within a reasonable period of time to ensure the proper functioning of this Agreement.

TITLE III

ECONOMIC PROVISIONS*Article 16***Grant of rights**

1. Each Party shall grant to the other Party in accordance with Annexes II and III to this Agreement the following rights for the conduct of international air transport by the air carriers of the other Party:
 - (a) the right to fly over its territory without landing;
 - (b) the right to make stops in its territory for any purpose other than taking on or discharging passengers, baggage, cargo and/or mail in air transport (non-traffic purposes);
 - (c) while operating an agreed service on a specified route, the right to make stops in its territory for the purpose of taking up and discharging international traffic in passengers, cargo and/or mail, separately or in combination; and
 - (d) the rights otherwise specified in this Agreement.

2. Nothing in this Agreement shall be deemed to confer on the air carriers of Ukraine the right to take on board, in the territory of any EU Member State, passengers, baggage, cargo and/or mail carried for compensation and destined for another point in the territory of that Member State.

Article 17

Operating authorisation and technical permission

On receipt of applications for operating authorisation or technical permission from an air carrier of one Party, which should be submitted in the form and manner prescribed for operating authorisations or technical permissions, the competent authorities of the other Party shall grant appropriate authorisations with minimum procedural delay, provided that:

- (a) for an air carrier of Ukraine:
 - (i) the air carrier has its principal place of business in Ukraine and holds a valid operating licence in accordance with the applicable law of Ukraine;
 - (ii) effective regulatory control of the air carrier is exercised and maintained by Ukraine and the relevant competent authority is clearly identified; and
 - (iii) unless otherwise determined under Article 20 of this Agreement, the air carrier is owned directly or through majority ownership and effectively controlled by Ukraine and/or its nationals;
- (b) for an air carrier of the European Union:
 - (i) the air carrier has its principal place of business in the territory of an EU Member State under the EU Treaties and holds a valid operating licence in accordance with the applicable European Union law;
 - (ii) effective regulatory control of the air carrier is exercised and maintained by the EU Member State responsible for issuing its Air Operators Certificate and the relevant competent authority is clearly identified; and
 - (iii) unless otherwise determined under Article 20 of this Agreement, the air carrier is owned directly or through majority ownership and effectively controlled by one or more EU Member States and/or by their nationals or by other States listed in Annex V to this Agreement and/or by their nationals;
- (c) the air carrier meets the conditions prescribed under the laws and regulations referred to in Article 6 of this Agreement; and
- (d) the provisions set forth in Articles 7 and 8 of this Agreement are being maintained and administered.

Article 18

Reciprocal recognition of regulatory determinations with regard to air carrier fitness and nationality

1. On receipt of an application for operating authorisation or technical permission from an air carrier of one Party, the competent authorities of the other Party shall recognise any fitness or nationality determination made by the competent authorities of the first Party with respect to that air carrier as if such determination had been made by its own competent authorities and not inquire further into such matters, except as provided for in paragraph 2 of this Article.

2. If, after receipt of an application for operating authorisation or technical permission from an air carrier, or after the grant of such operating authorisation or technical permission, the competent authorities of the receiving Party have a specific reason for concern that, despite the determination made by the competent authorities of the other Party the conditions prescribed in Article 17 of this Agreement for the grant of appropriate operating authorisations or technical permissions have not been met, then they are to promptly advise those authorities, giving substantive reasons for their concern. In that event, either Party may seek consultations, which may include representatives of the relevant competent authorities and/or additional information relevant to this concern and such requests are to be met as soon as practicable. If the matter remains unresolved, either Party may bring the matter to the Joint Committee.

*Article 19***Refusal, revocation, suspension, limitation of operating authorisation or technical permission**

1. The competent authorities of either Party may refuse, revoke, suspend or limit the operating authorisations or technical permissions or otherwise suspend or limit the operations of an air carrier of another Party where:

(a) for an air carrier of Ukraine:

- (i) the air carrier does not have its principal place of business in Ukraine or does not hold a valid operating licence in accordance with the applicable law of Ukraine;
- (ii) effective regulatory control of the air carrier is not exercised or maintained by Ukraine or the relevant competent authority is not clearly identified; or
- (iii) unless otherwise determined under Article 20 of this Agreement, the air carrier is not owned directly or through majority ownership or effectively controlled by Ukraine and/or its nationals;

(b) for an air carrier of the European Union:

- (i) the air carrier does not have its principal place of business in the territory of a EU Member State under the EU Treaties, or does not hold a valid operating licence in accordance with the applicable European Union law; or
- (ii) effective regulatory control of the air carrier is not exercised or maintained by the EU Member State responsible for issuing its Air Operators Certificate or the competent authority is not clearly identified; or
- (iii) unless otherwise determined under Article 20 of this Agreement, the air carrier is not owned, directly or through majority ownership or effectively controlled by one or more EU Member States and/or their nationals or by the other States listed in Annex V to this Agreement and/or their nationals;

(c) the air carrier has failed to comply with the laws and regulations referred to in Article 6 of this Agreement;

(d) the provisions set forth in Articles 7 and 8 of this Agreement are not being maintained or administered; or

(e) a Party has made the determination in accordance with Article 26(5) of this Agreement that the conditions for a competitive environment are not being fulfilled.

2. Unless immediate action is essential to prevent further non-compliance with point (c) or (d) of paragraph 1 of this Article, the rights established by this Article shall be exercised only after consultation with the competent authorities of the other Party.

3. Neither Party shall use its rights established by this Article to refuse, revoke, suspend or limit operating authorisations or technical permissions of any air carriers of a Party on the grounds that majority ownership and/or effective control of that air carrier is vested in one or more Parties to the ECAA Agreement or their nationals, provided that such Party or Parties to the ECAA Agreement offer reciprocal treatment and apply the terms and conditions of the ECAA Agreement.

*Article 20***Investment in air carriers**

1. Notwithstanding Articles 17 and 19 of this Agreement, the majority ownership or the effective control of an air carrier of Ukraine by the EU Member States and/or their nationals, or of an air carrier of the European Union by Ukraine and/or its nationals, shall be permitted by virtue of a prior decision of the Joint Committee.

2. That decision shall specify the conditions associated with the operation of the agreed services under this Agreement and with the services between third countries and the Parties. Article 29(8) of this Agreement shall not apply to this type of decision.

*Article 21***Abolition of quantitative restrictions**

1. Without prejudice to more favourable provisions in existing agreements and within the scope of this Agreement, the Parties shall abolish quantitative restrictions and measures having an equivalent effect on the transfer of equipment, supplies, spare parts and other devices when they are necessary for an air carrier to continue to provide air transport services under the conditions foreseen by this Agreement.

2. The obligation referred to in paragraph 1 of this Article shall not preclude the Parties from prohibiting or imposing restrictions on such transfers justified on the grounds of public policy or public security, of the protection of health and life of humans, animals or plants, or of the protection of intellectual, industrial and commercial property. Such prohibitions or restrictions shall not, however, constitute a means of arbitrary discrimination or a disguised restriction on trade between the Parties.

*Article 22***Commercial opportunities**

Doing business

1. The Parties agree that obstacles to doing business encountered by commercial operators would hamper the benefits to be achieved by this Agreement. The Parties therefore agree to engage in an effective and reciprocal process to remove obstacles to doing business encountered by commercial operators of both Parties where such obstacles may hamper commercial operations, create distortions to competition or hamper the development of a level playing field.
2. The Joint Committee shall develop a process of cooperation in relation to doing business and commercial opportunities, shall monitor progress in effectively addressing obstacles to doing business encountered by commercial operators and shall regularly review developments, including, if necessary, those concerning legislative and regulatory changes. In accordance with Article 29 of this Agreement, a Party may request a meeting of the Joint Committee to discuss any question related to the application of this Article.

Air carrier representatives

3. The air carriers of each Party shall have the right to establish offices in the territory of the other Party for the promotion and sale of air transport and related activities, including the right to sell and to issue any ticket and/or air waybill, both its own tickets and/or air waybills of any other carrier.
4. The air carriers of each Party shall be entitled, in accordance with the laws and regulations of the other Party relating to entry, residence and employment, to bring in and maintain in the territory of the other Party managerial, sales, technical, operational and other specialist staff who are required to support the provision of air transport. These staff requirements may, at the option of the air carriers, be satisfied by its own personnel or by using the services of any other organisation, company or air carrier operating in the territory of the other Party, authorised to perform such services in the territory of that Party. Both Parties shall facilitate and expedite the granting of employment authorisations, where required, for personnel employed in the offices according to this paragraph, including those performing certain temporary duties not exceeding 90 days, subject to the relevant laws and regulations in force.

Ground handling

5. Subject to the transitional provisions set out in Annex III to this Agreement:
 - (a) without prejudice to point (b), each air carrier shall have in relation to ground handling in the territory of the other Party:
 - (i) the right to perform its own ground handling ("self-handling"); or
 - (ii) the right to select among competing suppliers that provide ground handling services in whole or in part where such suppliers are allowed market access on the basis of the laws and regulations of each Party, and where such suppliers are present in the market;

- (b) for baggage handling, ramp handling, fuel and oil handling, and freight and mail handling as regards the physical handling of freight and mail between the air terminal and the aircraft, the rights under point (a)(i) and (ii) may be subject to constraints according to the laws and regulations applicable in the territory of the other Party. Where such constraints preclude self-handling and where there is no effective competition between suppliers that provide ground handling services, all such services shall be available on both an equal and non-discriminatory basis to all air carriers;
- (c) any ground handling provider of each Party, whether an air carrier or not, shall have in relation to ground handling in the territory of the other Party the right to provide ground handling services for air carriers of the Parties operating at the same airport, where authorised and consistent with applicable laws and regulations.

Allocation of slots at airports

- 6. The allocation of available slots at the airports in the territories of the Parties shall be carried out in an independent, transparent, non-discriminatory and timely manner.

Sales, local expenses and transfer of funds

- 7. Any air carrier of each Party may engage in the sale of air transportation and related services in the territory of the other Party directly and/or, at the air carrier's discretion, through its sales agents, other intermediaries appointed by the air carrier, through another air carrier or through the internet. Each air carrier shall have the right to sell such transportation and related services, and any person shall be free to purchase such transportation and services, in the currency of that territory or in freely convertible currencies in accordance with the local currency legislation.
- 8. Each air carrier shall have the right to convert into freely convertible currencies and remit local revenues from the territory of the other Party to its home territory or to the country or countries of its choice according to the applicable legislation. Conversion and remittance shall be permitted promptly without restrictions or taxation in respect thereof at the official rate of exchange applicable to current transactions and remittance on the date the carrier makes the initial application for remittance.
- 9. The air carriers of each Party shall be permitted to pay for local expenses, including purchases of fuel, in the territory of the other Party in national currency. At their discretion, the air carriers of each Party may pay for such expenses in the territory of the other Party in freely convertible currencies in accordance with local currency legislation.

Cooperative arrangements

- 10. In operating or holding out services under this Agreement, any air carrier of a Party may enter into cooperative marketing arrangements, such as blocked-space agreements or code-sharing arrangements, with:
 - (a) any air carrier or carriers of the Parties;
 - (b) any air carrier or carriers of a third country; and
 - (c) any surface (land or maritime) transport provider,

provided that: (i) the operating carrier holds the appropriate authority; (ii) the marketing carriers hold the appropriate route rights within the relevant bilateral provisions and (iii) the arrangements meet the requirements relating to safety and competition normally applied to such arrangements. In respect of passenger transport sold involving code-shares, the purchaser shall be informed at the point of sale, or in any case at check-in, or on boarding where no check-in is required for a connecting flight, which transportation providers will operate each sector of the service.

Intermodal transportation

- 11. In relation to the transport of passengers, surface transport providers shall not be subject to laws or regulations governing air transport on the sole basis that such surface transport is held out by an air carrier under its own name. Surface transport providers have the discretion to decide whether to enter into cooperative arrangements. In deciding on any particular arrangement, surface transport providers may consider, among other things, consumer interests and technical, economic, space, and capacity constraints.

12. Without prejudice to applicable laws and regulations requirements and notwithstanding any other provision of this Agreement, air carriers and indirect providers of cargo transport of the Parties shall be permitted, without restriction, to employ in connection with international air transport under the same air waybill any surface transport for cargo to or from any points in the territories of Ukraine and the European Union or in third countries including transport to and from all airports with customs facilities, and including, where applicable, the right to transport cargo in bond. Such cargo, whether moving by surface or by air, shall have access to airport customs processing and facilities. Air carriers may elect to perform their own surface transport or to provide it through arrangements with other surface carriers, including surface transport operated by other air carriers and indirect providers of cargo air transport. Such intermodal cargo services may be offered at a single, through price for the air and surface transport combined, provided that shippers are not misled as to the facts concerning such transport.

For the purposes of the first subparagraph of this paragraph, "surface transport" shall include both land and maritime transportation.

Leasing

13. The air carriers of each Party shall be entitled to provide the agreed services using aircraft with or without crew leased from any air carrier, including from third countries, provided that all participants in such arrangements meet the conditions prescribed under the laws and regulations normally applied by the Parties to such arrangements.

Neither Party shall require the air carriers leasing out their equipment to hold traffic rights under this Agreement.

The leasing with crew (wet-leasing) by an air carrier of Ukraine of an aircraft of an air carrier of a third country, or by an air carrier of the European Union of an aircraft of an air carrier of a third country, other than those mentioned in Annex V to this Agreement, in order to exploit the rights set out in this Agreement, shall remain exceptional or meet temporary needs. It shall be submitted for prior approval to the licensing authority of the air carrier which is the lessee of the wet-leased aircraft and to the competent authority of the other Party.

Franchising, branding and commercial concession arrangements

14. The air carriers of each Party shall be entitled to enter into franchising, branding or commercial concession arrangements with companies, including air carriers, of either Party or third countries provided that the air carriers hold the appropriate authority and meet the conditions prescribed under the laws and regulations applied by the Parties to such arrangements, particularly those requiring the disclosure of the identity of the air carrier operating the service.

Night-stops

15. The air carriers of each Party shall have the right to make night-stops at airports of the other Party that are open to international traffic.

Article 23

Customs duties and taxation

1. On arriving in the territory of one Party, aircraft operated in international air transport by the air carriers of the other Party, their regular equipment, fuel, lubricants, consumable technical supplies, ground equipment, spare parts (including engines), aircraft stores (including but not limited to such items as food, beverages and liquor, tobacco and other products destined for sale to or use by passengers in limited quantities during flight) and other items intended for or used solely in connection with the operation or servicing of aircraft engaged in international air transport shall be exempt, on the basis of reciprocity, under its relevant applicable legislation, from all import restrictions, property taxes and capital levies, customs duties, excise duties and similar fees and charges that are:

- (a) imposed by the national or local authorities or the European Union; and
- (b) not based on the cost of services provided, provided that such equipment and supplies remain on board the aircraft.

2. The following shall also be exempt, on the basis of reciprocity, under relevant applicable legislation of a Party, from the taxes, levies, duties, fees and charges referred to in paragraph 1 of this Article, with the exception of charges based on the cost of the service provided:

- (a) aircraft stores introduced into or supplied in the territory of a Party and taken on board, within reasonable limits, for use on outbound aircraft of an air carrier of the other Party engaged in international air transport, including in cases where such stores are to be used on a part of the journey performed over that territory;
 - (b) ground equipment and spare parts (including engines) introduced into the territory of a Party for the servicing, maintenance or repair of aircraft of an air carrier of the other Party used in international air transport;
 - (c) fuel, lubricants and consumable technical supplies introduced into or supplied in the territory of a Party for use in or on an aircraft of an air carrier of the other Party engaged in international air transport, including in cases where such supplies are to be used on a part of the journey performed over that territory;
 - (d) printed material, as provided for by the customs legislation of each Party, introduced into or supplied in the territory of a Party and taken on board for use on outbound aircraft of an air carrier of the other Party engaged in international air transport, including in cases where such material are to be used on a part of the journey performed over that territory; and
- (e) safety and security equipment for use at airports or cargo terminals.

3. Notwithstanding any other provision to the contrary, nothing in this Agreement shall prevent a Party from imposing taxes, levies, duties, fees or charges on fuel supplied in its territory on a non-discriminatory basis for use in an aircraft of an air carrier that operates between two points in its territory.

4. Equipment and supplies referred to in paragraphs 1 and 2 of this Article may be required to be kept under the supervision or control of the appropriate authorities and not to be transferred without payment of relevant customs duties and taxes.

5. The exemptions provided for by this Article shall also be available where the air carriers of one Party have contracted with another air carrier which similarly enjoys such exemptions from the other Party for the loan or transfer in the territory of the other Party of the items specified in paragraphs 1 and 2 of this Article.

6. Nothing in this Agreement shall prevent either Party from imposing taxes, levies, duties, fees or charges on goods sold other than for consumption on board to passengers during a sector of an air service between two points within its territory at which embarkation or disembarkation is permitted.

7. Baggage and cargo in direct transit across the territory of a Party shall be exempt from taxes, customs duties, fees and other similar charges that are not based on the cost of the service provided.

8. The regular airborne equipment, as well as the material and supplies normally retained on board the aircraft of an air carrier of either Party, may be unloaded in the territory of the other Party only with the approval of the customs authorities of that territory. In such case, they may be placed under the supervision of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.

9. The stipulations of this Agreement shall not affect the field of VAT, with the exception of turnover tax on imports. The provisions of this Agreement shall not affect the provisions of any convention between a Member State and Ukraine for the avoidance of double taxation on income and on capital that may be in force at the relevant time.

Article 24

User charges for airports and aviation facilities and services

1. Each Party shall ensure that user charges that may be imposed by its competent charging authorities or bodies on the air carriers of the other Party for the use of air navigation and air traffic control, airport, aviation security and related facilities and services are just, reasonable, not unjustly discriminatory, and equitably apportioned among categories of

users. Without prejudice to Article 9 of this Agreement, these charges may reflect, but shall not exceed, the full cost to the competent charging authorities or bodies of providing the appropriate airport and aviation security facilities and services at that airport or within that airport's system. These charges may include a reasonable return on assets, after depreciation. Facilities and services for which user charges are made shall be provided on an efficient and economic basis. In any event, these charges shall be imposed on the air carriers of the other Party on terms not less favourable than the most favourable terms available to any other air carrier at the time the charges are assessed. User charges shall be established by the competent charging authorities or bodies of the Parties in national or foreign currency.

2. Each Party shall encourage or require consultations in accordance with the existing applicable legislation, between the competent charging authorities or bodies in its territory and the air carriers and/or their representative bodies using the services and facilities, and shall ensure that the competent charging authorities or bodies and the air carriers or their representative bodies exchange such information as may be necessary to permit an accurate review of the reasonableness of the user charges in accordance with the principles of paragraph 1 of this Article. Each Party shall ensure that the competent charging authorities or bodies provide users with reasonable notice of any proposal for changes in user charges in order to enable those authorities to consider the views expressed by the users before changes are made.

Article 25

Pricing

1. The Parties shall permit the air carriers to freely establish prices on the basis of free and fair competition.
2. The Parties shall not require prices to be filed or notified.
3. If the competent authorities of either Party believe that any price is inconsistent with the considerations set out in this Article, they shall send appropriate notice to the competent authorities of the other Party concerned and may request consultations with these authorities. Consultations between the competent authorities may be held on matters such as prices which may be unjust, unreasonable, discriminatory or subsidised. Such consultations shall be held not later than 30 days after the date of receipt of the request.

Article 26

Competitive environment

1. Within the scope of this Agreement, Title IV of the Association Agreement or any successor agreement between the European Union, its Member States and Ukraine shall apply, except where more specific rules on competition and State aid for the aviation sector are included in this Agreement.
2. The Parties acknowledge that it is their joint objective to have a fair and competitive environment for the operation of air services. The Parties recognise that fair competitive practices by air carriers are most likely to occur where these air carriers operate on a fully commercial basis and are not subsidised.
3. State aid which distorts or threatens to distort competition by favouring certain companies or undertakings or certain aviation products or services, is incompatible with the proper functioning of this Agreement, insofar as it may affect trade between the Parties in the aviation sector.
4. As regards State aid, any practices contrary to this Article shall be assessed on the basis of criteria arising from the application of the competition rules applicable in the European Union and in particular the ones specified in Annex VII to this Agreement.
5. If one Party finds that conditions exist in the territory of the other Party, in particular due to a subsidy, which would adversely affect the fair and equal opportunity of its air carriers to compete, it may submit observations to the other Party. Furthermore, it may request a meeting of the Joint Committee, as provided for in Article 29 of this Agreement. From the receipt of such a request, consultations shall start within 30 days. Failure to reach a satisfactory agreement within 30 days from the start of consultations shall constitute grounds for the Party that requested the consultations to take action to refuse, revoke, suspend or limit the authorisations of the air carrier(s) concerned, in accordance with Article 19 of this Agreement.

6. The actions, referred to in paragraph 5 of this Article, shall be appropriate, proportionate and restricted with regard to scope and duration to what is strictly necessary. They shall be exclusively directed towards the air carrier or air carriers benefiting from a subsidy or the conditions referred to in this Article, and shall be without prejudice to the right of either Party to take action under Article 31 of this Agreement.

7. Each Party, upon notification to the other Party, may approach responsible government entities in the territory of the other Party including entities at the State, provincial or local level to discuss matters relating to this Article.

8. Nothing in this Agreement shall limit or jeopardise the power of the competition authorities of the Parties in that all matters relating to the enforcement of competition law fall under their exclusive competence. Any action taken pursuant to this Article shall be without prejudice to actions taken by these authorities, which shall be fully independent from actions taken pursuant to this Article.

9. This Article shall apply without prejudice to the Parties' laws and regulations regarding public service obligations in the territories of the Parties.

10. The Parties shall exchange information taking into account the limitations imposed by the requirements of professional and business confidentiality.

Article 27

Statistics

1. Each Party shall provide the other Party with statistics that are required by domestic laws and regulations and, upon request, other available statistical information as may be reasonably required for the purpose of reviewing the operation of the air services.

2. The Parties shall cooperate in the framework of the Joint Committee to facilitate the exchange of statistical information between them for the purpose of monitoring the development of air services under this Agreement.

TITLE IV

INSTITUTIONAL PROVISIONS

Article 28

Interpretation and enforcement

1. The Parties shall take all appropriate measures, whether general or specific, to ensure fulfilment of the obligations arising out of this Agreement and shall refrain from any measures which would jeopardise attainment of the objectives of this Agreement.

2. Each Party shall be responsible, in its own territory, for the proper enforcement of this Agreement. Ukraine shall be responsible as well for the implementation of its legislation adopted with the aim of incorporating into its legal system the requirements and standards of the European Union acts relating to civil aviation referred to in Annex I to this Agreement.

3. Each Party shall give the other Party all necessary information and assistance in relation to investigations on possible infringements of provisions of this Agreement which the other Party carries out under its respective competences as provided for in this Agreement.

4. Whenever the Parties act under the powers granted to them by this Agreement on matters which are of substantial interest to the other Party and which concern the authorities or companies or undertakings of the other Party, the competent authorities of the other Party shall be fully informed and given the opportunity to comment before a final decision is taken.

5. Insofar as the provisions of this Agreement and the provisions of the acts specified in Annex I to this Agreement are identical in substance to corresponding rules of the EU Treaties and to acts adopted pursuant to the EU Treaties, those provisions shall, in their implementation and application, be interpreted in conformity with the relevant rulings and decisions of the Court of Justice of the European Union, hereinafter referred to as "the Court of Justice", and the European Commission respectively.

*Article 29***Joint Committee**

1. A Joint Committee composed of representatives of the Parties is hereby established and shall be responsible for the administration of this Agreement and shall ensure its proper implementation. For this purpose it shall make recommendations and take decisions where expressly provided for by this Agreement.
2. The decisions of the Joint Committee shall be adopted by consensus and be binding upon the Parties. They shall be put into effect by the Parties, in accordance with their internal procedures. The Parties will inform each other of the finalisation of such procedures and the date of entry into force of the decisions. Whenever a decision taken by the Joint Committee contains a requirement for action to be taken by a Party, that Party shall take the necessary measures and inform the Joint Committee thereof.
3. The Joint Committee shall adopt, by a decision, its rules of procedure.
4. The Joint Committee shall meet as and when necessary at the request of a Party.
5. A Party may also request a meeting of the Joint Committee to seek to resolve any question relating to the interpretation or application of this Agreement. Such a meeting shall take place at the earliest possible date, but not later than two months from the date of receipt of the request, unless otherwise agreed by the Parties.
6. For the purpose of the proper implementation of this Agreement, the Parties shall exchange information and, at the request of either Party, shall hold consultations within the Joint Committee.
7. If, in the view of one of the Parties, a decision of the Joint Committee is not properly implemented by the other Party, the former Party may request that the issue be discussed by the Joint Committee. If the Joint Committee cannot solve the issue within two months of its referral, the requesting Party may take appropriate safeguard measures under Article 31 of this Agreement.
8. Without prejudice to paragraph 2 of this Article, if the Joint Committee does not take a decision on an issue which has been referred to it within six months of the date of referral, the Parties may take appropriate temporary safeguard measures under Article 31 of this Agreement.
9. In accordance with Article 20 of this Agreement, the Joint Committee shall examine questions relating to bilateral investments of majority ownership, or changes in the effective control of air carriers of the Parties.
10. The Joint Committee shall also develop cooperation between the Parties by:
 - (a) reviewing market conditions affecting air services under this Agreement;
 - (b) addressing and as far as possible effectively resolve "doing business" issues that may, inter alia, hamper market access and smooth operation of agreed services under this Agreement as a means to ensure a level playing field, regulatory convergence and minimising the regulatory burden of commercial operators;
 - (c) fostering expert-level exchanges on new legislative or regulatory initiatives and developments, as well as the adoption of new instruments of international public and private aviation law, in particular in the fields of security, safety, the environment, aviation infrastructure (including slots), airports, industrial cooperation, air traffic management, competitive environment and consumer protection;
 - (d) regularly examining the social effects of this Agreement as it is implemented, in particular in the area of employment and developing appropriate responses to concerns found to be legitimate;
 - (e) considering potential areas for the further development of this Agreement, including the recommendation of amendments to this Agreement;
 - (f) agreeing, on the basis of consensus, on proposals, approaches or documents of a procedural nature directly related to the functioning of this Agreement;
 - (g) considering and developing technical assistance in the areas covered by this Agreement; and
 - (h) fostering cooperation in relevant international fora and endeavour to establish coordinated positions.

*Article 30***Dispute resolution and arbitration**

1. If any dispute arises between the Parties relating to the interpretation or application of this Agreement, they shall in the first place endeavour to settle it through formal consultations within the Joint Committee in accordance with Article 29(5) of this Agreement. In cases where the Joint Committee takes decisions under this procedure concerning the interpretation or application of requirements and standards referred to in Annex I to this Agreement, such decisions shall respect the rulings of the Court of Justice relating to the interpretation of the pertinent requirements and standards, as well as the decisions of the European Commission which are taken under the terms of the corresponding requirements and standards.
2. Either Party may refer any dispute relating to the application or interpretation of this Agreement which it has not been possible to resolve in accordance with paragraph 1 of this Article to an arbitration panel of three arbitrators in accordance with the following procedure:
 - (a) each Party shall appoint an arbitrator within 60 days from the date of reception of the notification for the request for arbitration by the arbitration panel addressed by the other Party through diplomatic channels; the third arbitrator should be appointed by the other two arbitrators within 60 additional days. If one of the Parties has not appointed an arbitrator within the agreed period, or if the third arbitrator is not appointed within the agreed period, each Party may request the President of the ICAO Council to appoint an arbitrator or arbitrators, whichever is applicable. If the President of the ICAO Council is of the same nationality as one of the Parties, the most senior Vice President of the ICAO Council who is not disqualified on that ground shall make the appointment;
 - (b) the third arbitrator appointed under the terms of point (a) shall be a national of a third State and shall act as a President of the arbitration panel;
 - (c) the arbitration panel shall agree its rules of procedure; and
 - (d) subject to the final decision of the arbitration panel, the initial expenses of the arbitration shall be shared equally by the Parties.
3. At the request of a Party the arbitration panel may order the other Party to implement interim relief measures pending the panel's final decision.
4. Any provisional decision or final decision of the arbitration panel shall be binding upon the Parties. The arbitration panel shall seek to adopt any provisional decision or final decision by consensus. Where consensus is not possible, it shall adopt its decisions by majority voting.
5. If one of the Parties does not act in conformity with a decision of the arbitration panel taken under the terms of this Article within 30 days from the date of receipt of the notification of the aforementioned decision, the other Party may, for as long as this failure endures, limit, suspend or revoke the rights or privileges which it had granted under the terms of this Agreement from the Party at fault.

*Article 31***Safeguard measures**

1. Without prejudice to Articles 7 and 8 of this Agreement and to the safety and security assessments mentioned in Annex III to this Agreement, a Party may take appropriate safeguard measures if it considers that the other Party has failed to fulfil an obligation under this Agreement. Safeguard measures shall be restricted with regard to their scope and duration to what is strictly necessary in order to remedy the situation or maintain the balance of this Agreement. Priority shall be given to such measures that will least disturb the functioning of this Agreement.
2. A Party which is considering taking safeguard measures shall without delay notify the other Party through the Joint Committee and shall provide all relevant information.

3. The Parties shall immediately enter into consultations in the Joint Committee with a view to finding a commonly acceptable solution.
4. Without prejudice to Articles 7 and 8 of this Agreement, the Party concerned may not take safeguard measures until one month has elapsed after the date of notification under paragraph 2 of this Article, unless the consultation procedure under paragraph 3 of this Article has been concluded before the expiry of the stated time limit.
5. The Party concerned shall, without delay, notify the measures taken to the Joint Committee and shall provide all relevant information.
6. Any action taken under the terms of this Article shall be suspended, as soon as the Party at fault satisfies the provisions of this Agreement.

Article 32

Disclosure of information

The representatives, delegates and experts of the Parties, as well as other officials acting under this Agreement, shall be required, even after their duties have ceased, not to disclose to third parties information covered by the obligation of professional confidentiality, in particular relevant security information and information about companies or undertakings, their business relations or their cost components.

Article 33

Transitional arrangements

1. Annex III to this Agreement establishes the transitional arrangements and corresponding transitional periods applying between the Parties.
2. The gradual transition of Ukraine to the effective implementation of the requirements and standards of the European Union acts relating to civil aviation referred to in Annex I to this Agreement and the fulfilment of the conditions under Annex III to this Agreement shall be subject to assessments, which shall be carried out by the European Commission in cooperation with Ukraine and, as regards aviation safety standardisation inspections carried out by the EASA, in accordance with the requirements and standards specified in Annex I, Part C, to this Agreement.

When Ukraine is satisfied that the relevant legislative requirements and standards are incorporated in the Ukrainian legislation and implemented, it shall inform the European Commission that an assessment should be carried out.

3. If the European Commission determines that Ukraine fulfils the relevant requirements and standards, it shall submit the matter to the Joint Committee for it to take a decision that Ukraine qualifies for passing to the next transitional period or complies with all these requirements.
4. If the European Commission determines that Ukraine does not fulfil the relevant requirements and standards, it shall so report to the Joint Committee. The European Commission shall thereafter recommend to Ukraine specific improvements and determine, in consultation with Ukraine, an implementing period within which the relevant deficiencies can reasonably be addressed. Before the end of the implementing period, a second and, if necessary, further assessments shall be made whether the recommended improvements have effectively and satisfactorily been implemented.
5. If the European Commission determines that the relevant deficiencies have been addressed, it shall submit the matter to the Joint Committee to decide accordingly and as stipulated in paragraph 3 of this Article.

Article 34

Relationship to other agreements and/or arrangements

1. The provisions of this Agreement shall prevail over the relevant provisions of the bilateral air transport agreements and/or arrangements between the Parties.

2. Notwithstanding paragraph 1 of this Article, the provisions concerning ownership, traffic rights, capacity, frequencies, type or change of aircraft, code-sharing and pricing of a bilateral agreement or arrangement between Ukraine and the European Union or an EU Member State, shall apply between the Parties if such bilateral agreement and/or arrangement is more favourable, in terms of freedom for the air carriers concerned, or otherwise more favourable and provided that there is no discrimination between EU Member States and their nationals. The same applies for provisions that are not covered by this Agreement.

3. If the Parties become parties to a multilateral agreement or endorse a decision adopted by the ICAO or another international organisation that addresses matters covered by this Agreement, they shall consult in the Joint Committee to determine whether this Agreement should be revised to take into account such developments.

Article 35

Financial provisions

Without prejudice to point (b) of Article 5(1) of this Agreement, the Parties shall allocate necessary financial resources, including related to the Joint Committee, for the implementation of this Agreement in their respective territories.

TITLE V

ENTRY INTO FORCE, REVIEW, TERMINATION AND FINAL PROVISIONS

Article 36

Amendments

1. The Joint Committee may, upon the proposal of one Party and in accordance with this Article, decide by consensus to modify the Annexes to this Agreement as provided for in point (a) of Article 15(3) of this Agreement.

2. Amendments to the Annexes to this Agreement shall enter into force after completion by the Parties of the necessary internal procedures.

3. At the request of any Party and in accordance with the relevant procedures, taking into account possible recommendations by the Joint Committee, this Agreement shall be reviewed in the light of the application of its provisions, in order to consider any necessary future development. Any resulting amendment of this Agreement shall enter into force as provided for in Article 38 of this Agreement.

Article 37

Termination

Either Party may, at any time, give notice in writing, through diplomatic channels, to the other Party of its decision to terminate this Agreement. Such notice shall be sent simultaneously to the ICAO. This Agreement shall terminate at midnight GMT at the end of the International Air Transport Association traffic season in effect one year following the date of written notification of termination, unless the notice is withdrawn by mutual agreement of the Parties before the expiry of this period.

Article 38

Entry into force and provisional application

1. This Agreement shall be subject to ratification or approval by the signatories in accordance with their own procedures.

2. This Agreement shall enter into force on the first day of the second month after the date of the last note of the exchange of diplomatic notes between the Parties confirming that all necessary procedures for entry into force of this Agreement have been completed. For the purpose of this exchange, Ukraine shall deliver to the General Secretariat of the Council of the European Union its diplomatic note to the European Union and its Member States and the General

Secretariat of the Council of the European Union shall deliver to Ukraine the diplomatic note from the European Union and its Member States. The diplomatic note from the European Union and its Member States shall contain communications from each Member State confirming that its necessary procedures for entry into force of this Agreement have been completed.

3. Notwithstanding paragraph 2 of this Article, the Parties agree to provisionally apply this Agreement, in accordance with their internal procedures or national legislation, as applicable, from the first day of the month following the date of the latest note by which the Parties have notified each other of the completion of the relevant national procedures to provisionally apply or as the case may be to conclude this Agreement.

4. The Secretary-General of the Council of the European Union shall act as the depositary of this Agreement.

Article 39

Registration with the ICAO and the United Nations Secretariat

This Agreement and all amendments thereto shall be registered by Ukraine with the ICAO and with the United Nations Secretariat, in accordance with Article 102 of the Charter of the United Nations, following its entry into force.

Article 40

Authentic texts

This Agreement shall be drawn up in duplicate in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, Swedish and Ukrainian languages, each text being equally authentic.

IN WITNESS WHEREOF the undersigned Plenipotentiaries, duly authorised to this effect, have signed this Agreement.

Съставено в Киев на дванадесети октомври две хиляди двадесет и първа година.

Hecho en Kiev, el doce de octubre de dos mil veintiuno.

V Kyjevě dne dvanáctého října dva tisíce dvacet jedna.

Udfærdiget i Kiev den tolvte oktober to tusind og enogtyve.

Geschehen zu Kiew am zwölften Oktober zweitausendeinundzwanzig.

Kahe tuhande kahekümne esimese aasta oktoobrikuu kaheteistkümnendal päeval Kiievis.

Έγινε στο Κίεβο, στις δώδεκα Οκτωβρίου δύο χιλιάδες είκοσι ένα.

Done at Kyiv on the twelfth day of October in the year two thousand and twenty one.

Fait à Kiev, le douze octobre deux mille vingt et un.

Arna dhéanamh i gCív, an dóú lá déag de Dheireadh Fómhair an bhliain dhá mhíle fiche agus haon.

Sastavljeno u Kijevu dvanaestog listopada godine dvije tisuće dvadeset prve.

Fatto a Kiev, addì dodici ottobre duemilaventuno.

Kijevā, divi tūkstoši divdesmit pirmā gada divpadsmitajā oktobrī.

Priimta du tūkstančiai dvidešimt pirmų metų spalio dvyliktą dieną Kijeve.

Kelt Kijevben, a kétezer-huszonegyedik év október havának tizenkettedik napján.

Magħmul f'Kiev, fit-tnaħ-il jum ta' Ottubru fis-sena elfejn u wieħed u ghoxrin.

Gedaan te Kiev, twaalf oktober tweeduizend eenentwintig.

Sporządzono w Kijowie dnia dwunastego października roku dwa tysiące dwudziestego pierwszego.

Feito em Kiev, em doze de outubro de dois mil e vinte e um.

Întocmit la Kiev la doisprezece octombrie două mii douăzeci și unu.

V Kyjeve dvanásteho oktobra dvetisícdvadsaťjeden.

V Kijevu, dne dvanajstega oktobra leta dva tisoč enaindvajset.

Tehty Kiovassa kahdententoista päivänä lokakuuta vuonna kaksituhattakaksikymmentäyksi.

Som skedde i Kiev den tolfte oktober år tjugohundratjugoett.

Учинено в Києві дванадцятого жовтня дві тисячі двадцять першого року.

Voor het Koninkrijk België
Pour le Royaume de Belgique
Für das Königreich Belgien



Deze handtekening verbindt eveneens het Vlaamse Gewest, het Waalse Gewest en het Brussels Hoofdstedelijk Gewest.

Cette signature engage également la Région wallonne, la Région flamande et la Région de Bruxelles-Capitale.

Diese Unterschrift bindet zugleich die Wallonische Region, die Flämische Region und die Region Brüssel-Hauptstadt.

За Република България



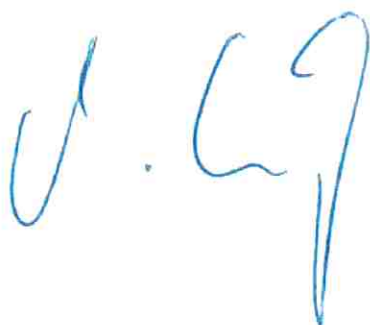
Za Českou republiku



For Kongeriget Danmark



Für die Bundesrepublik Deutschland



Eesti Vabariigi nimel



Thar ceann na hÉireann
For Ireland



Για την Ελληνική Δημοκρατία



Por el Reino de España



Pour la République française



Za Republiku Hrvatsku



Per la Repubblica italiana



Για την Κυπριακή Δημοκρατία



Latvijas Republikas vārdā –



Lietuvos Respublikos vardu



Pour le Grand-Duché de Luxembourg



Magyarország részéről



Għar-Repubblika ta' Malta



Voor het Koninkrijk der Nederlanden



Für die Republik Österreich

Miklós Jancsik

W imieniu Rzeczypospolitej Polskiej

Andrzej Saw

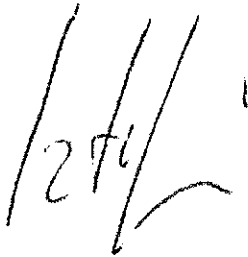
Pela República Portuguesa

Nuno Brito

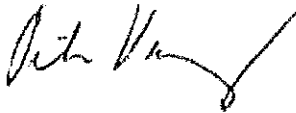
Pentru România

Lodovec

Za Republiko Slovenijo



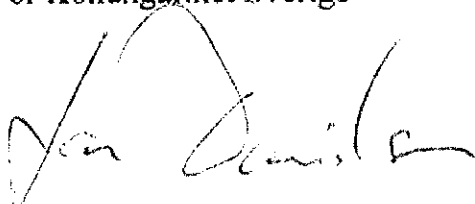
Za Slovenskú republiku



Suomen tasavallan puolesta
För Republiken Finland



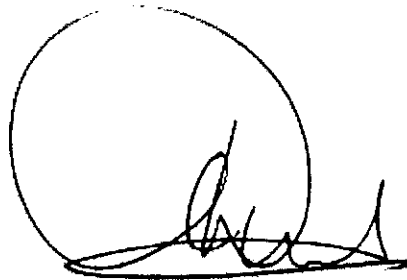
För Konungariket Sverige



За Европейския съюз
Por la Unión Europea
Za Evropskou unii
For Den Europæiske Union
Für die Europäische Union
Euroopa Liidu nimel
Για την Ευρωπαϊκή Ένωση
For the European Union
Pour l'Union européenne
Thar ceann an Aontais Eorpaigh
Za Europsku uniju
Per l'Unione europea
Eiropas Savienības vārdā --
Europos Sąjungos vardu
Az Európai Unió részéről
Għall-Unjoni Ewropea
Voor de Europese Unie
W imieniu Unii Europejskiej
Pela União Europeia
Pentru Uniunea Europeană
Za Európsku úniu
Za Evropsko unijo
Euroopan unionin puolesta
För Europeiska unionen



За Україну



ANNEX I

LIST OF APPLICABLE REQUIREMENTS AND STANDARDS ADOPTED BY THE EUROPEAN UNION IN THE FIELD OF CIVIL AVIATION TO BE INCORPORATED IN THE LEGISLATION OF UKRAINE

The applicable requirements and standards of the following European Union acts shall be incorporated into Ukrainian legislation and deemed to be part of this Agreement and shall be applicable in accordance with this Agreement and Annex III to this Agreement, unless otherwise specified. Where necessary, specific adaptations for each individual act are set out in this Annex.

The applicable requirements and standards of acts referred to in this Annex shall be binding upon the Parties and be, or be made, part of their internal legal order as follows:

- (a) European Union regulations and directives shall be binding upon the European Union and its Member States in accordance with the EU Treaties;
- (b) a national act of Ukraine adopted with the aim of implementing the provisions of the corresponding European Union regulations and directives shall be legally binding upon Ukraine, while the form and method of implementation are to be decided by Ukraine.

A. Market Access and Ancillary Issues

No 1008/2008

Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules for the operation of air services in the Community

Applicable requirements and standards: Chapter IV.

No 95/93

Council Regulation (EEC) No 95/93 of 18 January 1993 on common rules for the allocation of slots at Community airports,

as amended by:

Regulation (EC) No 894/2002 of the European Parliament and of the Council of 27 May 2002 amending Council Regulation (EEC) No 95/93 on common rules for the allocation of slots at Community airports,

Regulation (EC) No 1554/2003 of the European Parliament and of the Council of 22 July 2003 amending Council Regulation (EEC) No 95/93 on common rules for the allocation of slots at Community airports,

Regulation (EC) No 793/2004 of the European Parliament and of the Council of 21 April 2004 amending Council Regulation (EEC) No 95/93 on common rules for the allocation of slots at Community airports.

Applicable requirements and standards: Articles 1 to 12, 14 and 14a(2).

As regards the application of Article 12(2), the term "the Commission" shall read "the Joint Committee".

No 96/67

Council Directive 96/67/EC of 15 October 1996 on access to the groundhandling market at Community airports.

Applicable requirements and standards: Articles 1 to 25 and the Annex.

As regards the application of Article 10, the term "Member States" shall read "EU Member States".

As regards the application of Article 20(2), the term "the Commission" shall read "the Joint Committee".

No 785/2004

Regulation (EC) No 785/2004 of the European Parliament and of the Council of 21 April 2004 on insurance requirements for air carriers and aircraft operators,

as amended by:

Commission Regulation (EU) No 285/2010 of 6 April 2010 amending Regulation 785/2004 of the European Parliament and of the Council on insurance requirements for air carriers and aircraft operators.

Applicable requirements and standards: Articles 1 to 8, and 10(2).

No 2009/12

Directive 2009/12/EC of the European Parliament and of the Council of 11 March 2009 on airport charges.

Applicable requirements and standards: all except Articles 12 (1), 13 and 14.

B. Air Traffic Management

No 549/2004

Regulation (EC) No 549/2004 of the European Parliament and of the Council of 10 March 2004 laying down the framework for the creation of the single European sky (the framework Regulation),

as amended by:

Regulation (EC) No 1070/2009 of the European Parliament and of the Council of 21 October 2009 amending Regulations (EC) No 549/2004, (EC) No 550/2004, (EC) No 551/2004 and (EC) No 552/2004 in order to improve the performance and sustainability of the European aviation system.

Applicable requirements and standards: Articles 1 to 4, 6, and 9 to 14.

No 550/2004

Regulation (EC) No 550/2004 of the European Parliament and of the Council of 10 March 2004 on the provision of air navigation services in the single European sky (the service provision Regulation),

as amended by:

Regulation (EC) No 1070/2009 of the European Parliament and of the Council of 21 October 2009 to improve the performance and sustainability of the European aviation system.

Applicable requirements and standards: Articles 1 to 19, Annexes I and II.

No 551/2004

Regulation (EC) No 551/2004 of the European Parliament and of the Council of 10 March 2004 on the organisation and use of the airspace in the single European sky (the airspace Regulation),

as amended by:

Regulation (EC) No 1070/2009 of the European Parliament and of the Council of 21 October 2009 to improve the performance and sustainability of the European aviation system.

Applicable requirements and standards: Articles 1 to 11.

No 552/2004

Regulation (EC) No 552/2004 of the European Parliament and of the Council of 10 March 2004 on the interoperability of the European Air Traffic Management network (the interoperability Regulation),

as amended by:

Regulation (EC) No 1070/2009 of the European Parliament and of the Council of 21 October 2009 to improve the performance and sustainability of the European aviation system.

Applicable requirements and standards: Articles 1 to 12, Annexes I to V.

Implementing Legislation

No 691/2010

Commission Regulation (EU) No 691/2010 of 29 July 2010 laying down a performance scheme for air navigation services and network functions and amending Regulation (EC) No 2096/2005 laying down common requirements for the provision of air navigation services,

as amended by:

Commission Regulation (EU) No 677/2011 of 7 July 2011 laying down detailed rules for the implementation of air traffic management (ATM) network functions and amending Regulation (EU) No 691/2010,

Commission Regulation (EU) No 1216/2011 of 24 November 2011 amending Commission Regulation (EU) No 691/2010 laying down a performance scheme for air navigation services and network functions,

Commission Regulation (EU) No 390/2013 of 03 May 2013 laying down a performance scheme for air navigation services and network functions,

Applicable requirements and standards: Articles 1 to 25, Annexes I to IV.

No 1794/2006

Commission Regulation (EC) No 1794/2006 of 6 December 2006 laying down a common charging scheme for air navigation services,

as amended by:

Commission Regulation (EU) No 1191/2010 of 16 December 2010 amending Regulation (EC) No 1794/2006 laying down a common charging scheme for air navigation services,

Commission Regulation (EU) No 391/2013 of 3 May 2013 laying down a common charging scheme for air navigation services.

Applicable requirements and standards: Articles 1 to 17, Annexes I to VI.

No 482/2008

Commission Regulation (EC) No 482/2008 of 30 May 2008 establishing a software safety assurance system to be implemented by air navigation service providers and amending Annex II to Regulation (EC) No 2096/2005,

as amended by:

Commission Regulation (EU) No 1035/2011 of 17 October 2011 laying down common requirements for the provision of air navigation services and amending Regulations (EC) No 482/2008 and (EU) No 691/2010.

Applicable requirements and standards: Articles 1 to 6, Annexes I to II.

No 1034/2011

Commission Regulation (EU) No 1034/2011 of 17 October 2011 on safety oversight in air traffic management and air navigation services and amending Regulation (EU) No 691/2010.

Applicable requirements and standards: Articles 1 to 19.

No 1035/2011

Commission Implementing Regulation (EU) No 1035/2011 of 17 October 2011 laying down common requirements for the provision of air navigation services and amending Regulations (EC) No 482/2008 and (EU) No 691/2010,

as amended by:

Commission Implementing Regulation (EU) No 923/2012 of 26 September 2012 laying down the common rules of the air and operational provisions regarding services and procedures in air navigation and amending Implementing Regulation (EU) No 1035/2011 and Regulations (EC) No 1265/2007, (EC) No 1794/2006, (EC) No 730/2006, (EC) No 1033/2006 and (EU) No 255/2010.

Applicable requirements and standards: Articles 1 to 14, Annexes I to V.

No 409/2013

Commission Regulation (EU) No 409/2013 of 03 May 2013 on the definition of common projects, the establishment of governance and identification of incentives supporting the implementation of the European ATM Master Plan.

Applicable requirements and standards: Articles 1 to 15.

No 2150/2005

Commission Regulation (EC) No 2150/2005 of 23 December 2005 laying down common rules for the flexible use of airspace.

Applicable requirements and standards: Articles 1 to 9 and the Annex.

No 730/2006

Commission Regulation (EC) No 730/2006 of 11 May 2006 on airspace classification and access of flights operated under visual flight rules above flight level 195.

Applicable requirements and standards: Articles 1 to 4.

No 255/2010

Commission Regulation (EU) No 255/2010 of 25 March 2010 laying down common rules on air traffic flow management.

Applicable requirements and standards: Articles 1 to 15.

No 176/2011

Commission Regulation (EU) No 176/2011 of 24 February 2011 on the information to be provided before the establishment and modification of a functional airspace block.

No 923/2012

Commission Regulation (EU) No 923/2012 of 26 September 2012 laying down the common rules of the air and operational provisions regarding services and procedures in air navigation and amending Implementing Regulation (EU) No 1035/2011 and Regulations (EC) No 1265/2007, (EC) No 1794/2006, (EC) No 730/2006, (EC) No 1033/2006 and (EU) No 255/2010.

Applicable requirements and standards: Articles 1 to 10 and the Annex.

No 1032/2006

Commission Regulation (EC) No 1032/2006 of 6 July 2006 laying down requirements for automatic systems for the exchange of flight data for the purpose of notification, coordination and transfer of flights between air traffic control units,

as amended by:

Commission Regulation (EC) No 30/2009 of 16 January 2009 amending Regulation (EC) No 1032/2006 as far as the requirements for automatic systems for the exchange of flight data supporting data link services are concerned.

Applicable requirements and standards: Articles 1 to 10, Annexes I to V.

No 1033/2006

Commission Regulation (EC) No 1033/2006 of 4 July 2006 laying down the requirements on procedures for flight plans in the pre-flight phase for the single European sky,

as amended by:

Commission Regulation (EU) No 428/2013 of 08 May 2013 amending Regulation (EC) No 1033/2006 as regards the ICAO provisions referred to in Article 3(1) and repealing Regulation (EU) No 929/2010.

Applicable requirements and standards: Articles 1 to 5 and the Annex.

No 633/2007

Commission Regulation (EC) No 633/2007 of 7 June 2007 laying down requirements for the application of a flight message transfer protocol used for the purpose of notification, coordination and transfer of flights between air traffic control units,

as amended by:

Commission Regulation (EU) No 283/2011 of 22 March 2011 amending Regulation (EC) No 633/2007 as regards the transitional arrangements referred to in Article 7.

Applicable requirements and standards: Articles 1 to 7, the second and third sentences of Article 8, Annexes I to IV.

No 29/2009

Commission Regulation (EC) No 29/2009 of 16 January 2009 laying down requirements on data link services for the single European sky.

Applicable requirements and standards: Articles 1 to 14, Annexes I to VII.

No 262/2009

Commission Regulation (EC) No 262/2009 of 30 March 2009 laying down requirements for the coordinated allocation and use of Mode S interrogator codes for the single European sky.

Applicable requirements and standards: Articles 1 to 12, Annexes I to VI.

No 73/2010

Commission Regulation (EU) No 73/2010 of 26 January 2010 laying down requirements on the quality of aeronautical data and aeronautical information for the single European sky.

Applicable requirements and standards: Articles 1 to 13, Annexes I to X.

No 1206/2011

Commission Implementing Regulation (EU) No 1206/2011 of 22 November 2011 laying down requirements on aircraft identification for surveillance for the single European sky.

Applicable requirements and standards: Articles 1 to 11, Annexes I to VII.

No 1207/2011

Commission Implementing Regulation (EU) No 1207/2011 of 22 November 2011 laying down requirements for the performance and the interoperability of surveillance for the single European sky.

Applicable requirements and standards: Articles 1 to 14, Annexes I to IX.

No 1079/2012

Commission Regulation (EU) No 1079/2012 of 16 November 2012 laying down requirements for voice channels spacing for the single European sky.

Applicable requirements and standards: Articles 1 to 15, Annexes I to V.

SESAR Regulation

No 219/2007

Council Regulation (EC) No 219/2007 of 27 February 2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR),

as amended by:

Commission Regulation (EC) No 1361/2008 of 16 December 2008 amending Regulation (EC) No 219/2007 on the establishment of a joint undertaking to develop the new generation European air traffic management system (SESAR),

Applicable requirements and standards: Article 1(1),(2) and (5) to (7), Articles 2 to 3, Article 4(1) and the Annex.

Air traffic controllers' licences

No 805/2011

Commission Regulation (EU) No 805/2011 of 10 August 2011 laying down detailed rules for air traffic controllers' licences and certain certificates pursuant to Regulation (EC) No 216/2008 of the European Parliament and of the Council.

Applicable requirements and standards: Articles 1 to 32, Annexes I to IV.

Commission Decisions

No 2011/121

Commission Decision 2011/121/EU of 21 February 2011 setting the European Union-wide performance targets and alert thresholds for the provision of air navigation services for the years 2012 to 2014.

Applicable requirements and standards: Articles 1 to 4.

No 2011/2611 final

Commission Decision C(2011) 2611 final of 20 May 2011 on exemptions under Article 14 of Commission Regulation (EC) No 29/2009.

Applicable requirements and standards: Articles 1 to 3, Annexes I and II.

No 2011/9074 final

Commission Implementing Decision C(2011) 9074 final of 9 December 2011 on exemptions under Article 14 of Commission Regulation (EC) No 29/2009.

Applicable requirements and standards: Articles 1 to 3, Annexes I and II.

No 2012/9604 final

Commission Implementing Decision C (2012) 9604 final of 19 December 2012 on the approval of the Network Strategy Plan for the air traffic management network functions of the single European sky for the period 2012-2019.

Applicable requirements and standards: Articles 1 to 3.

C. Aviation Safety

No 216/2008 (Basic Regulation)

Regulation (EC) No 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC,

as amended by:

Commission Regulation (EC) No 690/2009 of 30 July 2009 amending Regulation (EC) No 216/2008 of the European Parliament and the Council on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC,

Regulation (EC) No 1108/2009 of the European Parliament and of the Council of 21 October 2009 amending Regulation (EC) No 216/2008 in the field of aerodromes, air traffic management and air navigation services and repealing Directive 2006/23/EC,

Commission Regulation (EU) No 6/2013 of 8 January 2013 amending Regulation (EC) No 216/2008 of the European Parliament and of the Council on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC.

Applicable requirements and standards: Articles 1 to 11, 13 to 16, 20 to 25, 54, 55, 68 and Annexes I to VI.

Regulation (EC) No 216/2008 and its implementing rules shall be applied to Ukraine according to the following provisions:

1. Ukraine does not delegate to the EASA any of its safety related functions as envisaged under the Convention and its Annexes;

2. Ukraine shall be subject to standardisation inspections conducted by the EASA under Article 54 of Regulation (EC) No 216/2008;
3. the application of Article 11 of Regulation (EC) No 216/2008 to certificates issued by Ukraine will be decided by the Joint Committee, according to the provisions of Annex III to this Agreement;
4. Article 11, paragraph 1, of Regulation (EC) No 216/2008 shall not apply to certificates of Ukraine issued in the areas of flight operations and initial and continuing airworthiness (Implementing Regulations (EU) No 965/2012, (EU) No 748/2012 and (EC) No 2042/2003);
5. the European Commission shall enjoy in Ukraine the powers granted to it for decisions pursuant to Article 11(2), Article 14(5) and (7), Article 24(5) and Article 25(1) of Regulation (EC) No 216/2008 in the areas where Article 11(1) is declared applicable by the Joint Committee;
6. in the field of airworthiness, where no tasks are carried out by the EASA, Ukraine may issue certificates, licences or approvals in application of an agreement or arrangement concluded by Ukraine with a third country.

No 748/2012

Commission Regulation (EU) No 748/2012 of 3 August 2012 laying down implementing rules for the airworthiness and environmental certification of aircraft and related products, parts and appliances, as well as for the certification of design and production organisations,

as amended by:

Commission Regulation (EU) No 7/2013 of 8 January 2013 amending Regulation (EU) No 748/2012 laying down Implementing Rules for the airworthiness and environmental certification of aircraft and related products, parts and appliances, as well as for the certification of design and production organisations.

Applicable requirements and standards: Articles 1, 2, 8 to 10 and the Annex.

No 2042/2003

Commission Regulation (EC) No 2042/2003 of 20 November 2003 on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks,

as amended by:

Commission Regulation (EC) No 707/2006 of 8 May 2006 amending Regulation (EC) No 2042/2003 as regards approvals of a limited duration and Annexes I and III,

Commission Regulation (EC) No 376/2007 of 30 March 2007 amending Regulation (EC) No 2042/2003 on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks,

Commission Regulation (EC) No 1056/2008 of 27 October 2008 amending Regulation (EC) No 2042/2003 on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks,

Commission Regulation (EU) No 127/2010 of 5 February 2010 amending Regulation (EC) No 2042/2003 on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks,

Commission Regulation (EU) No 962/2010 of 26 October 2010 amending Regulation (EC) No 2042/2003 on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks,

Commission Regulation (EU) No 1149/2011 of 21 October 2011 amending Regulation (EC) No 2042/2003 on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks,

Commission Regulation (EU) No 593/2012 of 5 July 2012 amending Regulation (EC) No 2042/2003 on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks.

Applicable requirements and standards: Articles 1 to 6, Annexes I to IV.

No 996/2010

Regulation (EU) No 996/2010 of the European Parliament and of the Council of 20 October 2010 on investigation and prevention of accidents and incidents in civil aviation and repealing Directive 94/56/EC.

Applicable requirements and standards: Articles 1 to 26, with the exception of Articles 7(4) and 24.

No 2003/42

Directive 2003/42/EC of the European Parliament and the Council of 13 June 2003 on occurrence reporting in civil aviation.

Applicable requirements and standards: Articles 1 to 11, Annexes I and II.

No 1321/2007

Commission Regulation (EC) No 1321/2007 of 12 November 2007 laying down implementing rules for the integration into a central repository of information on civil aviation occurrences exchanged in accordance with Directive 2003/42/EC of the European Parliament and of the Council.

Applicable requirements and standards: Articles 1 to 4.

No 1330/2007

Commission Regulation (EC) No 1330/2007 of 24 September 2007 laying down implementing rules for the dissemination to interested parties of information on civil aviation occurrences referred to in Article 7(2) of Directive 2003/42/EC of the European Parliament and of the Council.

Applicable requirements and standards: Articles 1 to 10, Annexes I to II.

No 104/2004

Commission Regulation (EC) No 104/2004 of 22 January 2004 laying down rules on the organisation and composition of the Board of Appeal of the European Aviation Safety Agency.

Applicable requirements and standards: Articles 1 to 7 and the Annex.

No 628/2013

Commission Implementing Regulation (EU) No 628/2013 of 28 June 2013 on working methods of the European Aviation Safety Agency for conducting standardisation inspections and for monitoring the application of the rules of Regulation (EC) No 216/2008 of the European Parliament and of the Council and repealing Commission Regulation (EC) No 736/2006.

Applicable requirements and standards: Articles 1 to 27.

No 2111/2005

Regulation (EC) No 2111/2005 of the European Parliament and of the Council of 14 December 2005 on the establishment of a Community list of air carriers subject to an operating ban within the Community and on informing air transport passengers of the identity of the operating air carrier, and repealing Article 9 of Directive 2004/36/EC.

Applicable requirements and standards provisions: Articles 1 to 13 and the Annex.

No 473/2006

Commission Regulation (EC) No 473/2006 of 22 March 2006 laying down implementing rules for the Community list of air carriers which are subject to an operating ban within the Community referred to in Chapter II of Regulation (EC) No 2111/2005 of the European Parliament and of the Council.

Applicable requirements and standards provisions: Articles 1 to 6, Annexes A to C.

No 474/2006

Commission Regulation (EC) No 474/2006 of 22 March 2006 establishing the Community list of air carriers which are subject to an operating ban within the Community referred to in Chapter II of Regulation (EC) No 2111/2005 of the European Parliament and of the Council,

as last amended by:

Commission Implementing Regulation (EU) No 659/2013 of 10 July 2013 amending Regulation (EC) No 474/2006 establishing the Community list of air carriers which are subject to an operating ban within the Community.

Applicable requirements and standards: Articles 1 to 3, Annexes A to B.

No 1178/2011

Commission Regulation (EU) No 1178/2011 of 3 November 2011 laying down technical requirements and administrative procedures related to civil aviation aircrew pursuant to Regulation (EC) No 216/2008 of the European Parliament and of the Council,

as amended by:

Commission Regulation (EU) No 290/2012 of 30 March 2012 amending Regulation (EU) No 1178/2011 laying down technical requirements and administrative procedures related to civil aviation aircrew pursuant to Regulation (EC) No 216/2008 of the European Parliament and of the Council.

Applicable requirements and standards: Articles 1 to 11, Annexes I to VII.

No 965/2012

Commission Regulation (EU) No 965/2012 of 5 October 2012 laying down technical requirements and administrative procedures related to air operations pursuant to Regulation (EC) No 216/2008 of the European Parliament and of the Council,

as amended by:

Commission Regulation (EU) No 800/2013 of 14 August 2013 amending Regulation (EU) No 965/2012 laying down technical requirements and administrative procedures related to air operations pursuant to Regulation (EC) No 216/2008 of the European Parliament and of the Council.

Applicable requirements and standards: Articles 1 to 9, Annexes I to VII.

No 1332/2011

Commission Regulation (EU) No 1332/2011 of 16 December 2011 laying down common airspace usage requirements and operating procedures for airborne collision avoidance.

Applicable requirements and standards: Articles 1 to 4 and the Annex.

D. Environment

No 2003/96

Council Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity.

Applicable requirements and standards: Article 14(1)(b) and (2).

No 2006/93

Directive 2006/93/EC of the European Parliament and of the Council of 12 December 2006 on the regulation of the operation of aeroplanes covered by Part II, Chapter 3, Volume 1 of Annex 16 to the Convention on International Civil Aviation, second edition (1988).

Applicable requirements and standards: Articles 1 to 5.

No 2002/49

Directive 2002/49/EC of the European Parliament and of the Council of 25 June 2002 relating to the assessment and management of environmental noise.

Applicable requirements and standards: Articles 1 to 16, Annexes I to VI.

No 2002/30

Directive 2002/30/EC of the European Parliament and of the Council of 26 March 2002 on the establishment of rules and procedures with regard to the introduction of noise-related operating restrictions at Community airports,

Applicable requirements and standards: Articles 1 to 15, Annexes I and II.

E. Social Aspects

No 1989/391

Council Directive 89/391/EEC of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work,

as amended by:

Directive 2007/30/EC of the European Parliament and of the Council of 20 June 2007 amending Council Directive 89/391/EEC, its individual Directives and Council Directives 83/477/EEC, 91/383/EEC, 92/29/EEC and 94/33/EC with a view to simplifying and rationalising the reports on practical implementation.

Applicable requirements and standards: Articles 1 to 16, and 18 to 19.

No 2003/88

Directive 2003/88/EC of the European Parliament and of the Council of 4 November 2003 concerning certain aspects of the organisation of working time.

Applicable provisions: Articles 1 to 19, 21 to 24 and 26 to 29.

No 2000/79

Council Directive 2000/79/EC of 27 November 2000 concerning the European Agreement on the Organisation of Working Time of Mobile Workers in Civil Aviation concluded by the Association of European Airlines (AEA), the European Transport Workers' Federation (ETF), the European Cockpit Association (ECA), the European Regions Airline Association (ERA) and the International Air Carrier Association (IACA).

Applicable requirements and standards: Articles 2 to 3 and the Annex.

F. Consumer Protection

No 90/314

Council Directive 90/314/EEC of 13 June 1990 on package travel, package holidays and package tours.

Applicable provisions: Articles 1 to 10.

No 93/13

Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts.

Applicable provisions: Articles 1 to 10 and the Annex.

As regards the application of Article 10, the term "the Commission" shall read "all other ECAA Contracting Parties".

No 95/46

Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.

Applicable requirements and standards: Articles 1 to 34.

No 2027/97

Council Regulation (EC) No 2027/97 of 9 October 1997 on air carrier liability in the event of accidents,

as amended by:

Regulation (EC) No 889/2002 of the European Parliament and of the Council of 13 May 2002 amending Council Regulation (EC) No 2027/97 on air carrier liability in the event of accidents.

Applicable requirements and standards: Articles 1 to 8.

No 261/2004

Regulation (EC) No 261/2004 of the European Parliament and of the Council of 11 February 2004 establishing common rules on compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights, and repealing Regulation (EEC) No 295/91.

Applicable requirements and standards: Articles 1 to 17.

No 1107/2006

Regulation (EC) No 1107/2006 of the European Parliament and of the Council of 5 July 2006 concerning the rights of disabled persons and persons with reduced mobility when travelling by air.

Applicable requirements and standards: Articles 1 to 16, Annexes I and II.

G. Computerised Reservation Systems

No 80/2009

Regulation (EC) No 80/2009 of the European Parliament and of the Council of 14 January 2009 on a Code of Conduct for computerised reservation systems and repealing Council Regulation (EEC) No 2299/89.

Applicable requirements and standards: Articles 1 to 19 and the Annexes.

H. Other Legislation

No 437/2003

Regulation (EC) No 437/2003 of the European Parliament and of the Council of 27 February 2003 on statistical returns in respect of the carriage of passengers, freight and mail by air,

as amended by:

Commission Regulation (EC) No 1358/2003 of 31 July 2003 implementing Regulation (EC) No 437/2003 of the European Parliament and of the Council on statistical returns in respect of the carriage of passengers, freight and mail by air and amending Annexes I and II thereto,

Commission Regulation (EC) No 546/2005 of 8 April 2005 adapting Regulation (EC) No 437/2003 of the European Parliament and of the Council as regards the allocation of reporting-country codes and amending Commission Regulation (EC) No 1358/2003 as regards the updating of the list of Community airports.

Applicable requirements and standards: Articles 1 to 11, Annexes I and II.

No 1358/2003

Commission Regulation (EC) No 1358/2003 of 31 July 2003 implementing Regulation (EC) No 437/2003 of the European Parliament and of the Council on statistical returns in respect of the carriage of passengers, freight and mail by air and amending Annexes I and II thereto,

as amended by:

Commission Regulation (EC) No 158/2007 of 16 February 2007 amending Commission Regulation (EC) No 1358/2003 as regards the list of Community airports.

Applicable requirements and standards: Articles 1 to 4, Annexes I to III.

ANNEX II

AGREED SERVICES AND SPECIFIED ROUTES

1. Each Party grants to the air carriers of the other Party the rights to provide air transport services on the routes specified hereunder:
 - (a) for air carriers of the European Union: any point in the European Union – any intermediate points in the territories of European Neighbourhood Policy partners ⁽¹⁾, ECAA countries ⁽²⁾ or countries listed in Annex V to this Agreement – any point in Ukraine – any points beyond;
 - (b) for air carriers of Ukraine: any point in Ukraine – any intermediate points in the territories of European Neighbourhood Policy partners, ECAA countries or countries listed in Annex V to this Agreement – any point in the European Union.

Existing and new rights, including rights to serve beyond points under bilateral agreements or other arrangements between Ukraine and EU Member States, which are not covered under this Agreement can be exercised and agreed, provided that there is no discrimination between air carriers on the basis of nationality;
 - (c) air carriers of the European Union shall also be entitled to perform air transport services between points in Ukraine, whether or not such air transport services originate or terminate within the EU.
2. The services operated in accordance with points (a) and (b) of paragraph 1 of this Annex shall originate or terminate in the territory of Ukraine, for air carriers of Ukraine, and in the territory of the European Union for air carriers of the European Union.
3. Air carriers of both Parties may on any or all flights and at their option:
 - (a) operate flights in either or both directions;
 - (b) combine different flight numbers within one aircraft operation;
 - (c) serve intermediate and beyond points, as specified in points (a) and (b) of paragraph 1 of this Annex, and points in the territories of the Parties in any combination and in any order;
 - (d) omit stops at any point or points;
 - (e) transfer traffic from any of its aircraft to any of its other aircraft at any point;
 - (f) make stopovers at any points whether within or outside the territory of either Party;
 - (g) carry transit traffic through the other Party's territory; and
 - (h) combine traffic on the same aircraft regardless of where such traffic originates.
4. Each Party shall allow each air carrier to determine the frequency and capacity of the international air transport it offers based upon commercial considerations in the marketplace. Consistent with this right, neither Party shall unilaterally limit the volume of traffic, frequency or regularity of service, or the aircraft type or types operated by the air carriers of the other Party, except for customs, technical, operational, environmental, protection of health reasons or in application of Article 26 of this Agreement.

⁽¹⁾ "European Neighbourhood Policy partners" shall here be understood as Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Morocco, Palestine, Syria, Tunisia and the Republic of Moldova, i.e. shall here not include Ukraine.

⁽²⁾ "ECAA countries" are the Parties to the Multilateral Agreement establishing a European Common Aviation Area, which are: The Member States of the European Union, the Republic of Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, the Republic of Iceland, the Republic of Montenegro, the Kingdom of Norway, the Republic of Serbia and Kosovo (This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence).

5. The air carriers of each Party may serve, including within the framework of code share arrangements, any point located in a third country that is not included on the specified routes, provided that they do not exercise fifth freedom rights.
 6. This Annex is subject to the transitional arrangements contained in Annex III to this Agreement and the extension of rights foreseen therein.
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ANNEX III

TRANSITIONAL ARRANGEMENTS

SECTION 1

Transitional periods

1. The transition of Ukraine towards the effective implementation of all provisions and conditions stemming from this Agreement shall be carried out through two transitional periods.
2. Such transition shall be subject to assessments and standardisation inspections, which shall be conducted by the European Commission and the EASA respectively, as well as a decision of the Joint Committee, as provided for in Article 33 of this Agreement.

SECTION 2

Specifications applicable during the first transitional period

1. During the first transitional period:
 - (a) air carriers of the European Union and air carriers licensed by Ukraine shall be permitted to exercise unlimited traffic rights between any point in the European Union and any point in Ukraine;
 - (b) subject to an assessment regarding the implementation by Ukraine of the relevant European Union requirements and standards and following the information of the Joint Committee, Ukraine shall be involved as observer in the work of the Committee established under the terms of Regulation (EEC) No 95/93 on common rules for the allocation of slots at Community airports; and
 - (c) Article 22(5), point (c), of this Agreement shall not apply.
2. The conditions for the transition towards the second transitional period shall involve for Ukraine the following:
 - (a) incorporation in the national legislation and implementation of the applicable requirements and standards of:
 - Regulation (EC) 216/2008 (on common rules in the field of civil aviation and establishing a European Aviation Safety Agency);
 - Regulation (EU) 748/2012 (implementing rules for the airworthiness and environmental certification of aircraft and related products, parts and appliances, as well as for the certification of design and production organisations);
 - Regulation (EC) No 2042/2003 (on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks) as amended;
 - Regulation (EU) No 965/2012 (laying down technical requirements and administrative procedures related to air operations);
 - Regulation (EU) No 1178/2011 (laying down technical requirements and administrative procedures related to civil aviation aircrew);
 - Regulation (EU) No 996/2010 (on investigation and prevention of accidents and incidents);
 - Directive 2009/12/EC (on airport charges);
 - Directive 96/67/EC (on access to the groundhandling market at Community airports);
 - Regulation (EEC) No 95/93 (on common rules for the allocation of slots);
 - Directive 2000/79/EC (concerning the European Agreement on the Organisation of Working Time of Mobile Workers in Civil Aviation);

- Chapter IV of Regulation (EC) No 1008/2008 (on operation of air services);
 - Regulation (EC) No 785/2004 (on insurance requirements for air carriers and aircraft operators);
 - Regulation (EEC) No 80/2009 (on computer reservation systems);
 - Regulation (EC) No 2027/97 (on air carrier liability in the event of accidents);
 - Regulation (EC) 261/2004 (common rules on compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights);
 - Regulation (EC) No 549/2004 of the European Parliament and of the Council of 10 March 2004 laying down the framework for the creation of the single European sky (the framework Regulation);
 - Regulation (EC) No 550/2004 of the European Parliament and of the Council of 10 March 2004 on the provision of air navigation services in the single European sky (the service provision Regulation);
 - Regulation (EC) No 551/2004 of the European Parliament and of the Council of 10 March 2004 on the organisation and use of the airspace in the single European sky (the airspace Regulation);
 - Regulation (EC) No 552/2004 of the European Parliament and of the Council of 10 March 2004 on the interoperability of the European Air Traffic Management network (the interoperability Regulation);
 - Regulation (EU) No 691/2010 of the European Commission of 29 July 2010 laying down a performance scheme for air navigation services and network functions and amending Regulation (EC) No 2096/2005 laying down common requirements for the provision of air navigation services;
 - Regulation (EC) No 1794/2006 of the European Commission of 6 December 2006 laying down a common charging scheme for air navigation services;
 - Regulation (EU) No 1034/2011 of the European Commission of 17 October 2011 on safety oversight in air traffic management and air navigation services and amending Regulation (EU) No 691/2010;
 - Regulation (EC) No 2150/2005 of the European Commission of 23 December 2005 laying down common rules for the flexible use of airspace; and
 - Regulation (EU) No 255/2010 of the European Commission of 25 March 2010 laying down common rules on air traffic flow management,
- as these are stipulated, including their amendments in Annex I to this Agreement;
- (b) application of operating licensing rules substantially equivalent to those contained in Chapter II of Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules for the operation of air services in the European Union; and
 - (c) as regards aviation security, implementation of ECAC Document 30, Part II, in its latest applicable amendment.

SECTION 3

Specifications applicable during the second transitional period

1. Following the decision of the Joint Committee, as provided for Article 33 of this Agreement, confirming that Ukraine fulfils all the conditions stipulated under Section 2(2) of this Annex:
 - (a) the relevant certificates issued by Ukraine, as listed in Annex IV, Section 1, to this Agreement, shall be recognised by the EU Member States in accordance with the conditions stipulated in the decision of the Joint Committee and pursuant to Article 11 of Regulation (EC) 216/2008;
 - (b) point (c) of Article 22(5) of this Agreement shall apply; and

- (c) subject to an assessment regarding the implementation by Ukraine of the relevant European Union requirements and standards and following the information of the Joint Committee, Ukraine shall be involved as observer in the work of the Committee established under the terms of Regulation (EC) No 2111/2005 on the establishment of a Community list of carriers subject to an operating ban within the Community.
2. The conditions for the transition towards the full implementation of this Agreement shall involve for Ukraine the following:
- (a) incorporation in the national legislation and implementation of all applicable requirements and standards of the European Union acts set out in Annex I to this Agreement; and
 - (b) the airspace under its responsibility shall be organised in line with the EU requirements applicable for the establishment of FABs.

SECTION 4

Full implementation of this agreement

Following the decision of the Joint Committee, as provided for in Article 33 of this Agreement, confirming that Ukraine fulfils all conditions stipulated under Section 3(2) of this Annex, the following shall apply:

1. In addition to the traffic rights set out in Section 2(1) of this Annex:
- (a) air carriers of the European Union shall be permitted to exercise unlimited traffic rights between points in Ukraine, intermediate points in the European Neighbourhood Policy and ECAA countries, as well as points in countries listed in Annex V to this Agreement and points beyond, provided that the flight is a part of a service that serves a point in a Member State.

Air carriers of the European Union shall also be permitted to exercise unlimited traffic rights between points in Ukraine, whether or not such air services originate or terminate within the EU; and
 - (b) air carriers of Ukraine shall be permitted to exercise unlimited traffic rights between any point in the European Union, intermediate points in the European Neighbourhood Policy and ECAA countries, as well as in countries listed in Annex V to this Agreement, provided that the flight is a part of a service that serves a point in Ukraine.
2. All the relevant certificates comprised in Annex IV, Section 2, to this Agreement issued by Ukraine shall be recognised by the EU Member States in accordance with the conditions foreseen by these provisions.
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ANNEX IV

LIST OF CERTIFICATES REFERRED TO IN ANNEX III TO THIS AGREEMENT

1. Air crew

Pilots' licences (issuing, maintaining, amending, limiting, suspending or revoking licences) (Regulations (EC) No 216/2008, (EU) No 1178/2011, (EU) No 290/2012 amending (EU) No 1178/2011).

Certification of persons responsible for providing flight training or flight simulation training and for assessing pilots' skills (Regulations (EC) No 216/2008, (EU) No 1178/2011, (EU) No 290/2012 amending (EU) No 1178/2011).

Cabin crew attestations (issuing, maintaining, amending, limiting, suspending or revoking cabin crew attestations) (Regulations (EC) 216/2008, (EU) No 1178/2011, (EU) No 290/2012 amending (EU) No 1178/2011).

Medical certificates for pilots (issuing, maintaining, amending, limiting, suspending or revoking) (Regulations (EC) No 216/2008, (EU) No 1178/2011, (EU) No 290/2012 amending (EU) No 1178/2011).

Certification of aero-medical examiners, as well as the conditions under which general medical practitioners may act as aero-medical examiners (Regulations (EC) 216/2008, (EU) No 1178/2011, (EU) No 290/2012 amending (EU) No 1178/2011).

Periodical aero-medical assessment of cabin crew members - the qualification of persons responsible for this assessment (Regulations (EC) 216/2008, (EU) No 1178/2011, (EU) No 290/2012 amending (EU) No 1178/2011).

Conditions for issuing, maintaining, amending, limiting, suspending or revoking certificates of pilot training organisations (Regulations (EC) 216/2008, (EU) No 1178/2011, (EU) No 290/2012 amending (EU) No 1178/2011).

Conditions for issuing, maintaining, amending, limiting, suspending or revoking certificates of aero-medical centres involved in the qualification and aero-medical assessment of civil aviation aircrew (Regulations (EC) 216/2008, (EU) No 1178/2011, (EU) No 290/2012 amending (EU) No 1178/2011).

Certification of flight simulation training devices and the requirements for organisations operating and using those devices (Regulations (EC) 216/2008, (EU) No 1178/2011, (EU) No 290/2012 amending (EU) No 1178/2011).

2. Air traffic management and air navigation services

Certificates of air traffic services providers (Regulations (EC) 216/2008, (EU) No 1034/2011, (EU) No 1035/2011 Annex II Specific requirements for the provision of air traffic services).

Certificates of meteorological services providers (Regulations (EC) 216/2008, (EU) No 1034/2011, (EU) No 1035/2011 Annex III Specific requirements for the provision of meteorological services).

Certificates of aeronautical information services providers (Regulations (EC) 216/2008, (EU) No 1034/2011, (EU) No 1035/2011 Annex IV Specific requirements for the provision of aeronautical information services).

Certificates of communication, navigation or surveillance services providers (Regulations (EC) 216/2008, (EU) No 1034/2011, (EU) No 1035/2011 Annex V Specific requirements for the provision of communication, navigation or surveillance service).

Licences of air traffic controllers (ATCO) and student air traffic controllers (issue, suspension and revocation) and associated ratings, endorsements (Regulations (EC) 216/2008, (EU) No 805/2011).

Medical certificates of air traffic controllers (Regulations (EC) 216/2008, (EU) No 805/2011).

Certificates of training organisations for air traffic controllers (ATCO) (validity, renewal, revalidation and use) (Regulations (EU) No 216/2008, (EU) No 805/2011).

ANNEX V

LIST OF OTHER STATES REFERRED TO IN ARTICLES 17, 19 AND 22 OF THIS AGREEMENT AND ANNEXES II AND III TO THIS AGREEMENT

1. The Republic of Iceland (under the Agreement on the European Economic Area);
 2. The Principality of Liechtenstein (under the Agreement on the European Economic Area);
 3. The Kingdom of Norway (under the Agreement on the European Economic Area); and
 4. The Swiss Confederation (under the Agreement between the European Community and the Swiss Confederation on Air Transport).
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ANNEX VI

PROCEDURAL RULES

This Agreement shall be applicable in accordance with the procedural rules set out here under:

1. INVOLVEMENT OF UKRAINE IN COMMITTEES

When according to this Agreement Ukraine is involved in a Committee established by the relevant European Union acts, it shall acquire an observer status and shall be exposed to all relevant discussions and be encouraged to engage in debate, in accordance with its rules of procedure, while it shall be excluded from sessions involving voting.

As regards the field of Air Traffic Management, in order to implement the relevant Single European Sky legislation, Ukraine shall also be involved in all bodies established by the European Commission, such as the Industry Consultation Body (ICB) and the Network Manager (NM).

2. ACQUIREMENT OF OBSERVER STATUS IN THE EASA

The observer status in the EASA entitles Ukraine to participate in technical groups and bodies of the EASA open for the EU Member States and other Partner countries in the European neighbourhood, subject to the established conditions for such participation. Observer status shall not cover the right to vote. This status shall not be acquired as regards the EASA Management Board.

3. COOPERATION AND EXCHANGE OF INFORMATION

To facilitate the exercise of the relevant powers of the competent authorities of the Parties, such authorities shall upon request mutually exchange all information necessary for the proper functioning of this Agreement.

4. REFERENCE TO LANGUAGES

The Parties shall be entitled to use, in the procedures established in the ambit of this Agreement, any official language of the institutions of the European Union or the Ukrainian language. The Parties are aware, however, that the utilisation of English facilitates those procedures. If a language which is not an official language of the institutions of the European Union is used in an official document, a translation into an official language of the institutions of the European Union shall be simultaneously submitted, taking into account the provision of the preceding sentence. If a Party intends to use, in an oral procedure, a language that is not an official language of the institutions of the European Union, that Party shall ensure simultaneous interpretation into English.

ANNEX VII

CRITERIA REFERRED TO IN ARTICLE 26(4) OF THIS AGREEMENT

1. The following shall be compatible with the proper functioning of this Agreement:
 - (a) aid having a social character, granted to individual consumers, provided that such aid is granted without discrimination related to the origin of the services concerned; and
 - (b) aid to make good the damage caused by natural disasters or exceptional occurrences.

 2. Moreover, the following may be considered to be compatible with the proper functioning of this Agreement:
 - (a) aid to promote the economic development of areas where the standard of living is abnormally low or where there is serious underemployment;
 - (b) aid to facilitate the development of certain economic activities or of certain economic areas where such aid does not adversely affect commercial operations of air carriers to the interests of the Parties; and
 - (c) aid to achieve objectives, allowed under the EU horizontal block exemption regulations and horizontal and sectorial State aid rules granted in line with the conditions set out therein.
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CHAPTER 304

RATIFICATION OF TREATIES ACT

To provide for the ratification of certain treaties.

(9th March, 1983)*

Enacted by ACT V of 1983.

1. This Act may be cited as the Ratification of Treaties Act.

Short title

2. In this Act, unless the context otherwise requires -

Interpretation.

"treaty" means an international agreement concluded between States in written form and governed by international law, whether embodied in a single instrument or in two or more related instruments and whatever its particular designation;

and any reference to the ratification of a treaty shall include a reference to accession to such treaty and to any other act or manner in which such treaty may be brought into force.

3. (1) Where a treaty to which Malta becomes party after the coming into force of this Act is one which affects or concerns -

Ratification of certain treaties by House of Representatives.

- (a) the status of Malta under international law or the maintenance or support of such status, or
- (b) the security of Malta, its sovereignty, independence, unity or territorial integrity, or
- (c) the relationship of Malta with any multinational organization, agency, association or similar body,

such treaty shall not enter into force with respect to Malta unless it has been ratified or its ratification has been authorised or approved in accordance with the provisions of this Act.

(2) A treaty to which subarticle (1) applies shall be ratified or shall have its ratification authorised or approved as follows:

- (a) where such treaty concerns a matter referred to in article (1) (a) or (b) concerns any provision which is to become, or to be enforceable as, part of the law of Malta, by Act of Parliament;
- (b) in any other case, by Resolution of the House of Representatives.

(3) No provision of a treaty shall become, or be enforceable as, part of the law of Malta except by or under an Act of Parliament.

(4) The instrument of ratification shall be issued under the signature of the Minister responsible for foreign affairs.

(5) Any act of a foreign State relating to any of the matters mentioned in article (1)(a) or (b) shall be laid on the Table of the House as soon as practicable by the Minister responsible for

*See Government Notice No. 128 of 9th March, 1983.

foreign affairs together with a motion giving an opportunity to the House to express itself on such act.

House to be informed of denunciation of certain treaties.

4. Where Malta ceases, or does any act whereby it will cease, to be a party to a treaty affecting or concerning any of the matters mentioned in article 3 (1)(a), (b) or (c) Act, the Minister responsible for foreign affairs shall inform the House of the fact, giving the reasons therefor, at the earliest opportunity and in no case later than the second sitting of the House after the expiration of one month from the date of the denunciation or other act whereby Malta ceases or will cease to be a party to a treaty as aforesaid.

Other treaties.

5. Nothing in this Act shall be construed as in any way affecting the powers of the Government with respect to treaties to which article 3(1) does not apply.

COMPREHENSIVE AIR TRANSPORT AGREEMENT
BETWEEN THE MEMBER STATES OF
THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS,
AND THE EUROPEAN UNION AND ITS MEMBER STATES

The Governments of:

BRUNEI DARUSSALAM,

THE KINGDOM OF CAMBODIA,

THE REPUBLIC OF INDONESIA,

THE LAO PEOPLE'S DEMOCRATIC REPUBLIC,

MALAYSIA,

THE REPUBLIC OF THE UNION OF MYANMAR,

THE REPUBLIC OF THE PHILIPPINES,

THE REPUBLIC OF SINGAPORE,

THE KINGDOM OF THAILAND,

and

THE SOCIALIST REPUBLIC OF VIET NAM,

being the Member States of the Association of Southeast Asian Nations ("ASEAN") (hereinafter referred to collectively as "ASEAN Member States", and individually as "ASEAN Member State")

of the one part,

and

THE KINGDOM OF BELGIUM,

THE REPUBLIC OF BULGARIA,

THE CZECH REPUBLIC,

THE KINGDOM OF DENMARK,

THE FEDERAL REPUBLIC OF GERMANY,

THE REPUBLIC OF ESTONIA,

IRELAND,

THE HELLENIC REPUBLIC,

THE KINGDOM OF SPAIN,

THE FRENCH REPUBLIC,

THE REPUBLIC OF CROATIA,

THE ITALIAN REPUBLIC,

THE REPUBLIC OF CYPRUS,

THE REPUBLIC OF LATVIA,

THE REPUBLIC OF LITHUANIA,

THE GRAND DUCHY OF LUXEMBOURG,

HUNGARY,

THE REPUBLIC OF MALTA,

THE KINGDOM OF THE NETHERLANDS,

THE REPUBLIC OF AUSTRIA,

THE REPUBLIC OF POLAND,

THE PORTUGUESE REPUBLIC,

ROMANIA,

THE REPUBLIC OF SLOVENIA,

THE SLOVAK REPUBLIC,

THE REPUBLIC OF FINLAND,

and

THE KINGDOM OF SWEDEN,

being parties to the Treaty on European Union and the Treaty on the Functioning of the European Union (hereinafter referred to together as "the EU Treaties") and being Member States of the European Union (hereinafter referred to collectively as "EU Member States", and individually as "EU Member State"),

and

THE EUROPEAN UNION ("hereinafter referred to as "the Union" or "the EU"),

of the other part,

DESIRING to promote their interests in respect of air transport as a means of contributing to closer political and economic relations between the two regions;

RECOGNISING the importance of efficient air transport connectivity in promoting trade, tourism, investment, and economic and social development;

DESIRING to enhance air services and to promote an international aviation system based on a fair and competitive environment, non-discrimination, and fair and equal opportunity for air carriers to compete;

DESIRING to ensure the highest degree of safety and security in air transport and affirming their grave concern with regard to acts or threats against the security of aircraft which jeopardise the safety of persons or property, adversely affect the operation of aircraft, and undermine the confidence of the travelling public in the safety of civil aviation;

NOTING that the ASEAN Member States and the EU Member States are parties to the Convention on International Civil Aviation signed at Chicago on 7 December 1944;

DETERMINED to maximise the potential benefits of regulatory cooperation;

ACKNOWLEDGING the important potential benefits that may arise from competitive air services and viable air transport industries;

DESIRING to foster a level playing field for air carriers, recognising the potential benefits of fair competition and that certain subsidies may adversely affect competition and may jeopardise the basic objectives of this Agreement;

INTENDING to build upon the framework of existing agreements and arrangements between the Parties with the aim of opening access to markets and maximising benefits to passengers, shippers, air carriers and airports and their employees, their communities, and other beneficiaries;

AFFIRMING the importance of protecting the environment in developing and implementing international aviation policy;

AFFIRMING the need for urgent actions to address climate change and for continued cooperation to reduce greenhouse gas emissions in the aviation sector, in a manner consistent with multilateral arrangements on this matter, including instruments of the International Civil Aviation Organization (hereinafter referred to as "the ICAO");

AFFIRMING the importance of protecting the interests of consumers including the protections afforded by the Convention for the Unification of Certain Rules for International Carriage by Air done at Montreal on 28 May 1999, and of achieving a high level of consumer protection, and recognising the need for mutual cooperation in this area;

RECOGNISING that increased commercial opportunities are not intended to undermine labour or labour-related standards of the Parties and reaffirming the importance of considering the effects of this Agreement on labour, employment, and working conditions, and the benefits that arise when the significant economic gains from open and competitive markets are combined with high labour standards;

NOTING the desire to explore ways to facilitate better access to capital by the air transport industry for the further development of air transport;

DESIRING to conclude an agreement on air transport, supplementary to the Convention on International Civil Aviation signed at Chicago on 7 December 1944;

HAVE AGREED AS FOLLOWS:

ARTICLE 1

Scope

1. This Agreement governs the provision of air transport services by the air carriers of the Union from, in, or to the territory of the ASEAN Member States, and by the air carriers of the ASEAN Member States from, in, or to the territory of the Union, as well as the provision of certain services related to those air transport services, in accordance with this Agreement.

2. For the avoidance of doubt, in no case shall this Agreement be construed as governing the provision of air transport services by any air carrier of an ASEAN Member State from, in, or to the territory of another ASEAN Member State, or the provision of certain services related to those air transport services.

ARTICLE 2

Definitions

1. For the purposes of this Agreement:
 - (a) "Chicago Convention" means the Convention on International Civil Aviation signed at Chicago on 7 December 1944, and includes any Annex adopted under Article 90 of that Convention, and any amendment to the Annexes or to the Convention under Articles 90 and 94, insofar as such Annexes and amendments have become effective for the Parties;

- (b) "Montreal Convention" means the Convention for the Unification of Certain Rules for International Carriage by Air done at Montreal on 28 May 1999;
- (c) "air transport" means the carriage by aircraft of passengers, baggage, cargo, and mail, separately or in combination, held out to the public for remuneration or hire, including scheduled and non-scheduled air services;
- (d) "citizenship determination" means a finding that an air carrier proposing to operate air services under this Agreement satisfies the requirements of Article 4 regarding its ownership, effective control, and principal place of business;
- (e) "competent authorities" means the government agencies or entities responsible for the regulatory and administrative functions incumbent on the Parties under this Agreement;
- (f) "competition authority" means the competent authority or authorities in charge of enforcing the competition law of a Party, including, in the case of the Union, the European Commission;
- (g) "competition law" means law which addresses, within the jurisdiction of a Party, the following conduct, where it may affect air transport services to, from, or within that Party:
 - (i) agreements between air carriers, decisions by associations of air carriers and concerted practices which have as their object or effect the prevention, restriction, or distortion of competition;

- (ii) abuses by one or more air carriers of a dominant position; or
 - (iii) concentrations between air carriers which substantially lessen competition, in particular as a result of the creation or strengthening of a dominant position;
- (h) "computerised reservation system" (hereinafter referred to as "CRS"), means a computerised system containing information (including schedules, availability and fares) of more than one air carrier, with or without facilities to make reservations or issue tickets, to the extent that some or all of these services are made available to subscribers, and includes "Global Distribution Systems", insofar as these contain air transport products;
- (i) "discrimination" means differentiation of any kind without objective justification;
- (j) "effective control" means a relationship constituted by rights, contracts, or any other means which, either separately or jointly and having regard to the considerations of fact or law involved, confer the possibility of directly or indirectly exercising a decisive influence on an undertaking, in particular by:
- (i) the right to use all or part of the assets of an undertaking;
 - (ii) rights or contracts which confer a decisive influence on the composition, voting, or decisions of the bodies of an undertaking, or otherwise confer a decisive influence on the running of the business of the undertaking;

- (k) "fitness determination" means a finding that an air carrier proposing to operate air services under this Agreement has satisfactory financial capability and adequate managerial expertise to operate such services and is disposed to comply with the laws, regulations, and requirements that govern the operation of such services;
- (l) "full cost" means the cost of services provided, which may include the appropriate amounts for costs of capital and depreciation of assets, as well as the costs of maintenance, operation, management, and administration;
- (m) "international air transport" means air transport that passes through the airspace above the territory of more than one State;
- (n) "material transactions" means the supply of goods and services which are of such size as to have an impact on the air carriers of the Parties' fair and equal opportunities to compete;
- (o) "non-scheduled service" means an air transport service that is not a scheduled service;
- (p) "Party" means the Union and the EU Member States of the one part, or an ASEAN Member State, of the other part;

- (q) "Parties" means:
- (i) the Union and the EU Member States; and
 - (ii) the ASEAN Member States.
- (r) "principal place of business" means the head office or registered office of an air carrier in the territory of a Party within which the principal financial functions and operational control, including continued airworthiness management, of the air carrier are exercised;
- (s) "scheduled services" means a series of flights that possesses all the following characteristics:
- (i) it passes through the airspace above the territory of more than one State;
 - (ii) it is performed by aircraft for the transport of passengers, baggage, mail and/or cargo for remuneration or hire, in such a manner that each flight is open to use by members of the public;
 - (iii) it is operated, so as to serve traffic between the same two or more points, either:
 - (A) according to a published timetable; or
 - (B) with flights so regular or frequent that they constitute a recognisably systematic series;

- (t) "self-handling" means a situation in which an air carrier directly provides for itself one or more categories of ground handling services and concludes no contract of any kind with a third party for the provision of such services. For the purposes of this definition, air carriers, as among themselves, shall not be deemed to be third parties where:
- (i) one holds the majority in the other; or
 - (ii) a single body has a majority holding in each;
- (u) "serious disturbance in the economy of a Party" shall mean an exceptional, temporary and significant crisis which affects the whole economy of an ASEAN Member State or of an EU Member State rather than a specific region or economic sector;
- (v) "State-owned enterprise" means any enterprise involved in a commercial activity where:
- (i) a Party owns more than 50 % of the enterprise's subscribed capital or the votes attached to the shares issued by the enterprise; or
 - (ii) a Party exercises or has the possibility of exercising decisive influence, directly or indirectly, by virtue of its financial participation therein or by the rules or practices on its functioning, or by any other means relevant to establish such decisive influence over the enterprise. Decisive influence on the part of a Party shall be presumed when a Party, directly or indirectly, can appoint more than half of the members of the enterprise's administrative, managerial, or supervisory body;

- (w) "stop for non-traffic purposes" means a landing for any purpose other than taking on board or discharging passengers, baggage, cargo, and/or mail in air transport;
- (x) "subsidy" means any financial contribution granted by the government or any other public body, including:
- (i) the direct transfer of funds, such as grants, loans or equity infusion, the potential direct transfer of funds, the assumption of liabilities, such as loan guarantees, capital injections, ownership, protection against bankruptcy, or insurance;
 - (ii) the forgoing or non-collection of revenue that is otherwise due;
 - (iii) the provision of goods or services other than general infrastructure, or the purchase of goods or services; or
 - (iv) the making of payments to a funding mechanism or entrustment or direction to a private body to carry out one or more of the functions mentioned under paragraphs 1(x)(i), (ii), and (iii) of this Article which would normally be vested in the government or other public body and the practice in no real sense differs from practices normally followed by governments,

limited to an entity, or industry, or group of entities or industries, within the jurisdiction of the granting authority and conferring a benefit to air carriers. No benefit is deemed to be conferred by a financial intervention carried out by a government or other public body if a private market operator solely driven by profitability prospects, in the same situation as the public body in question, would have carried out the same financial intervention;

- (y) "tariff" means any fare, rate, or charge for the carriage of passengers, baggage, and/or cargo (excluding mail) in air transportation (including any other mode of transportation in connection therewith) charged by air carriers, including their agents, and the conditions governing the availability of such fare, rate, or charge;
- (z) "territory" means, for the ASEAN Member States, the land territory, internal waters, archipelagic waters, territorial sea, the seabed and the sub-soil thereof, and the airspace over them; and for the Union, the land territory, internal waters, and territorial sea to which the EU Treaties apply and under the conditions laid down in those Treaties, as well as the seabed and the sub-soil thereof, and the air space over them; and
- (aa) "user charge" means a charge imposed on air carriers for the provision of airport, air navigation, or aviation security facilities or services including related services and facilities, or a noise-related charge, and includes charges to address local air quality problems at or around airports. For the avoidance of doubt, this definition does not include schemes to address climate-related emissions from international aviation.

ARTICLE 3

Grant of rights

Route schedule

1. An ASEAN Member State shall permit the air carriers of the Union to operate on the following routes:

any points in the Union – any intermediate points – any points in that ASEAN Member State – any points beyond.

For the purposes of the routes set out above, intermediate points and points beyond shall include one or more points in any other ASEAN Member States.

2. The Union and its Member States shall permit the air carriers of an ASEAN Member State to operate on the following routes:

any points in that ASEAN Member State – any intermediate points – any points in the Union – any points beyond.

For the purposes of the routes set out above, points in the Union shall include one or more points in any of the EU Member States.

Traffic rights

3. The Parties grant each other the following rights for the conduct of international air transport by their respective air carriers:

- (a) the right to fly across the granting Party's territory without landing;
- (b) the right to make stops for non-traffic purposes in the territory of the granting Party;
- (c) the right for the air carriers of an ASEAN Member State to carry out international air transport, by means of scheduled and non-scheduled passenger, cargo and combination services, between any points in that ASEAN Member State and any points in the Union (third and fourth freedom traffic rights);
- (d) the right for the air carriers of the Union to carry out international air transport, by means of scheduled and non-scheduled passenger, cargo and combination services, between any points in the Union and any points in the ASEAN Member States (third and fourth freedom traffic rights);
- (e) the right for the air carriers of an ASEAN Member State to carry out international air transport by means of scheduled and non-scheduled passenger, cargo and combination services, between any points in an EU Member State and any points in another EU Member State or any points in a third country, as part of a service with its origin or destination in that ASEAN Member State (fifth freedom traffic rights), subject to paragraph 4 of this Article;

- (f) the right for the air carriers of the Union to carry out international air transport by means of scheduled and non-scheduled passenger, cargo and combination services, between any points in an ASEAN Member State and any points in another ASEAN Member State or any points in a third country, as part of a service with its origin or destination in the Union (fifth freedom traffic rights), subject to paragraph 5 of this Article; and
- (g) other rights specified in this Agreement.

4. As regards passenger and combination services, the rights granted under paragraph 3(e) of this Article shall be subject, for each ASEAN Member State, to all the following conditions:

- (a) A maximum of seven (7) weekly flights with departure or arrival in each EU Member State may be operated in each direction immediately upon the entry into force of this Agreement;
- (b) A maximum of seven (7) additional weekly flights with departure or arrival in each EU Member State may be operated in each direction after two (2) years; and
- (c) The flights operated under paragraph 4(b) of this Article may not serve routes between an EU Member State and a third country which are already being served by an air carrier of the Union. For the purposes of this paragraph, a route shall be deemed to be served by an air carrier of the Union if that carrier operates the said route by means of scheduled services with its own aircraft, with aircraft leased with or without crew, or, in the case of non-stop services, by means of code sharing.

5. As regards passenger and combination services, the rights granted under paragraph 3(f) of this Article shall be subject, for each EU Member State, to all the following conditions:

- (a) A maximum of seven (7) weekly flights with departure or arrival in each ASEAN Member State may be operated in each direction immediately upon the entry into force of this Agreement;
- (b) A maximum of seven (7) additional weekly flights with departure or arrival in each ASEAN Member State may be operated in each direction after two years; and
- (c) The flights operated under paragraph 5(b) of this Article may not serve routes between an ASEAN Member State and a third country which are already being served by an air carrier of that ASEAN Member State. For the purposes of this paragraph, a route shall be deemed to be served by a carrier of an ASEAN Member State if that carrier operates the said route by means of scheduled services with its own aircraft, with aircraft leased with or without crew, or, in the case of non-stop services, by means of code sharing.

Operational flexibility

6. The air carriers of each Party may on any or all flights and at their option on the routes specified in paragraphs 1 and 2 of this Article:

- (a) operate flights in either or both directions;
- (b) combine different flight numbers within one aircraft operation;

- (c) serve intermediate and beyond points, and points in the territories of the Parties in any combination and in any order in accordance with the provisions of paragraph 3 of this Article;
- (d) omit stops at any point or points;
- (e) transfer traffic from any of its aircraft to any of its other aircraft at any point (change of gauge);
- (f) carry stopover traffic at any points whether within or outside the territory of the Parties;
- (g) carry transit traffic through the territory of another Party;
- (h) combine traffic on the same aircraft regardless of where such traffic originates; and
- (i) serve more than one point within the same EU Member State or ASEAN Member State on the same service (co-terminalisation).

7. The operational flexibility provided for in paragraph 6 of this Article may be exercised without directional or geographic limitation, provided that:

- (a) the services of the air carriers of an ASEAN Member State serve a point in that ASEAN Member State; and
- (b) the services of the air carriers of the Union serve a point in the Union.

8. Each Party shall allow each air carrier to determine the frequency and capacity of the international air transport it offers based on commercial considerations. Consistent with this right, no Party shall unilaterally limit the volume of traffic, frequency or regularity of service, routing, origin and destination of traffic, or the aircraft type or types operated by the air carriers of another Party, except for customs, technical, operational, air traffic management safety, environmental or health protection reasons, in a non-discriminatory manner, or unless otherwise provided for in this Agreement.

9. Nothing in this Agreement shall be deemed to confer any of the following rights:

- (a) as regards the ASEAN Member States, the right of their air carriers to take on board in any EU Member State passengers, baggage, cargo, and/or mail carried for remuneration or hire and destined for another point in that same EU Member State; and
- (b) as regards the Union, the right of its air carriers to take on board in any ASEAN Member State passengers, baggage, cargo, and/or mail carried for remuneration or hire and destined for another point in that same ASEAN Member State.

ARTICLE 4

Operating authorisations and technical permissions

1. On receipt of an application for an operating authorisation from an air carrier of another Party, a Party shall grant the appropriate operating authorisations and technical permissions with minimum procedural delay, provided that all the following conditions are met:

- (a) In the case of an air carrier of an ASEAN Member State:
 - (i) the air carrier has its principal place of business in that ASEAN Member State, and holds a valid operating licence in accordance with the law of that same ASEAN Member State;
 - (ii) effective regulatory control of the air carrier is exercised and maintained by that ASEAN Member State which issued its air operator certificate and the competent authority is clearly identified; and
 - (iii) the air carrier is owned, directly or through majority ownership, and it is effectively controlled by that ASEAN Member State, its nationals, or both;
- (b) In the case of an air carrier of the Union:
 - (i) the air carrier is established in the territory of the Union and holds a valid operating licence in accordance with Union law;

- (ii) effective regulatory control of the air carrier is exercised and maintained by the EU Member State responsible for issuing its air operator certificate and the competent authority is clearly identified; and
 - (iii) the air carrier is owned, directly or through majority ownership, and it is effectively controlled by one or more EU Member States, by other States party to the European Economic Area Agreement, by Switzerland, by nationals of such states, or by a combination thereof;
- (c) Articles 15 and 16 are being complied with; and
- (d) The air carrier meets the conditions prescribed under the laws and regulations normally applied to the operation of international air transport by the Party considering the application.
2. For the purposes of this Article and Article 5, evidence of effective regulatory control of an air carrier includes the following:
- (a) The air carrier concerned holding a valid operating licence or permit issued by the competent authority of the Party concerned, and meeting the criteria of that Party issuing the operating licence or permit for the operation of international air services; and
 - (b) That Party having and maintaining safety and security oversight programmes for that air carrier in compliance with the ICAO standards.
3. When granting operating authorisations and technical permissions, a Party shall treat all carriers of another Party in a non-discriminatory manner.

4. On receipt of an application for an operating authorisation from an air carrier of another Party, a Party shall recognise any fitness and/or citizenship determination made by that other Party with respect to that air carrier as if such determination had been made by its own competent authorities, and shall not enquire further into such matters, except as provided in paragraph 2 of Article 5. For the avoidance of doubt, this paragraph does not cover the recognition of determinations made in relation to safety certificates or licences, security arrangements, or insurance coverage.

ARTICLE 5

Refusal, revocation, suspension, or limitation of operating authorisations or technical permissions

1. A Party may refuse, revoke, suspend, impose conditions on, or limit the operating authorisations or technical permissions of an air carrier of another Party, or otherwise refuse, suspend, impose conditions on, or limit the operations of an air carrier of that other Party where:

- (a) in the case of an air carrier of an ASEAN Member State:
 - (i) the air carrier does not have its principal place of business in an ASEAN Member State or does not hold a valid operating licence in accordance with the law of that same ASEAN Member State; or
 - (ii) effective regulatory control of the air carrier is not exercised or not maintained by that ASEAN Member State which issued its air operator certificate, or the competent authority is not clearly identified; or

- (iii) the air carrier is not owned, directly or through majority ownership, or it is not effectively controlled by that ASEAN Member State, its nationals, or both;
- (b) in the case of an air carrier of the Union:
- (i) the air carrier is not established in the territory of the Union or does not have a valid operating licence in accordance with Union law; or
 - (ii) effective regulatory control of the air carrier is not exercised or not maintained by the EU Member State responsible for issuing its air operator certificate, or the competent authority is not clearly identified; or
 - (iii) the air carrier is not owned, directly or through majority ownership, or it is not effectively controlled by one or more EU Member States, by other States party to the European Economic Area Agreement, by Switzerland, by nationals of such States, or by a combination thereof; or
- (c) the air carrier has failed to comply with the laws and regulations referred to in Article 7.

2. Where a Party has reasonable grounds to believe that an air carrier of another Party is in any of the situations laid down in paragraph 1 of this Article, that Party may request consultations with that other Party.

3. Such consultations shall start as soon as possible, and not later than thirty (30) days after the date of receipt of the request for consultations. Failure to reach a satisfactory agreement within thirty (30) days or an agreed time period from the starting date of such consultations, or failure to take the agreed corrective action, shall constitute grounds for the Party that requested the consultations to take action to refuse, revoke, suspend, impose conditions on, or limit the operating authorisation or technical permissions of the air carrier concerned, or otherwise refuse, suspend, impose conditions on, or limit the operations of the air carrier concerned, to ensure compliance with the provisions of Articles 4 and 7.

4. Notwithstanding paragraph 3 of this Article, in the case referred to in paragraph 1(c) of this Article, a Party may take immediate or urgent action when required by an emergency or to prevent further non-compliance. For the avoidance of doubt, further non-compliance requires that the question of non-compliance has already been raised between the competent authorities of the Parties concerned.

5. This Article does not limit the rights of any Party to refuse, revoke, suspend, impose conditions on, or limit the operating authorisation or technical permission of an air carrier or air carriers of another Party, or otherwise refuse, suspend, impose conditions on, or limit the operations of an air carrier or air carriers of another Party, in accordance with the provisions of Articles 8, 15, 16, or 25.

ARTICLE 6

Liberalisation of ownership and control

The Parties recognise the potential benefits of the progressive liberalisation of ownership and control of their respective air carriers. The Parties may explore in the Joint Committee referred to in Article 23 at an opportune juncture, the reciprocal liberalisation of ownership and control of air carriers. The Joint Committee may thereafter propose amendments to this Agreement in accordance with paragraph 4(f) of Article 23 and Article 28.

ARTICLE 7

Compliance with laws and regulations

1. While entering, within, or leaving the territory of another Party, the laws and regulations relating to the admission to, operating within, or departure from its territory of aircraft engaged in international air transport shall be complied with by the air carriers of a Party.
2. While entering, within, or leaving the territory of another Party, its laws and regulations relating to the admission to, operating within, or departure from its territory of passengers, crew, baggage, cargo, and/or mail on aircraft (including regulations relating to entry, clearance, immigration, passports, customs and quarantine, or in the case of mail, postal regulations) shall be complied with by, or on behalf of, such passengers, crew, baggage, cargo, and mail of the air carriers of a Party.

3. Each Party shall permit, in its territory, the air carriers of another Party to take measures to ensure that only persons with the travel documents required for entry into or transit through the territory of that other Party are carried.

ARTICLE 8

Fair competition

1. The Parties agree that it is their joint objective to have a fair and competitive environment in which the air carriers of the Parties enjoy fair and equal opportunities to compete in the provision of air transport services.

2. In order to attain the objective referred to in paragraph 1 of this Article, the Parties shall:

- (a) adopt or maintain competition law;
- (b) establish or maintain an operationally independent competition authority equipped with all necessary powers and resources, which shall effectively enforce the competition law of the Party. The decisions of the competition authority shall be subject to appeal and review by a court or tribunal of that Party;
- (c) eliminate, within their respective jurisdictions, all forms of discrimination or unfair practices which would adversely affect the fair and equal opportunity of the air carriers of another Party to compete in providing air transport services. For the avoidance of doubt, nothing in paragraph 2(c) of this Article shall include the conduct described in paragraph 1(g) of Article 2; and

(d) not grant or maintain subsidies to any air carriers if these subsidies would adversely affect the fair and equal opportunity of the air carriers of another Party to compete in providing air transport services.

3. Notwithstanding paragraph 2(d) of this Article, the following may be granted:

(a) support to insolvent or ailing air carriers, provided that:

(i) this support is conditional on a credible restructuring plan based on realistic assumptions with a view to ensuring the return of the ailing air carrier within a reasonable time to long-term viability; and

(ii) the air carrier concerned, its investors or shareholders significantly contribute themselves to the costs of restructuring;

(b) temporary liquidity support to an ailing air carrier in the form of loans or loan guarantees limited to the amount needed merely to keep the air carrier concerned in business for the time necessary to work out a restructuring or liquidation plan;

(c) provided that they are limited to the minimum amounts needed to achieve their objective and that the effects on the provision of air transport services between the Parties are kept to a minimum:

(i) subsidies to make good the damage caused by natural disasters or exceptional occurrences;

- (ii) subsidies to remedy a serious disturbance in the economy of one of the Parties;
- (iii) subsidies to air carriers entrusted with the operation of clearly defined public service obligations necessary to meet essential transport needs of the population which cannot be satisfied by market forces alone, provided that these subsidies are limited to a reasonable remuneration for the provision of the air services concerned; and
- (iv) subsidies available to all carriers and which are not, de jure or de facto, limited to certain air carriers.

4. The Parties shall ensure that each of their air carriers providing air transport services under this Agreement publishes or otherwise prepares, and provides upon request, an annual financial report and accompanying financial statement that are independently audited and are in accordance with internationally recognised accounting and corporate financial disclosure standards such as the International Financial Reporting Standards. In any event, subsidies shall be separately identified in the financial report.

5. Specific to air transport, each Party shall ensure that material transactions between its air carriers and providers of goods and services which are State-owned enterprises (in whatever form) of that Party, are based on commercial terms equivalent to those that prevail in arm's length transactions.

6. Each Party shall, at the request of another Party, provide that other Party within thirty (30) days or an agreed time period with relevant information that may be reasonably requested to ensure that the provisions of this Article are being complied with. This may include additional information relating to subsidies and to the items mentioned in paragraphs 4 and 5 of this Article. If requested, such information shall be subject to confidential treatment by the Party receiving the information.

7. If one or several Parties (hereinafter referred to collectively as "the initiating party" for the purposes of this Article) consider that their air carriers' fair and equal opportunities to compete are adversely affected by:

- (a) discrimination or unfair practices prohibited under paragraph 2(c) of this Article;
- (b) a subsidy prohibited under paragraph 2(d) of this Article, other than those listed in paragraph 3 of this Article; or
- (c) failure to provide information requested under paragraph 6 of this Article,

it may proceed in accordance with paragraphs 8 to 10 of this Article.

8. The initiating party shall submit a written request for consultations to the Party or Parties concerned (hereinafter referred to collectively as "the responding party" for the purposes of this Article). Consultations shall start within a period of thirty (30) days from the date of receipt of the request, unless otherwise agreed by the said parties.

9. If the initiating party and the responding party fail to reach agreement on the matter within sixty (60) days from the date of receipt of the request for consultations, the initiating party may take measures against all or some of the air carriers of the responding party which have engaged in the contested conduct or which have benefited from the discrimination, unfair practices, or subsidies in question.

10. The measures taken pursuant to paragraph 9 of this Article shall be appropriate, proportionate, and restricted in their scope and duration to what is strictly necessary to mitigate the injury to the air carriers of the initiating party and remove the undue advantage gained by the air carriers of the responding party.

11. Where matters pertaining to this Article are referred to the dispute settlement procedure laid down in Article 25:

- (a) notwithstanding paragraphs 2 and 3 of Article 25, the dispute may be immediately referred to a person or body for decision, or submitted to arbitration; and
- (b) the timelines stated in paragraphs 10, 11, and 12 of Article 25 shall be halved.

12. Nothing in this Agreement shall affect, limit, or jeopardise in any way the authority or powers of the competition authorities of the Parties or of the courts or tribunals which review the decisions of those authorities. Any action taken pursuant to paragraph 9 of this Article by an initiating party shall be without prejudice to any possible actions and measures taken by the said authorities and courts or tribunals, including those of the initiating party. The actions and measures of the competition authorities of the Parties and the courts or tribunals which review the decisions of those authorities shall be excluded from the dispute settlement mechanism laid down in Article 25.

ARTICLE 9

Doing business

1. The Parties agree that obstacles to doing business encountered by their air carriers would hamper the benefits to be achieved by this Agreement. The Parties agree to cooperate in removing such obstacles where such obstacles may hamper commercial operations, create distortions to competition, or affect equal opportunities to compete.
2. The Joint Committee shall monitor the progress made in effectively addressing obstacles to doing business encountered by air carriers of the Parties.

ARTICLE 10

Commercial operations

1. The Parties grant each other the rights set out in paragraphs 2 to 17 of this Article. Air carriers of the Parties shall not be required to retain a local partner for the purposes of this Article.

Air carrier representatives

2. The air carriers of each Party shall be permitted to freely establish offices and facilities in the territory of another Party as necessary to provide services under this Agreement as far as practicable and without discrimination.
3. Without prejudice to safety and security regulations, where such facilities are located in an airport, they may be subject to limitations on grounds of availability of space.

4. The air carriers of each Party shall be permitted, in accordance with the laws and regulations of another Party relating to entry, residence, and employment, to bring into and maintain in the territory of that other Party managerial, sales, technical, operational, and other specialist staff who are required to support the provision of air transport. The Parties shall process expeditiously the granting of employment authorisations, where required, for personnel employed in the offices referred to in this paragraph, including those performing certain temporary duties, subject to the relevant laws and regulations in force.

Ground handling

5. (a) Without prejudice to paragraph 5(b) of this Article, the air carriers of each Party shall, in relation to ground handling in the territory of another Party, be permitted to:
- (i) perform their own ground handling (self-handling); or
 - (ii) select among competing suppliers, where such suppliers are providing ground handling services in whole or in part, in accordance with the laws and regulations of the Party concerned.
- (b) Paragraph 5(a) of this Article shall be subject to considerations of safety, security, and physical or operational constraints. Where such considerations limit, prevent, or preclude self-handling and where there is no effective competition between suppliers that provide ground handling services, the relevant Party shall ensure that all such services are available on both an equal and an adequate basis to all air carriers, and that the prices of such services are determined according to relevant, objective, transparent, and non-discriminatory criteria.

Allocation of slots at airports

6. Each Party shall ensure that its regulations, guidelines, and procedures for allocation of slots at the airports in its territory are applied in a transparent, effective, non-discriminatory, and timely manner.

Operational plans, programmes, and schedules

7. Notification of operational plans, programmes, or schedules for air services operated under this Agreement may be required by a Party to be provided to its competent authorities for information purposes only. If a Party requires such notification, it shall minimise the administrative burden associated with its notification requirements and procedures that is borne by air transport intermediaries and the air carriers of another Party.

Sales, local expenses, and transfer of funds

8. The air carriers of each Party shall be permitted to engage in the sale of air transport and related services, both of their own and that of any other air carrier, in the territory of another Party. An air carrier may, at its discretion, do so directly and/or through its sales agents, other intermediaries appointed by the air carrier or through the internet or any other available channel. The sale and purchase of such transport and related services shall be permitted in the currency of the territory of the sale or purchase, or in freely convertible currencies.

9. The air carriers of each Party shall be permitted to pay for local expenses, including purchases of fuel in the territory of another Party, in local currency, or, at their discretion, in freely convertible currencies at the market rate of exchange.

10. (a) The air carriers of each Party shall be permitted on demand to convert local revenues into freely convertible currencies and remit such revenues at any time, in any way, from the territory of another Party to the country of their choice. Conversion and remittance shall be permitted promptly without restrictions or taxation in respect thereof at the market rate of exchange applicable to current transactions and remittance on the date an air carrier makes the initial application for remittance and shall not be subject to any charges except those normally made by banks for carrying out such conversion and remittance.
- (b) Where, in exceptional circumstances, capital movements and payments, including transfers, cause or threaten to cause serious difficulties for the operation of the economy of a Party, that Party may take measures which restrict the rights laid down in paragraph 10(a) of this Article, provided that such measures are temporary and strictly necessary to address such difficulties. Such measures shall not constitute a means of arbitrary or unjustified discrimination in respect of the air carriers of the other Parties compared to the carriers of any other country.

Cooperative marketing arrangements

11. In operating or holding out air transport services under this Agreement, the air carriers of each Party shall be permitted to enter into cooperative marketing arrangements, such as blocked-space or code-sharing arrangements, with:

- (a) any air carrier or carriers of the Parties;
- (b) any air carrier or carriers of a third country; and

(c) any surface (land or maritime) transport provider of any country,

provided that (i) the operating carrier holds the appropriate traffic rights, (ii) the marketing carrier holds the appropriate underlying route rights, and (iii) the arrangements meet the requirements normally applied to such arrangements.

12. In operating or holding out air transport services under this Agreement, subject to Article A, the air carriers of each Party shall be permitted to enter into cooperative marketing arrangements, such as blocked-space or code-sharing arrangements, with an air carrier that is operating a domestic leg, provided that:

(a) the domestic leg is part of an international journey; and

(b) the arrangements meet the requirements normally applied to such arrangements.

For the purposes of this paragraph, a domestic leg means, where the operating carrier of the domestic leg is a carrier of the Union, a route within the territory of an EU Member State; and, where the operating carrier of the domestic leg is a carrier of an ASEAN Member State, a route within the territory of that ASEAN Member State.

13. In respect of the sale of passenger air transport involving cooperative marketing arrangements, the purchaser shall be informed at the point of sale, or in any case at check-in, or before boarding where no check-in is required for a connecting flight, which transport providers will operate each sector of the service.

Intermodal services

14. In relation to the transport of passengers, surface transport providers shall not be subject to the laws and regulations governing air transport on the sole basis that such surface transport is held out by an air carrier under its own name.

15. Notwithstanding any other provision of this Agreement, the air carriers and indirect providers of cargo transport of each Party shall be permitted, without restriction, to employ in connection with international air transport, any surface transport for cargo to or from any points in the territories of the Parties or in third countries, including transport to and from all airports with customs facilities, and (where applicable) the right to transport cargo in bond under the applicable laws and regulations. Such cargo, whether moving by surface or by air, shall have access to airport customs processing and facilities. An air carrier may elect to perform its own surface transport or to provide it through arrangements with other surface transport providers, including surface transport operated by other air carriers and indirect providers of cargo air transport. Such intermodal cargo services may be offered at a single, through price for the air and surface transport combined, provided that shippers are not misled as to the facts concerning such transport.

Leasing

16. The air carriers of each Party shall be permitted to provide air transport services under this Agreement by:

- (a) using aircraft leased without crew from any lessor;

- (b) using aircraft leased with crew from other air carriers of the same Party as that of the lessee air carrier; or
- (c) using aircraft leased with crew from air carriers of a country other than that of the lessee air carrier, provided that the leasing is justified on the basis of exceptional needs, seasonal capacity needs or operational difficulties of the lessee and the leasing does not exceed the duration which is strictly necessary to fulfil those needs or overcome those difficulties.

17. The Parties concerned may require leasing arrangements to be approved by their competent authorities for the purpose of verifying compliance with the conditions set out in paragraph 16 and with the applicable safety and security requirements. However, where a Party requires such approval, it shall endeavour to expedite the approval procedures and minimise the administrative burden on the air carriers concerned. For the avoidance of doubt, the provisions of this paragraph and of paragraph 16 are without prejudice to the laws and regulations of a Party as regards the leasing of aircraft by air carriers of that Party.

ARTICLE 11

Customs duties and other taxes

1. On arriving in the territory of another Party, aircraft operated in international air transport by the air carriers of a Party, their regular equipment, fuel, lubricants, consumable technical supplies, ground equipment, spare parts (including engines), aircraft stores (including such items as food, beverages and liquor, tobacco, and other products destined for sale to or use by passengers in limited quantities during flight), and other items intended for or used solely in connection with the operation or servicing of aircraft engaged in international air transport shall, on the basis of reciprocity, to the fullest extent possible under the Parties' respective domestic laws and regulations, provided that such equipment and supplies remain on board the aircraft, be exempt from all import restrictions, property taxes and capital levies, customs duties, excise taxes, inspection fees, value added tax or other similar indirect taxes, and similar fees, and charges that are:

- (a) imposed by the relevant authorities of that other Party; and
- (b) not based on the cost of service provided.

For the avoidance of doubt, aircraft and other goods referred to in this paragraph shall be considered as moveable property, and nothing in this Article shall affect the validity and application of Article 24 of the Chicago Convention.

2. The following shall also, to the fullest extent possible under the Parties' respective domestic laws and regulations and on the basis of reciprocity, be exempt from the taxes, levies, duties, fees, and charges referred to in paragraph 1 of this Article, with the exception of charges based on the cost of service provided:

- (a) aircraft stores introduced into or supplied in the territory of another Party and taken on board, within reasonable limits, for use on outbound aircraft of an air carrier of a Party engaged in international air transport, even when these stores are to be used on a part of the journey performed over the said territory;
- (b) ground equipment and spare parts (including engines) introduced into the territory of another Party for the servicing, maintenance, or repair of aircraft of an air carrier of a Party used in international air transport, even when such equipment and spare parts are to be used on a part of the journey performed over the said territory;
- (c) fuel, lubricants, and consumable technical supplies introduced into or supplied in the territory of another Party for use in an aircraft of an air carrier of a Party engaged in international air transport, even when these supplies are to be used on a part of the journey performed over the said territory; and
- (d) printed matter, as provided for by the customs legislation of another Party, introduced into or supplied in the territory of that other Party and taken on board for use on outbound aircraft of an air carrier of a Party engaged in international air transport, even when such printed matter is to be used on a part of the journey performed over the said territory.

3. With regard to the exemptions provided for in this Article, the Parties shall grant the air carriers of another Party treatment no less favourable than that they accord to their own air carriers or to the carriers of any third country, whichever is more favourable.
4. Nothing in this Agreement shall prevent a Party from imposing taxes, levies, duties, fees, or charges on fuel supplied in its territory, on a non-discriminatory basis, for use in aircraft of an air carrier of another Party that operates between two points in its territory.
5. The regular airborne equipment, as well as the material, supplies, and spare parts referred to in paragraphs 1 and 2 of this Article normally retained on board aircraft operated by an air carrier of a Party may be unloaded in the territory of another Party only with the approval of the customs authorities of that other Party and may be required to be kept under the supervision or control of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with customs regulation.
6. The exemptions provided by this Article shall also be available where the air carriers of a Party have contracted with another air carrier, which similarly enjoys such exemptions from another Party, for the loan or transfer in the territory of that other Party of the items specified in paragraphs 1 and 2 of this Article.
7. Nothing in this Agreement shall prevent a Party from imposing taxes, levies, duties, fees, or charges on goods sold, other than for consumption on board, to passengers during a sector of an air service between two points within its territory at which embarkation or disembarkation is permitted.

8. Baggage and cargo in direct transit across the territory of a Party shall be exempt from taxes, customs duties, fees, and other similar charges that are not based on the cost of service provided.

9. Equipment and supplies referred to in paragraphs 1 and 2 of this Article may be required to be kept under the supervision or control of the competent authorities.

10. The provisions of the respective agreements in force between ASEAN Member States and EU Member States for the avoidance of double taxation on income and on capital remain unaffected by this Agreement.

ARTICLE 12

User charges

1. Each Party shall ensure that any user charges imposed by its competent charging authorities or bodies on the air carriers of another Party for the use of air navigation and air traffic control are cost-related and non-discriminatory, and are on terms no less favourable than the most favourable terms available to any other air carrier in like circumstances at the time the charges are applied.

2. With the exception of charges levied with respect to the services described in paragraph 5 of Article 10, each Party shall ensure that any user charges imposed by its competent charging authorities or bodies on the air carriers of another Party for the use of airport, aviation security, and related facilities and services shall not be unjustly discriminatory, and shall be equitably apportioned among categories of users. These charges shall not exceed the full cost to the competent charging authorities or bodies of providing the appropriate airport and aviation security facilities and services at that airport or those airports at which a common charging system applies. These charges may, however, include a reasonable return on assets, after depreciation. Facilities and services for which user charges are imposed shall be provided on an efficient and economic basis. In any event, these charges shall be imposed on the air carriers of another Party on terms no less favourable than the most favourable terms available to any other air carrier in like circumstances at the time the charges are applied.

3. Each Party shall require its competent charging authorities or bodies to consult with the air carriers using the services and facilities and exchange with them such information as may be necessary to permit an accurate assessment of the reasonableness of the charges in accordance with the principles set out in paragraphs 1 and 2 of this Article. Each Party shall ensure that its competent charging authorities or bodies provide the air carriers with reasonable notice of any proposal for changes in user charges to enable them to express their views and provide comments before any changes are made.

ARTICLE 13

Tariffs

1. The Parties shall permit tariffs to be freely established by the air carriers of the Parties.
2. Any Party may require, on a non-discriminatory basis, notification to its competent authorities of tariffs offered for services originating from its territory by air carriers of any of the Parties on a simplified basis and for information purposes only. Such notification by the air carriers may be required to be made no earlier than the initial offering of a tariff.

ARTICLE 14

Statistics

1. Each Party shall provide the other Parties with available statistics related to air transport under this Agreement as may reasonably be required, subject to the respective laws and regulations of the Parties and on a non-discriminatory basis.
2. The Parties agree to cooperate to facilitate the exchange of statistical information between them for the purpose of monitoring the development of air transport under this Agreement.

ARTICLE 15

Aviation safety

1. The Parties reaffirm the importance of close cooperation in the field of aviation safety. In that context, the Parties agree to engage in further cooperation where appropriate, notably the facilitation of the exchange of safety information, the possible participation in each other's oversight activities or the conduct of joint oversight activities, as well as the development of joint projects and initiatives, including with countries not party to this Agreement.
2. Certificates of airworthiness, certificates of competency, and licences issued or rendered valid by a Party and still in force shall be recognised as valid by another Party and its competent authorities for the purpose of operating air services under this Agreement, provided that such certificates or licences were issued or rendered valid pursuant to, and in conformity with, as a minimum, the relevant international standards established under the Chicago Convention.
3. Each Party may at any time request consultations concerning the safety standards maintained and administered by another Party in areas relating to aeronautical facilities, flight crew, aircraft, and the operation of aircraft. Such consultations shall take place within thirty (30) days from the date of receipt of the request.

4. If, following such consultations referred to in paragraph 3 of this Article, the requesting Party finds that that other Party does not effectively maintain and administer safety standards in the areas referred to in paragraph 3 of this Article that are at least equal to the minimum standards established pursuant to the Chicago Convention, that other Party shall be notified of such findings and the steps considered necessary to conform with these minimum standards. Failure by that other Party to take appropriate corrective action within fifteen (15) days from the date of receipt of such notification or an agreed time period shall constitute grounds for the requesting Party referred to in paragraph 3 of this Article to refuse, revoke, suspend, impose conditions on, or limit the operating authorisations or technical permissions of an air carrier which is under the safety oversight of that other Party, or to otherwise refuse, revoke, suspend, impose conditions on, or limit the operations of an air carrier which is under the safety oversight of that other Party.

5. Any aircraft operated by, or on behalf of, an air carrier of a Party may, while within the territory of another Party, be the subject of a ramp inspection by the competent authorities of that other Party, to verify the validity of the relevant aircraft documents and those of its crew members and the apparent condition of the aircraft and its equipment, provided that such examination does not cause unreasonable delay in the operation of the aircraft.

6. If a Party, after carrying out a ramp inspection, finds that an aircraft or the operation of an aircraft does not comply with the minimum standards established pursuant to the Chicago Convention or that there is a lack of effective maintenance and administration of safety standards established pursuant to the Chicago Convention, or if it is denied access for ramp inspection, that Party shall notify the competent authorities of that other Party that are responsible for the safety oversight of the air carrier operating the aircraft of such findings and the steps considered necessary to conform with these minimum standards. Failure to take appropriate corrective action within fifteen (15) days from the date of receipt of such notification or an agreed time period shall constitute grounds for the first Party to refuse, revoke, suspend, impose conditions on, or limit the operating authorisations or technical permissions of the air carrier operating the aircraft, or to otherwise refuse, revoke, suspend, impose conditions on, or limit the operations of the air carrier operating the aircraft.

7. Each Party shall have the right to take immediate action including the right to revoke, suspend, or limit the operating authorisations or technical permissions of an air carrier of another Party, or to otherwise suspend or limit the operations of an air carrier of another Party, if it concludes that such action is necessary in view of an immediate threat to aviation safety. The Party taking such measures shall promptly inform that other Party and provide reasons for its action.

8. Any action by a Party in accordance with paragraphs 4, 6, or 7 of this Article shall be discontinued once the basis for the taking of that action ceases to exist.

ARTICLE 16

Aviation security

1. The Parties reaffirm their obligations to each other to provide for the security of civil aviation against acts of unlawful interference, and in particular their obligations under the Chicago Convention, the Convention on Offences and Certain Other Acts Committed on Board Aircraft signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft signed at The Hague on 16 December 1970, the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation signed at Montreal on 23 September 1971, the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation signed at Montreal on 24 February 1988, and the Convention on the Marking of Plastic Explosives for the Purpose of Detection done at Montreal on 1 March 1991, insofar as the Parties are parties to these conventions, as well as all other conventions and protocols relating to civil aviation security to which the Parties are parties.

2. The Parties shall provide upon request all necessary assistance to each other to address any threat to the security of civil aviation, including the prevention of acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, their passengers and crew, airports and air navigation facilities, and any other threat to the security of civil aviation.

3. The Parties shall, in their mutual relations, conform with the aviation security standards established by the ICAO. They shall require that operators of the aircraft in their registries, operators of aircraft who have their principal place of business or permanent residence in their territory, and the operators of airports in their territory conform with such aviation security standards.

4. Each Party shall ensure that effective measures are taken within its territory to protect civil aviation against acts of unlawful interference, including the screening of passengers and their cabin baggage, screening of hold baggage, screening and security controls for persons other than passengers (including crew) and their items carried, screening and security controls for cargo, mail, in-flight and airport supplies, and access control to airside and security restricted areas. Such measures shall be adjusted to meet increases in the threat to the security of civil aviation. Each Party agrees that the security provisions required by another Party relating to the admission to, operating within, or departure from its territory of aircraft must be observed.

5. With full regard and mutual respect for each other's sovereignty, a Party may adopt security measures for entry into its territory, as well as emergency measures, in order to meet a specific security threat, which should be communicated to the Party or Parties concerned without delay. Each Party shall give positive consideration to any request from another Party for reasonable special security measures, and that other Party shall take into account the security measures already applied by the first Party and any views that that first Party may offer. Except where not reasonably possible in cases of emergency, each Party shall inform the Party or Parties concerned in advance of any special security measures it intends to introduce which could have a significant financial or operational impact on the air transport services provided under this Agreement. Any Party may request a meeting of the Joint Committee to discuss such security measures, as provided for in Article 23.

6. Each Party recognises, however, that nothing in this Article limits the ability of another Party to refuse entry into its territory to any flight or flights that it deems to present a threat to its security.

7. Without prejudice to the need to take immediate action in order to protect aviation security, the Parties affirm that, when considering security measures, a Party shall evaluate possible adverse effects on international air transport and, unless constrained by law, shall take such factors into account when it determines what measures are necessary and appropriate to address those security concerns.

8. When unlawful seizure of civil aircraft (or threat thereof) or other unlawful acts against the safety of aircraft, passengers, crew, airports, or air navigation facilities occur, the Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat.

9. Each Party shall take all measures it finds practicable to ensure that an aircraft that is subject to an act of unlawful seizure or other acts of unlawful interference which is on the ground in its territory is detained on the ground unless its departure is necessitated by the overriding duty to protect human life. Where practicable, such measures shall be taken on the basis of mutual consultations with the Party or Parties concerned.

10. When a Party has reasonable grounds to believe that another Party has not complied with the provisions of this Article, the first Party may request immediate consultations with that other Party. Such consultations shall start within thirty (30) days from the date of receipt of such a request. Failure to reach a satisfactory agreement within fifteen (15) days or an agreed time period from the starting date of such consultations shall constitute grounds for the Party that requested the consultations to take action to refuse, revoke, suspend, impose conditions on, or limit the operating authorisation or technical permissions of air carriers of that other Party to ensure compliance with the provisions of this Article. When required by an emergency, or to prevent further non-compliance with this Article, the first Party may take interim action to refuse, revoke, suspend, impose conditions on, or limit the operating authorisation or technical permissions of air carriers of that other Party to ensure compliance with the provisions of this Article.

11. Any action taken in accordance with paragraph 10 of this Article by the first Party referred to in that paragraph shall be discontinued upon compliance with this Article by the other Party concerned.

ARTICLE 17

Air traffic management

1. The Parties agree to cooperate on matters concerning air navigation services, including their safety oversight. They agree to address any policy issues relating to the performance of air traffic management, with a view to optimising overall flight efficiency, reducing costs, minimising environmental impact, and enhancing the safety and capacity of air traffic flows between the existing air traffic management systems of the Parties.

2. The Parties agree to encourage their competent authorities and air navigation service providers to cooperate on ensuring interoperability between the air traffic management systems of the Parties and explore further integration of the Parties' systems, to reduce the environmental impact of aviation, and to share information where appropriate.

3. The Parties agree to promote cooperation between their air navigation service providers in order to exchange flight data and coordinate traffic flows to optimise flight efficiency, with a view to achieving improved predictability, punctuality, and service continuity for air traffic.

4. The Parties agree to cooperate on their air traffic management modernisation programmes, including both development and deployment activities, and to encourage cross-participation in validation and demonstration activities.

ARTICLE 18

Environment

1. The Parties support the need to protect the environment by promoting the sustainable development of aviation. The Parties intend to work together to identify issues related to the impacts of international aviation on the environment.

2. The Parties recognise the importance of working together and with the global community, to consider and minimise the effects of aviation on the environment.

3. The Parties reiterate the importance of tackling climate change and towards this end, agree to cooperate in addressing greenhouse gas (hereinafter referred to as "GHG") emissions associated with aviation, both at domestic and international levels.

4. The Parties agree to exchange information and have regular dialogue among experts to enhance cooperation to address the environmental impact of international aviation including in areas such as research and development, sustainable aviation fuels, noise related matters, and on other measures aimed at addressing GHG emissions, taking into account their multilateral environmental rights and obligations.

5. The Parties recognise the need to take appropriate measures to prevent or otherwise address the environmental impacts of air transport provided that such measures are fully consistent with their rights and obligations under international law.

ARTICLE 19

Air carrier liability

The Parties which have ratified the Montreal Convention reaffirm their obligations under the Montreal Convention. The remaining Parties undertake to ratify the Montreal Convention at the earliest possible date and notify the Joint Committee accordingly.

ARTICLE 20

Consumer protection

The Parties agree to cooperate to protect the interests of consumers in air transport. The objective of this cooperation shall be to achieve a high level of consumer protection, considering the interest of all stakeholders and the Parties' different characteristics. To this end, the Parties shall consult each other in the Joint Committee on matters of consumer interest, including their planned measures, with a view to achieving increased compatibility between the Parties' respective regimes, to the extent possible.

ARTICLE 21

Computer reservation systems

1. CRS vendors operating in the territory of a Party shall be permitted to bring in, maintain, and make freely available their CRS to travel agencies or travel companies whose principal business is the distribution of travel-related products in the territory of another Party, provided that the CRS complies with any relevant regulatory requirements of that other Party.
2. The Parties shall annul any existing requirement which could restrict free access by a Party's CRS to another Party's market or otherwise limit competition between CRS vendors. The Parties shall refrain from adopting such requirements in the future.

3. No Party shall, in its territory, impose or permit to be imposed on the CRS vendors of another Party requirements with regard to CRS displays which are different from those imposed on its own CRS vendors or any other CRS operating on its market. No Party shall prevent the conclusion of agreements between CRS vendors, their providers, and their subscribers which facilitate the display of comprehensive and unbiased travel information to consumers, or the fulfilment of regulatory requirements on neutral displays.

4. The owners and operators of CRS of a Party, subject to the relevant regulatory requirements of another Party, shall have the same opportunity to own or operate CRS within the territory of that other Party as do the owners and operators of any other CRS operating in the market of that other Party.

5. Where CRS are covered by a free trade agreement (falling under paragraph 1 of Article V.1 of the General Agreement on Trade in Services) which is signed or in negotiation between the Union and an ASEAN Member State, paragraphs 1 to 4 of this Article shall not apply to that ASEAN Member State.

ARTICLE 22

Social aspects

1. The Parties recognise the importance of considering the effects of this Agreement on labour, employment, and working conditions. The Parties agree to cooperate on labour matters within the scope of this Agreement, including in relation to impacts on employment, fundamental rights at work, working conditions, social protection, and social dialogue.

2. The Parties recognise the right of each Party to establish its own level of domestic labour protection as it deems appropriate, and to adopt or modify accordingly its relevant laws and policies, consistent with the principles of internationally recognised standards in the international conventions to which it is a party. The Parties shall ensure that the rights and principles contained in their respective laws and regulations are not undermined but effectively enforced.

3. Each Party shall continue to improve its laws and policies, and shall strive towards providing and encouraging high levels of labour protection in the aviation sector. The Parties recognise that the violation of fundamental principles and rights at work cannot be invoked or otherwise used as a legitimate comparative advantage and that labour standards should not be used for protectionist purposes.

4. The Parties reaffirm their commitment, in accordance with their obligations deriving from their membership in the International Labour Organization (hereinafter referred to as "ILO") and the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up adopted at Geneva on 18 June 1998, to respect, promote, and realise that Declaration.

5. The Parties shall promote the objectives included in the ILO Decent Work Agenda and the ILO Declaration on Social Justice for a Fair Globalization adopted at Geneva on 10 June 2008.

6. Each Party undertakes to make best endeavours towards ratifying, to the extent it has not yet done so, the fundamental ILO conventions. The Parties will also consider the ratification and effective implementation of other ILO conventions and international standards in the labour and social domain of relevance to the civil aviation sector, taking into account domestic circumstances.

7. Any Party may request a meeting of the Joint Committee to address labour issues and exchange relevant information that it identifies as significant.

ARTICLE 23

Joint Committee

1. A Joint Committee composed of representatives of the Parties shall be responsible for overseeing the administration of this Agreement and ensuring its proper implementation.
2. The Joint Committee shall establish and adopt its rules of procedure.
3. The Joint Committee shall meet as and when necessary and at least once a year. Any Party may at any time request the convening of a meeting of the Joint Committee. Such a meeting shall begin at the earliest possible date, and not later than two (2) months from the date of receipt of the request, unless otherwise agreed by the Parties.
4. For the purpose of the proper implementation of this Agreement, the Joint Committee shall:
 - (a) exchange information, including on changes to laws, regulations, and policies of the respective Parties which may affect air services, as well as statistical information for the purpose of monitoring the development of air services under this Agreement;
 - (b) make recommendations and take decisions where expressly provided for in this Agreement;

- (c) develop cooperation, including on regulatory matters;
- (d) hold consultations on any questions relating to the application or interpretation of this Agreement;
- (e) hold consultations, where appropriate, on air transport issues dealt with by international organisations, in relations with third countries, in multilateral arrangements or agreements, including whether to adopt a joint approach;
- (f) consider potential areas for the further development of this Agreement, including the recommendation of amendments to this Agreement; and
- (g) decide on any new authentic language version of this Agreement in the event of the accession thereto of new EU Member States.

5. Recommendations and decisions shall be adopted by consensus between the Union and its Member States, of the one part, and all of the ASEAN Member States acting together, of the other part. Decisions taken by the Joint Committee shall be binding on the Parties.

ARTICLE 24

Implementation

1. Nothing in this Agreement shall be construed as intending to confer rights or to impose obligations which can be directly invoked by the nationals of a Party before the courts or tribunals of any Party.

2. The Parties shall take all appropriate measures, whether general or specific, to ensure fulfilment of the obligations arising out of this Agreement.
3. In exercising their rights under this Agreement, the Parties shall take measures which are appropriate and proportionate to their respective objectives.
4. The Parties shall refrain from any measures which would jeopardise the attainment of the objectives of this Agreement.
5. Each Party shall be responsible, in its own territory, for the proper enforcement of this Agreement.
6. Each Party shall, subject to the applicable laws and regulations of the respective Parties, give another Party all necessary information and assistance, in the case of investigations on possible infringements which that other Party carries out in accordance with this Agreement.
7. This Agreement shall not preclude consultation and discussions between the competent authorities of the Parties outside the Joint Committee, including in the fields of air transport development, security, safety, environment, social policy, air traffic management, aviation infrastructure, competition matters, and consumer protection. The Parties shall inform the Joint Committee of the outcome of such consultations and discussions which may have an impact on the interpretation or application of this Agreement.

8. Where reference is made in this Agreement to cooperation between the Parties, they shall endeavour to find common ground for joint action to further develop this Agreement and/or improve its functioning in the areas concerned, on the basis of mutual consent.

ARTICLE 25

Dispute resolution and arbitration

1. Without prejudice to Articles 5 and 8, any dispute relating to the application or interpretation of this Agreement may be referred by one or several Parties to the dispute settlement mechanism provided for in this Article.

2. Without prejudice to any previous consultations between the Parties under this Agreement, where a Party wishes to have recourse to the dispute settlement mechanism provided for in this Article, it shall notify the Party or Parties concerned in writing of its intention and request a meeting of the Joint Committee for consultations.

3. (a) If:

(i) the Joint Committee has not discussed the matter within two (2) months of the date of receipt of the request referred to in paragraph 2 of this Article or by the date agreed by the Parties; or

(ii) the dispute is not resolved within six (6) months of the said request,

the dispute may be referred to a person or body for decision by agreement of the Parties concerned.

(b) If the Parties concerned cannot reach a mutual agreement to refer the dispute to a person or body for decision, the dispute shall, at the request of any of the Parties, be submitted to arbitration in accordance with this Article.

4. Notwithstanding paragraphs 2 and 3 of this Article, if a Party has taken action to refuse, revoke, suspend, impose conditions on, or limit the operating authorisation or technical permissions of an air carrier of another Party, or to otherwise refuse, suspend, impose conditions on, or limit the operations of an air carrier of that other Party, the dispute may be immediately referred to a person or body for decision, or submitted to arbitration. The respective timelines stated in paragraphs 10, 11, and 12 of this Article shall be halved.

5. The request for arbitration shall be made in writing by one or several Parties (hereinafter referred to collectively as "the initiating party" for the purposes of this Article) to the Party or Parties concerned (hereinafter referred to collectively as "the responding party" for the purposes of this Article). In its request, the initiating party shall present the issues to be resolved, describe the measure at issue, and explain the reasons why it considers such measure to be inconsistent with this Agreement.

6. Unless the initiating party and the responding party otherwise agree, arbitration shall be by a tribunal of three arbitrators to be constituted as follows:

(a) Within twenty (20) days after the date of receipt of a request for arbitration, the initiating party and the responding party shall each appoint one arbitrator. Within thirty (30) days after these two arbitrators have been appointed, the initiating party and the responding party shall by agreement appoint a third arbitrator, who shall act as the President of the tribunal.

(b) If the initiating party or the responding party fails to appoint an arbitrator, or if the third arbitrator is not appointed in accordance with paragraph 6(a) of this Article, either the initiating party or the responding party may request the President of the Council of the ICAO to appoint the necessary arbitrator or arbitrators within thirty (30) days from the date of receipt of that request. If the President of the Council of the ICAO is a national of either an ASEAN Member State or an EU Member State, the most senior Vice President of that Council who is neither a national of an ASEAN Member State nor a national of an EU Member State shall make the appointment.

7. The date of establishment of the tribunal shall be the date on which the last of the three (3) arbitrators accepts the appointment.

8. The arbitration proceedings shall be conducted in accordance with the rules of procedure to be adopted by the Joint Committee at its first meeting, subject to the provisions of this Article and in accordance with paragraphs 4(b) and 5 of Article 23. Until such time as the Joint Committee has adopted the rules of procedure, the tribunal shall establish its own procedural rules.

9. At the request of the initiating party or the responding party, the tribunal may, pending its final ruling, order the adoption of interim relief measures, including the modification or suspension of measures taken by either the initiating party or the responding party under this Agreement.

10. The tribunal shall issue an interim report to the initiating party and the responding party setting out the findings of fact, the applicability of relevant provisions, and the basic rationale behind any findings and recommendations that it makes, not later than ninety (90) days after the date of its establishment. Where it considers that this deadline cannot be met, the President of the tribunal shall notify the initiating party and the responding party in writing, stating the reasons for the delay and the date on which the tribunal plans to issue its interim report. Under no circumstances shall the tribunal issue the interim report later than one hundred and twenty (120) days after the date of its establishment.

11. Within fourteen (14) days from the date of issuance of the interim report, the initiating party or the responding party may submit a written request to the tribunal to review specific aspects of the interim report. After considering any written comments by the initiating party and the responding party on the interim report, the tribunal may modify its report and make any further examination it considers appropriate. The findings of the tribunal's final ruling shall include a sufficient discussion of the arguments made at the interim review stage, and shall clearly answer the questions and observations of the initiating party and the responding party.

12. The tribunal shall issue its final ruling to the initiating party and the responding party within one hundred and twenty (120) days from the date of its establishment. Where it considers that that deadline cannot be met, the President of the tribunal shall notify the initiating party and the responding party in writing, stating the reasons for the delay and the date on which the tribunal plans to issue its ruling. Under no circumstances shall the tribunal issue its final ruling later than one hundred and fifty (150) days after the date of its establishment.

13. In addition to the circumstances referred to in paragraph 4 of this Article, the respective timelines stated in paragraphs 10, 11, and 12 of this Article shall be halved:

- (a) upon request by the initiating party or the responding party, if the tribunal rules that the case is urgent within ten (10) days from its establishment; or
- (b) if the initiating party and the responding party so agree.

14. The initiating party and the responding party may submit requests for clarification of the tribunal's final ruling within ten (10) days from the date of its issuance, and any clarification by the tribunal shall be issued within fifteen (15) days from the date of receipt of such request.

15. If the tribunal determines that there has been a violation of this Agreement and the party found in violation of this Agreement does not comply with the tribunal's final ruling, or does not reach an agreement with the other party on a mutually satisfactory resolution within forty (40) days after the date of issuance of the tribunal's final ruling, the other party may suspend the application of comparable benefits arising under this Agreement until such time as the party in violation complies with the tribunal's final ruling or the initiating party and the responding party reach agreement on a mutually satisfactory resolution.

ARTICLE 26

Relationship to other agreements

1. Subject to paragraphs 2 and 7 of this Article, any earlier air services agreement or arrangement between an EU Member State and an ASEAN Member State or between the Union and an ASEAN Member State shall be suspended while this Agreement is in force between those Parties.
2. Without prejudice to paragraph 1 of this Article, provisions in an earlier air services agreement or arrangement between an EU Member State and an ASEAN Member State concerning the issues covered under Articles 3, 4, 10, and 13 shall continue to apply as a matter of this Agreement where they are more favourable for the air carriers concerned. All rights and benefits enjoyed by the air carriers of the EU Member State concerned in accordance with those provisions shall accrue to all air carriers of the Union.
3. For the purposes of paragraph 2 of this Article, any difference of interpretation shall first be resolved through consultation between the Parties concerned, before being brought before the Joint Committee for consultations. If the issue is not resolved through the Joint Committee, it may be referred to the dispute settlement mechanism provided in Article 25.
4. Any additional traffic rights that might be granted to an EU Member State by an ASEAN Member State, or vice versa, after the date of entry into force of this Agreement, shall be subject to this Agreement and shall not discriminate between air carriers of the Union. These arrangements shall be notified to the Joint Committee forthwith.

5. The Joint Committee shall draw up and keep up-to-date an informative list of the provisions and arrangements on traffic rights referred to in paragraphs 2 and 4 of this Article.

6. If the Parties become parties to a multilateral agreement, or endorse a decision adopted by the ICAO or another international organisation, that addresses matters covered by this Agreement, they shall consult in the Joint Committee pursuant to Article 23 to determine whether this Agreement should be revised to take into account such developments.

7. Nothing in this Agreement shall affect the validity and application of existing and future agreements between the EU Member States and the ASEAN Member States as regards territories under their respective sovereignty which are not encompassed within the definition of "territory" in Article 2.

ARTICLE 27

Annex

The Annex to this Agreement shall form an integral part thereof. Any amendments to the Annex shall be made in accordance with Article 28.

ARTICLE 28

Amendments

Any amendment to this Agreement may be agreed by the Parties pursuant to consultations held in accordance with Article 23. Such amendment shall enter into force in accordance with the procedure set out in Article 33.

ARTICLE 29

Termination

1. This Agreement may be terminated by the Union and its Member States, or by all of the ASEAN Member States acting together, by written notification to the Secretary-General of the Council of the European Union or the Secretary-General of ASEAN, as the case may be. The termination shall become effective eighteen (18) months after the date of receipt of the notification by the Secretary-General of ASEAN or by the Secretary-General of the Council of the European Union, as the case may be.
2. In the event that a Member State withdraws from the Union or from ASEAN, this Agreement ceases to apply to that State pursuant to Article 32 with effect from the date on which its withdrawal from the Union or ASEAN, as the case may be, becomes effective.

ARTICLE 30

Registration of this Agreement

This Agreement and any amendments thereto shall be registered upon its entry into force with the ICAO by the Secretary-General of ASEAN.

ARTICLE 31

Accession by new EU Member States

1. This Agreement shall be open for accession by States which have become Member States of the Union after the date of signature of this Agreement.
2. Accession to this Agreement by an EU Member State shall be effected by the deposit of an instrument of accession to this Agreement with the Secretary-General of the Council of the European Union, who shall notify the Parties and the Secretary-General of ASEAN of the deposit of the instrument of accession and the date thereof. The accession shall take effect as from the fifteenth (15th) day after the date of the deposit of the instrument of accession.
3. Paragraphs 1, 2, 3, and 7 of Article 26 shall apply mutatis mutandis to existing agreements and arrangements which are in place at the time of accession of an EU Member State to this Agreement.

ARTICLE 32

Territorial application

This Agreement shall apply, on the one hand, to the territory of the Union, and, on the other hand, to the territory of the ASEAN Member States, as defined in paragraph 1(z) of Article 2.

ARTICLE 33

Entry into force

1. This Agreement shall be subject to ratification, acceptance, or approval in accordance with the Parties' respective procedures.
2. The Secretary-General of ASEAN shall provide written notification to the Secretary-General of the Council of the European Union confirming that the respective procedures for ratification, acceptance, or approval by the ASEAN Member States have been completed. The Secretary-General of the Council of the European Union shall provide written notification to the Secretary-General of ASEAN confirming that the respective procedures for ratification, acceptance, or approval by the Union and its Member States have been completed.
3. Subject to Article N, this Agreement shall enter into force thirty (30) days after the date of the receipt of the later written notification provided for in paragraph 2 of this Article.

ARTICLE 34

Authentic texts

1. This Agreement shall be drawn up in two original texts, in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, and Swedish languages, each text being equally authentic.
2. In the event of any divergence between language versions, the Joint Committee shall decide on the language of the text to be used.
3. One of the original texts of the Agreement including any amendments thereto shall be deposited with the Secretary-General of ASEAN, who shall promptly furnish a certified copy thereof, to each ASEAN Member State. The other original text of the Agreement including any amendments thereto shall be deposited with the Secretary-General of the Council of the European Union.

IN WITNESS WHEREOF the undersigned, being duly authorised to that effect, have signed this Agreement, in duplicate.

ARTICLE A

Route schedule

1. Notwithstanding paragraphs 1 and 2 of Article 3 and subject to the domestic laws and regulations of Indonesia, for the operation of passenger and combination air services between Indonesia and the Union, points in Indonesia shall refer to Denpasar, Jakarta, Makassar, Medan, and Surabaya.

2. If:

(a) an air services agreement among the ASEAN Member States; or

(b) an air services agreement between the ASEAN Member States collectively and any other country,

allows carriers to operate passenger and combination air services to points in Indonesia other than Denpasar, Jakarta, Makassar, Medan, and Surabaya, points in Indonesia shall also include those points.

3. For the purposes of paragraph 12 of Article 10, for Indonesia, the domestic code-share rights shall be exercised via the points identified in paragraphs 1 and 2 of this Article to any other points in Indonesia, or vice versa.

ARTICLE B

Traffic rights

Notwithstanding paragraph 2 of Article 3, the following provisions shall apply:

- (a) The grant of fifth freedom traffic rights under paragraph 3(f) of Article 3 to an air carrier of the Union to perform passenger and combination services between points in Myanmar and points within ASEAN shall take effect from 1 July 2024.
- (b) The grant of fifth freedom traffic rights under paragraph 3(e) of Article 3 to an air carrier of Myanmar to perform passenger and combination services between points in the Union shall take effect from 1 July 2024.
- (c) The grant of fifth freedom traffic rights under paragraph 3(f) of Article 3 to an air carrier of the Union to perform passenger and combination services between points in the Union and points in Viet Nam to points outside ASEAN shall only be on routes not operated by an air carrier of Viet Nam.
- (d) The grant of fifth freedom traffic rights under paragraph 3(e) of Article 3 to an air carrier of Viet Nam to perform passenger and combination services between points in Viet Nam and points in the Union to points outside the Union shall only be on routes not operated by an air carrier of the Union.

ARTICLE C

Stopover rights

1. Notwithstanding paragraph 6(f) of Article 3, the exercise of own stopover rights by air carriers of the Union on co-terminal operations within the same ASEAN Member State shall take effect two (2) years after such rights have been exchanged in an air services agreement among the ASEAN Member States. The exercise of stopover rights on co-terminal operations within the same EU Member State by air carriers of the ASEAN Member States shall take effect at the same time.
2. Until then, each Party shall give favourable consideration to applications from air carriers of another Party to carry own stopover traffic on co-terminal operations within the same ASEAN Member State or EU Member State on an extra bilateral basis, if such rights are not already available.

ARTICLE D

Designation of air carriers

1. Notwithstanding paragraph 1 of Article 4, Indonesia, Myanmar, the Philippines, and Viet Nam may maintain the requirement for designation of air carriers existing in their respective domestic laws and regulations at the time of signature of this Agreement.

2. For the purposes of paragraph 1 of this Article, the publication by the Union of a "List of EU air carriers holding an active operating licence" shall be deemed to meet those national designation requirements for the carriers included in that list, provided that the said list is made readily available to the competent authorities of the said ASEAN Member States by electronic means.
3. Indonesia, Myanmar, the Philippines, and Viet Nam shall endeavour to remove the said designation requirements at the earliest possible occasion and notify the Joint Committee accordingly.

ARTICLE E

Fair competition

1. For the avoidance of doubt, the Parties confirm that paragraphs 2(a) and (b) of Article 8 only prescribe the obligation of Parties to adopt or maintain competition law and establish an independent competition authority to enforce this competition law. The Parties also confirm that this Agreement does not constrain the independent functioning of the said competition authorities. The decisions by these competition authorities are not subject to the dispute settlement mechanism under Article 25.

2. A Party may thus only seek redress in relation to paragraphs 2(a) and (b) of Article 8 if another Party does not maintain competition law or an operationally independent competition authority which effectively enforces that Party's competition law. Nothing in paragraphs 2(a) and (b) of Article 8 shall be construed to challenge decisions or judgments adopted by a Party's competition authority, courts, or tribunals to enforce a Party's competition law.
3. Notwithstanding paragraph 1 of Article 25, the dispute settlement mechanism in that Article shall not apply to disputes relating to the application or interpretation of Article 8 arising before 1 January 2025.

ARTICLE F

Operational plans, programmes, and schedules

1. Without prejudice to Article 3 and paragraphs 11 and 12 of Article 10, and notwithstanding paragraph 7 of Article 10, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Thailand, and Viet Nam may maintain the procedures existing in their respective domestic laws and regulations at the time of the signature of this Agreement as regards the approval of operational plans, programmes, and schedules, including information on services operating under cooperative marketing arrangements, established by air carriers of the Union for the provision of air services to and from the territories of the said States.

2. Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Thailand, and Viet Nam shall minimise the administrative burden of such requirements and procedures. The approval of the said operational plans, programmes, and schedules shall be granted within ten (10) working days from the date of receipt of the air carrier's application, provided the air carrier has obtained the appropriate operating authorisations and technical permissions in accordance with Article 4.
3. Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Thailand, and Viet Nam shall endeavour to remove the said procedures at the earliest possible occasion and notify the Joint Committee accordingly.

ARTICLE G

Sales and local expenses

1. Notwithstanding paragraphs 8 and 9 of Article 10, Indonesia, Myanmar, and Viet Nam may maintain the requirements existing in their respective domestic laws and regulations at the time of the signature of this Agreement as regards the use of their national currency in domestic sales of transport and related services and in the payment for local expenses.
2. Indonesia, Myanmar, and Viet Nam shall endeavour to remove the said requirements at the earliest possible occasion and notify the Joint Committee accordingly.

ARTICLE H

Remittance of local revenues

1. For the avoidance of doubt, the term "remittance" in paragraph 10(a) of Article 10 refers, in the case of the Philippines, to remittance other than those made by a branch office of a foreign corporation engaged in trade or business within the Philippines.
2. With regard to profit remittance by a branch office of a foreign corporation engaged in trade or business within the Philippines, the Philippines shall have the right to levy a branch profit remittance tax in accordance with its domestic laws, unless a lower rate or an exemption is available under a double taxation agreement between the Philippines and the country of residence of the foreign carrier.
3. The Philippines shall endeavour to work with the Union to develop a common framework for the treatment of remittance by air carriers of the Union operating in the Philippines and notify the Joint Committee accordingly.

ARTICLE I

Tariffs

1. Without prejudice to paragraph 1 of Article 13, and notwithstanding paragraph 2 of Article 13, the Philippines may maintain the procedures existing in its respective domestic laws and regulations at the time of the signature of this Agreement as regards the approval of the tariffs established by the air carriers of the Union for air services to and from the territory of the Philippines. The said tariffs shall be approved within ten (10) working days after their filing.
2. The Philippines shall endeavour to remove the said procedures at the earliest possible occasion and notify the Joint Committee accordingly.

ARTICLE J

Loan guarantees

The provisions of paragraph 2(d) of Article 8 shall not apply to subsidies in the form of loan guarantees granted by Viet Nam before the signature of this Agreement and until the expiry of such arrangements. However, should such guarantees give rise to any disbursements, these shall be made pursuant to paragraphs 3(a) and (b) of Article 8, as the case may be.

ARTICLE K

Non-discrimination

1. Notwithstanding Article D, the ASEAN Member States referred to therein shall accord no less favourable treatment to the air carriers of the Union than that which they accord to the air carriers of any other country with regard to the designation of air carriers.
2. Notwithstanding Articles F, G, and I, the ASEAN Member States listed therein shall accord no less favourable treatment to the air carriers of the Union than that which they accord to their own air carriers or the air carriers of any other country, whichever is more favourable, with regard to approval of operational plans, programmes and schedules, sales and local expenses, and tariffs.

ARTICLE L

Computer reservation systems

The ASEAN Member States referred to in paragraph 5 of Article 21 are, at the time of signature of this Agreement, Indonesia, Malaysia, Philippines, Thailand, and Viet Nam.

ARTICLE M

Reciprocity

Where under Articles D, F, G and I an ASEAN Member State requires the designation of air carriers of the Union, applies to air carriers of the Union national procedures for the prior approval of operational plans, programmes and schedules, cooperative market arrangements or tariffs, or applies to air carriers of the Union national requirements concerning the currency to be used in certain transactions, the Union shall be entitled to subject the air carriers of that ASEAN Member State to the same or equivalent measures.

ARTICLE N

Entry into force for Malaysia

1. Notwithstanding Article 33, if Malaysia is the only ASEAN Member State that has not communicated to the Secretary-General of ASEAN its confirmation that its procedures for ratification, acceptance, or approval of this Agreement have been completed:
 - (a) the Secretary-General of ASEAN may proceed to provide to the Secretary-General of the Council of the European Union written notification confirming that all of the ASEAN Member States apart from Malaysia have completed their respective procedures for ratification, acceptance, or approval of this Agreement;
 - (b) this Agreement shall enter into force in accordance with paragraph 3 of Article 33 for the Union and its Member States, and for all of the ASEAN Member States except Malaysia; and

- (c) thereafter, the Agreement shall enter into force for Malaysia thirty (30) days after the date of a further written notification from the Secretary-General of ASEAN to the Secretary-General of the Council of the European Union confirming that Malaysia has completed its procedures for ratification, acceptance, or approval of this Agreement.
2. Following the signature of this Agreement, and pending its entry into force for Malaysia:
- (a) any earlier air services agreements or arrangements between the EU Member States and Malaysia, and between the Union and Malaysia, which were signed or concluded before the signing of the Agreement, shall continue to apply and shall not be amended; and
- (b) no new air services agreements or arrangements shall be concluded between the EU Member States and Malaysia, or between the Union and Malaysia, save in order to cater for limited and urgent needs in exceptional circumstances and without prejudice to their respective domestic laws and regulations. The Union or the EU Member State concerned shall inform the other Parties of any such new air services agreements or arrangements.

ARTICLE O

Progress review

The Joint Committee shall, on a yearly basis, review progress made with regard to the implementation of the Articles of this Annex on the basis of a report by the ASEAN Member States concerned.



**Agreement on air transport between the European Union and its Member States, of the one part, and
the State of Qatar, of the other part**

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THE KINGDOM OF BELGIUM,
THE REPUBLIC OF BULGARIA,
THE CZECH REPUBLIC,
THE KINGDOM OF DENMARK,
THE FEDERAL REPUBLIC OF GERMANY,
THE REPUBLIC OF ESTONIA,
IRELAND,
THE HELLENIC REPUBLIC,
THE KINGDOM OF SPAIN,
THE FRENCH REPUBLIC,
THE REPUBLIC OF CROATIA,
THE ITALIAN REPUBLIC,
THE REPUBLIC OF CYPRUS,
THE REPUBLIC OF LATVIA,
THE REPUBLIC OF LITHUANIA,
THE GRAND DUCHY OF LUXEMBOURG,
HUNGARY,
THE REPUBLIC OF MALTA,
THE KINGDOM OF THE NETHERLANDS,
THE REPUBLIC OF AUSTRIA,
THE REPUBLIC OF POLAND,
THE PORTUGUESE REPUBLIC,
ROMANIA,
THE REPUBLIC OF SLOVENIA,
THE SLOVAK REPUBLIC,
THE REPUBLIC OF FINLAND,
THE KINGDOM OF SWEDEN,

contracting parties to the Treaty on European Union and the Treaty on the Functioning of the European Union, hereinafter referred to collectively as "EU Member States" or individually as "EU Member State", and

the EUROPEAN UNION, hereinafter referred to as "Union",

of the one part, and

THE STATE OF QATAR, hereinafter referred to as "Qatar",

of the other part,

hereinafter jointly referred to as the "Parties",

the EU Member States and Qatar, being parties to the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944, together with the Union,

DESIRING to promote their interests in respect of air transport as a means of contributing to closer political and economic relations between the Parties,

RECOGNISING the importance of efficient air transport connectivity in promoting trade, tourism, investment and economic and social development,

DESIRING to enhance air services and to promote an international aviation system based on non-discrimination and fair and equal opportunity for air carriers to compete,

DESIRING to ensure the highest degree of safety and security in air transport and affirming their grave concern with regard to acts or threats against the security of aircraft, which jeopardise the safety of persons or property, adversely affect the operation of aircraft and undermine the confidence of the travelling public in the safety of civil aviation,

NOTING the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944,

DETERMINED to maximise the potential benefits of regulatory cooperation,

ACKNOWLEDGING the important potential benefits that may arise from competitive air services and viable air transport industries,

DESIRING to foster fair competition, recognising that certain subsidies may adversely affect competition and may jeopardise the basic objectives of this Agreement and recognising that, where there is no competitive level playing field for air carriers, potential benefits may not be realised,

INTENDING to build upon the framework of existing agreements and arrangements between them with the aim of opening access to markets and maximising benefits to passengers, shippers, air carriers and airports and their employees, communities and others benefiting indirectly,

AFFIRMING the importance of protecting the environment in developing and implementing international aviation policy,

AFFIRMING the need for urgent actions to address climate change and for continued cooperation to reduce greenhouse gas emissions in the aviation sector, in a manner consistent with their international obligations on this matter, including those set out in instruments of the International Civil Aviation Organization (ICAO),

AFFIRMING the importance of protecting the interests of consumers and of cooperating to achieve a high level of consumer protection,

RECOGNISING that increased commercial opportunities are not intended to undermine their labour or labour-related standards and reaffirming the importance of considering the effects of this Agreement on labour, employment and working conditions, and the benefits that arise when the significant economic gains from open and competitive markets are combined with high labour standards,

NOTING the desire to explore ways to facilitate better access to capital for the air transport industry in order to further develop air transport,

DESIRING to conclude an agreement on air transport, supplementary to the Convention on International Civil Aviation,

HAVE AGREED AS FOLLOWS:

Article 1

Definitions

For the purposes of this Agreement, unless otherwise stated, the following definitions apply:

- (1) "Agreement" means this Agreement, any annexes to it, and any amendments thereto;

- (2) "air transport" means the carriage by aircraft of passengers, baggage, cargo, and mail, separately or in combination, held out to the public for remuneration or hire, including scheduled and non-scheduled air services;
- (3) "citizenship determination" means a finding that an air carrier proposing to operate air services under this Agreement satisfies the requirements set out in Article 3 regarding its ownership, effective control, and principal place of business;
- (4) "competent authorities" means the government agencies or entities responsible for the administrative functions under this Agreement;
- (5) "computerised reservation system" or "CRS" means a computerised system containing information about, inter alia, schedules, availability and fares, of more than one air carrier, with or without facilities to make reservations or issue tickets, to the extent that some or all of these services are made available to subscribers. It shall be understood to include global distribution systems (GDSs), insofar as these contain air-transport products;
- (6) "Convention" means the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944, and includes:
 - (a) any amendment that has entered into force under Article 94(a) of the Convention and has been ratified by both Qatar and the EU Member State or EU Member States as is relevant to the issue in question; and
 - (b) any annex or any amendment thereto adopted under Article 90 of the Convention, insofar as such Annex or amendment is at any given time effective for both Qatar and the EU Member State or EU Member States as is relevant to the issue in question;
- (7) "discrimination" means differentiation of any kind without objective justification;
- (8) "EU Treaties" means the Treaty on European Union and the Treaty on the Functioning of the European Union;
- (9) "fares" means the prices to be paid to air carriers or their agents or other ticket sellers for the carriage of passengers on air services (including any other mode of transport in connection therewith) and the conditions under which those prices apply, including remuneration and conditions offered to agency and other auxiliary services;
- (10) "fitness determination" means a finding that an air carrier proposing to operate air services under this Agreement has satisfactory financial capability and adequate managerial expertise to operate such services and is disposed to comply with the laws, regulations, and requirements that govern the operation of such services;
- (11) "full cost" means the cost of service provided plus a reasonable charge for administrative overhead;
- (12) "international air transport" means air transport that passes through the airspace over the territory of more than one State;
- (13) "principal place of business" means the head office or registered office of an air carrier in the territory of a Party within which the principal financial functions and operational control, including continued airworthiness management, of the air carrier are exercised;
- (14) "rates" means the prices to be paid for the carriage of cargo on air services (including any other mode of transport in connection therewith) and the conditions under which those prices apply, including remuneration and conditions offered to agency and other auxiliary services;
- (15) "self-handling" means a situation in which an airport user directly provides for himself one or more categories of ground handling services and concludes no contract of any description with a third party for the provision of such services. For the purposes of this definition, among themselves airport users shall not be deemed to be third parties where:
 - (a) one holds the majority in the other, or
 - (b) a single body has a majority holding in each;
- (16) "serious disturbance in the economy" means an exceptional, temporary (either short- or long-term) and significant crisis which affects the whole economy of an EU Member State or Qatar rather than a specific region or economic sector;
- (17) "stop for non-traffic purposes" means a landing for any purpose other than taking on board or discharging passengers, baggage, cargo and/or mail in air transport;

- (18) "subsidy" means any financial contribution granted by the government or any other public body at any level, including:
- (a) the direct transfer of funds and the potential direct transfer of funds or liabilities;
 - (b) the foregoing or non-collection of revenue that is otherwise due;
 - (c) the provision of goods or services other than general infrastructure, or the purchase of goods or services; or
 - (d) the making of payments to a funding mechanism or entrustment or direction to a private body to carry out one or more of the functions referred to in points (a), (b) and (c) which would normally be vested in the government or other public body and the practice in no real sense differs from practices normally followed by governments, which is limited, *de jure* or *de facto*, to certain air carriers and confers a benefit to an air carrier or carriers. No benefit is deemed to be conferred by a financial intervention carried out by a government or other public body if a private market operator driven by commercial considerations would have carried out the same financial intervention;
- (19) "territory", for Qatar, has the meaning assigned to it in Article 2 of the Convention; for the Union and the EU Member States, it means the land territory, internal waters and territorial sea of the EU Member States to which the EU Treaties apply and under the conditions laid down therein, and the air space above them;
- (20) "user charge" means a charge imposed on air carriers for the provision of airport, airport environmental, air navigation, or aviation security facilities or services, including related services and facilities.

TITLE I

ECONOMIC PROVISIONS

Article 2

Grant of rights

Route schedule

1. Each Party shall permit the air carriers of the other Party to operate on the routes specified hereunder:
- (a) for air carriers of Qatar:
any points in Qatar – any intermediate points – any points in the Union – any points beyond;
 - (b) for air carriers of the Union:
any points in the Union – any intermediate points – any points in Qatar – any points beyond.

For the purpose of the application of the route schedule above:

- "any points" means one or more points;
- "any points in the Union" means one or more points within the same EU Member State or in different EU Member States, either separately or in combination, in any particular order.

Traffic rights

2. Each Party grants to the other Party the following rights for the conduct of international air transport activities by the air carriers of the other Party on a non-discriminatory basis:
- (a) the right to fly across its territory without landing;

- (b) the right to make stops in its territory for non-traffic purposes;
- (c) the right to perform scheduled and non-scheduled international air transport activities for passenger, combination and all-cargo services:
 - (i) for air carriers of Qatar the right to provide international air transport services between any points in Qatar and any points in the Union with:
 - (A) third and fourth freedom traffic rights without limitation on routes, capacity and/or frequencies; and
 - (B) fifth freedom traffic rights for all-cargo services between the Union and beyond points listed in Annex 2, section 1, provided that the exercise of fifth freedom traffic rights does not exceed seven weekly frequencies per EU Member State;
 - (ii) for air carriers of the Union the right to provide international air transport services between any points in the Union and any points in Qatar with:
 - (A) third and fourth freedom traffic rights without limitation on routes, capacity and/or frequencies; and
 - (B) fifth freedom traffic rights for all-cargo services between Qatar and beyond points listed in Annex 2, section 2, provided that the exercise of fifth freedom traffic rights does not exceed seven weekly frequencies per EU Member State.

The exercise of these traffic rights shall be subject to the transitional provisions contained in Annex 1 to this Agreement.

For the avoidance of doubt, for those EU Member States that, in their current bilateral air services agreements and arrangements with Qatar, have seven or fewer weekly frequencies with fifth freedom traffic rights for all-cargo services, the total number of weekly frequencies available to carriers of both Parties at the end of the transitional period will be seven.

- (d) the rights otherwise specified in this Agreement.

Operational flexibility

3. Air carriers of each Party may on any or all flights and at their option on the routes specified in paragraph 1:
- (a) operate flights in either or both directions;
 - (b) combine different flight numbers within one aircraft operation;
 - (c) serve intermediate and beyond points, and points in the territories of the Parties in any combination and in any order in accordance with paragraph 2;
 - (d) omit stops at any point or points;
 - (e) transfer traffic from any of its aircraft to any of its other aircraft at any point (change of gauge);
 - (f) make stopovers at any points whether within or outside the territory of either Party;
 - (g) carry transit traffic through the territory of the other Party;
 - (h) combine traffic on the same aircraft regardless of where such traffic originates; and
 - (i) serve more than one point, within the same EU Member State, or within Qatar, on the same service (co-termination).

The operational flexibility provided for in points (a) to (i) of this paragraph may be exercised without directional or geographic limitation and without loss of any right to carry traffic otherwise permissible under this Agreement, provided that:

- the services of air carriers of Qatar serve a point in Qatar;
- the services of air carriers of the Union serve a point in the Union.

4. Each Party shall allow each air carrier of the other Party to determine the frequency and capacity of the international air transport it offers based on commercial considerations in the marketplace. Consistent with this right, neither Party shall unilaterally limit the volume of traffic, frequency or regularity of service, routing, origin or destination of traffic, or the aircraft type or types operated by the air carriers of the other Party, except for customs, technical, operational, air traffic management safety, environmental or health protection reasons or unless otherwise provided for in this Agreement.

5. Nothing in this Agreement shall be deemed to confer on the air carriers of:

- (a) Qatar the right to take on board in any EU Member State passengers, baggage, cargo and/or mail carried for remuneration or hire and destined for another point in that same EU Member State;
- (b) the Union the right to take on board in Qatar passengers, baggage, cargo and/or mail carried for remuneration or hire and destined for another point in Qatar.

Article 3

Operating authorisation

1. On receipt of an application for an operating authorisation from an air carrier of a Party, the competent authorities of the other Party shall grant the appropriate operating authorisations and technical permissions with minimum procedural delay, provided that:

- (a) for an air carrier of Qatar:
 - (i) the air carrier has its principal place of business in Qatar, and holds a valid operating licence in accordance with the law of Qatar;
 - (ii) effective regulatory control of the air carrier is exercised and maintained by Qatar; and
 - (iii) the air carrier is owned, directly or through majority ownership, and it is effectively controlled by Qatar and/or its nationals;
- (b) for an air carrier of the Union:
 - (i) the air carrier is established in the territory of the Union under the EU Treaties and holds a valid operating licence in accordance with Union law;
 - (ii) effective regulatory control of the air carrier is exercised and maintained by the EU Member State responsible for issuing its air operator certificate and the competent authority is clearly identified; and
 - (iii) the air carrier is owned, directly or through majority ownership, and it is effectively controlled by one or more EU Member States or Member States of the European Free Trade Association or by their nationals;
- (c) Articles 13 and 14 are complied with; and
- (d) the air carrier meets the conditions prescribed under the laws and regulations normally applied to the operation of international air transport by the Party considering the application.

2. When granting operating authorisations and technical permissions, each Party shall treat all carriers of the other Party in a non-discriminatory manner.

3. On receipt of an application for an operating authorisation from an air carrier of a Party, the other Party shall recognise any fitness and/or citizenship determination made by the first Party with respect to that air carrier as if such determination had been made by its own competent authorities, and shall not enquire further into such matters, except as provided in Article 4(2). For the avoidance of doubt, this paragraph does not cover recognition of determinations in relation to safety certificates or licences, security arrangements, or insurance coverage.

*Article 4***Refusal, revocation, suspension and limitation of authorisation**

1. Either Party may refuse, revoke, suspend, impose conditions on or limit the operating authorisations or technical permissions or otherwise refuse, suspend, impose conditions on or limit the operations of an air carrier of the other Party where:

(a) for an air carrier of Qatar:

- (i) the air carrier does not have its principal place of business in Qatar or does not hold a valid operating licence in accordance with the law of Qatar;
- (ii) effective regulatory control of the air carrier is not exercised or not maintained by Qatar; or
- (iii) the air carrier is not owned, directly or through majority ownership, or it is not effectively controlled by Qatar, and/or nationals of Qatar;

(b) for an air carrier of the Union:

- (i) the air carrier is not established in the territory of the Union under the EU Treaties or does not have a valid operating licence in accordance with Union law;
- (ii) effective regulatory control of the air carrier is not exercised or not maintained by the EU Member State responsible for issuing its air operator certificate or the competent authority is not clearly identified; or
- (iii) the air carrier is not owned, directly or through majority ownership, or it is not effectively controlled by one or more EU Member States or Member States of the European Free Trade Association or by its nationals;

(c) the air carrier has failed to comply with the laws and regulations referred to in Article 6 and/or with the laws and regulations normally applied to the operation of international air transport by the Party considering the application.

2. Where a Party has reasonable grounds to believe that an air carrier of the other Party is in any of the situations referred to in paragraph 1, that Party may request consultations with the other Party.

3. Such consultations shall start as soon as possible, and not later than 30 days of receipt of such a request. Failure to reach a satisfactory agreement within 30 days or an agreed time period from the starting date of such consultations, or failure to take the agreed corrective action, shall constitute grounds for the Party that requested the consultations to take action to refuse, revoke, suspend, impose conditions on or limit the operating authorisation or technical permissions of an air carrier of the other Party to ensure compliance with this Article.

4. Notwithstanding paragraph 3, with respect to point (c) of paragraph 1, a Party may take immediate or urgent action when required by an emergency, or to prevent further non-compliance. For the avoidance of doubt, further non-compliance requires that the question of non-compliance has already been raised between the competent authorities of the Parties.

*Article 5***Liberalisation of ownership and control**

The Parties recognise the potential benefits of the progressive liberalisation of ownership and control of their respective air carriers. The Parties agree to explore in the Joint Committee, at an opportune juncture, the reciprocal liberalisation of ownership and control of air carriers. As a result of this examination, the Joint Committee may recommend amendments to this Agreement in accordance with Article 25.

*Article 6***Compliance with laws and regulations**

1. While entering, within, or leaving the territory of one Party, the laws and regulations of that Party relating to the admission to, operating within, or departure from its territory of aircraft engaged in international air transport shall be complied with by the air carriers of the other Party.
2. While entering, within, or leaving the territory of one Party, the laws and regulations of that Party relating to the admission to, operating within, or departure from its territory of passengers, crew, baggage, cargo and/or mail on aircraft (including regulations relating to entry, clearance, immigration, passports, customs and quarantine, or, in the case of mail, postal regulations) shall be complied with by, or on behalf of, such passengers, crew, baggage, cargo and/or mail of the air carriers of the other Party.
3. The Parties shall permit, in their respective territory, the air carriers of the other Party to take measures to ensure that only persons with the travel documents required for entry into or transit through the territory of the other Party are carried.

*Article 7***Fair competition**

1. The Parties agree that their air carriers shall enjoy fair and equal opportunities to compete in the provision of air transport services.
2. The Parties shall:
 - (a) prohibit, and where they exist, eliminate, within their respective jurisdictions and using their respective internal procedures and processes, any forms of discrimination or unfair practices which would adversely affect the fair and equal opportunity of the air carriers of the other Party to compete in providing air transport services;
 - (b) not grant or permit subsidies to any air carriers if such subsidies adversely affect the fair and equal opportunity of the air carriers of the other Party to compete in providing air transport services.
3. Notwithstanding point (b) of paragraph 2, the following may be granted:
 - (a) support to insolvent or ailing air carriers, provided that:
 - (i) such support is conditional on a credible restructuring plan based on realistic assumptions with a view to ensuring the return of the insolvent or ailing air carrier to long-term viability within a reasonable time; and
 - (ii) the air carrier concerned, its investors or shareholders significantly contribute to the costs of restructuring;
 - (b) temporary liquidity support to an ailing air carrier in the form of loans or loan guarantees limited to the amount needed merely to keep the air carrier concerned in business for the time necessary to work out a restructuring or liquidation plan;
 - (c) provided that they are limited to the minimum amounts needed to achieve their objective and that the effects on the provision of air transport services are kept to a minimum:
 - (i) subsidies to make good the damage caused by natural disasters;
 - (ii) in the case of Qatar, subsidies to remedy a serious disturbance in its economy; and, in the case of the EU and its Member States, subsidies to remedy a serious disturbance in the economy of one or more EU Member States;
 - (d) subsidies to air carriers entrusted with the operation of clearly defined public service obligations necessary to meet essential transport needs of the population which cannot be satisfied by market forces alone, provided that these subsidies are limited to a reasonable remuneration for the provision of the air services concerned.

4. The Parties shall ensure that each of its air carriers providing air transport services under this Agreement publicly issues, on at least an annual basis, a financial report and accompanying financial statement that is externally audited in compliance with internationally recognised accounting and corporate financial disclosure standards, such as the International Financial Reporting Standards; and that, in case a Party provides a subsidy, this subsidy is separately identified in the financial report.

5. Each Party shall, at the request of the other Party, provide to the other Party within 30 days, unless otherwise agreed by the Parties, financial reports and any other information as may be reasonably available, including on the matters covered under paragraph 4, as may be reasonably requested by the other Party to verify that the provisions of this Article are being complied with. Such information, when commercially sensitive, shall be subject to confidential treatment by the requesting Party.

6. Each Party, using their respective internal procedures and processes, shall implement and apply measures that effectively prohibit and prevent their air carriers from:

- (a) engaging in concerted practices, resulting from an express or implicit agreement or decision between competitors, which have as their objective or effect the prevention, lessening or distortion of competition. This prohibition may be declared inapplicable where such agreements, decisions or practices contribute to improving the production or distribution of services or to promoting technical or economic progress, while allowing consumers a fair share of the resulting benefit, and do not:
 - (i) impose on the companies concerned, restrictions which are not indispensable to the attainment of these objectives; or
 - (ii) afford such companies the possibility of eliminating competition in respect of a substantial part of the services in question,
- (b) abusing a dominant position in a way which may affect air transport services to/from that Party, and
- (c) concentrations between air carriers which significantly impede effective competition, in particular as a result of the creation or strengthening of a dominant position.

7. If a Party considers that its carriers' fair and equal opportunities to compete are adversely affected by:

- (a) discrimination or unfair practices prohibited under point (a) of paragraph 2;
- (b) a subsidy prohibited under point (b) of paragraph 2, other than those listed in paragraph 3;
- (c) non-compliance with the transparency obligations laid down in paragraphs 4, and 5; or
- (d) failure of the other Party to comply with the obligations laid down in paragraph 6,

it ("the acting Party") may proceed in accordance with paragraphs 8 to 10.

8. The acting Party shall submit a written request for consultations to the other Party, accompanied by a written report with its observations and material evidence. Consultations shall start within a period of 30 days of the receipt of the request, unless otherwise agreed by the Parties. Consultations may be requested through the Joint Committee.

9. If the acting Party and the other Party fail to reach agreement on the matter within 60 days of the commencement of the consultations, or a different period agreed by the Parties or by the Joint Committee, the acting Party may take measures against the air carriers which have engaged in the contested conduct or which have benefited from the discrimination, unfair practices or subsidies in question. The acting Party shall notify the other Party, in writing, of the measures to be taken at least 15 days before the implementation of any such measure.

10. Measures taken pursuant to paragraph 9 shall be appropriate, proportionate and restricted in their scope and duration to what is strictly necessary, with a view to mitigating the injury to the carriers of the acting Party and removing the undue advantage gained by the carriers against which they are directed.

11. Any actions and measures taken pursuant to paragraph 9 shall be without prejudice to the right of either Party to refer to the dispute settlement mechanism laid down in Article 23.

12. Where matters pertaining to this Article are referred to the dispute settlement mechanism laid down in Article 23, the timelines stated in Article 23(10), (11), and (12) shall be halved.

13. Nothing in this Agreement shall affect, limit or jeopardise in any way the authority or powers of the competition authorities of the Parties or of the courts which review the decisions of those authorities. Any action taken pursuant to paragraph 9 by a Party shall be without prejudice to any possible actions and measures taken by the said authorities and courts, including those of the acting Party. The decisions of the courts which review the actions and measures of those competent authorities shall be excluded from the dispute settlement mechanism laid down in Article 23.

Article 8

Commercial opportunities

Doing business

1. The Parties agree that obstacles to doing business encountered by commercial operators would hamper the benefits to be achieved by this Agreement. The Parties shall therefore engage in an effective and reciprocal process of removal of obstacles to doing business of commercial operators of both Parties where such obstacles may hamper commercial operations, create distortions to competition or affect equal opportunities to compete.

2. The Joint Committee referred to in Article 22 shall develop a process of cooperation in relation to doing business and commercial opportunities. In accordance with Article 22, a Party may request a meeting of the Joint Committee to discuss any question related to the application of this Article.

Air carrier representatives

3. The air carriers of each Party shall have the right to freely establish offices and facilities in the territory of the other Party required for the provision of air transport and for the promotion and sale of air transport and related activities, including the right to sell and to issue any ticket and/or air waybill, both of its own and of any other air carrier.

4. The air carriers of each Party shall be entitled, in accordance with the laws and regulations of the other Party relating to entry, residence and employment, to bring in and maintain in the territory of the other Party managerial, sales, technical, operational and other specialist staff who are required to support the provision of air transport. Both Parties shall facilitate and expedite the granting of employment authorisations, where required, for personnel employed in the offices according to this paragraph, including those performing certain temporary duties not exceeding 90 days, subject to the relevant laws and regulations in force. The air carriers of each Party may freely choose to work with or without a general sales agent of their choice in the territory of the other Party.

Ground handling

5. Each air carrier shall have in relation to ground handling in the territory of the other Party:

- (a) the right to perform its own ground handling (self-handling); or
- (b) the right to select among competing suppliers, including other air carriers, that provide ground handling services in whole or in part where such suppliers are allowed market access on the basis of the laws and regulations of each Party, and where such suppliers are present in the market.

The rights set out in points (a) and (b) of the first subparagraph shall be subject only to specific constraints of available space or capacity arising from the need to maintain safe operation of the airport. Where such constraints limit, prevent or preclude self-handling and where there is no effective competition between suppliers that provide ground handling services, the relevant Party shall ensure that all such services are available on both an equal and an adequate basis to all air carriers; prices of such services shall be determined according to relevant, objective, transparent and non-discriminatory criteria.

Allocation of slots at airports

6. Each Party shall ensure that its regulations, guidelines and procedures for allocation of slots at the airports in its territory are applied in a transparent, effective, non-discriminatory and timely manner.

Operational plans, programmes and schedules

7. Notification of operational plans, programmes or schedules for air services operated under this Agreement may be required by a Party for information purposes only. If a Party requires such notification, it shall minimise the administrative burdens of notification requirements and procedures on air transport intermediaries and on air carriers of the other Party.

Sales, local expenses and transfer of funds

8. Any air carrier of each Party may engage in the sale of air transport and related services in the territory of the other Party directly and/or, at the air carrier's discretion, through its sales agents, through other intermediaries appointed by the air carrier or through the internet or any other available channel. Each air carrier shall have the right to sell such transport and related services, and any person shall be free to purchase such transport and related services, in the currency of that territory or in freely convertible currencies.

9. The air carriers of each Party shall be permitted to pay for local expenses, including, but not limited to, purchases of fuel, in the territory of the other Party in local currency. At their discretion, the air carriers of each Party may pay for such expenses in the territory of the other Party in freely convertible currencies at the market rate of exchange.

10. Each air carrier shall have the right to convert, on demand, local revenues into freely convertible currencies and remit such revenues at any time, and in any way, from the territory of the other Party to the country of its choice. Conversion and remittance shall be permitted promptly without restrictions or taxation in respect thereof at the market rate of exchange applicable to current transactions and remittance on the date the carrier makes the initial application for remittance and shall not be subject to any charges except those normally made by banks for carrying out such conversion and remittance.

Cooperative marketing arrangements

11. In operating or holding out services under this Agreement, any air carrier of a Party may enter into cooperative marketing arrangements, such as blocked-space or code-sharing arrangements, with:

- (a) any air carrier or carriers of the Parties;
- (b) any air carrier or carriers of a third country; and/or
- (c) any surface (land or maritime) transport provider of any country,

provided that (i) the operating carrier holds the appropriate traffic rights; (ii) the marketing carriers hold the appropriate underlying route(s) in the route schedule; and (iii) the arrangements meet the regulatory requirements normally applied to such arrangements.

12. In operating or holding out services under this Agreement, any air carrier of a Party may enter into cooperative marketing arrangements, such as blocked-space or code-sharing arrangements, with a carrier that is operating a domestic sector, provided that (i) this is part of an international journey and (ii) the arrangements meet the requirements normally applied to such arrangements. For the purposes of this paragraph, a "domestic sector" means, where the operating carrier is a carrier of the Union, a route within the territory of an EU Member State and, where the operating carrier is a carrier of Qatar, a route within the territory of Qatar.

13. In respect of passenger transport sold involving cooperative marketing arrangements, the purchaser shall be informed at the point of sale, or in any case at check-in, or before boarding where no check-in is required for a connecting flight, which transport providers will operate each sector of the service.

Intermodal services

14. In relation to the transport of passengers, surface transport providers shall not be subject to laws and regulations governing air transport on the sole basis that such surface transport is held out by an air carrier under its own name.

15. Notwithstanding any other provision of this Agreement, air carriers and indirect providers of cargo transport of the Parties shall be permitted, without restriction, to employ in connection with international air transport any surface transport for cargo to or from any point in the territories of the Parties, or in third countries, including transport to and from all airports with customs facilities, and including, where applicable, the right to transport cargo in bond under applicable laws and regulations. Such cargo, whether moving by surface or by air, shall have access to airport customs processing and facilities. Air carriers may elect to perform their own surface transport or to provide it through arrangements with other surface transport providers, including surface transport operated by other air carriers and indirect providers of cargo air transport. Such intermodal cargo services may be offered at a single, through-price for the air and surface transport combined, provided that shippers are not misled as to the facts concerning such transport.

Franchising and branding

16. The air carriers of each Party shall be entitled to enter into franchising or branding arrangements with companies, including air carriers, of either Party or third countries, provided that the air carriers hold the appropriate authority and meet the conditions prescribed under the laws and regulations normally applied by the Parties to such arrangements, in particular those requiring the disclosure of the identity of the air carrier operating the service.

Leasing

17. The Parties grant each other's air carriers the right to provide services under this Agreement by:

- (a) using aircraft leased without crew from any lessor;
- (b) using aircraft leased with crew from other air carriers of the same Party as the lessee's;
- (c) using aircraft leased with crew from air carriers of a country other than the lessee's Party, provided that the leasing is justified on the basis of exceptional needs, seasonal capacity needs or operational difficulties of the lessee and the leasing does not exceed the duration which is strictly necessary to fulfil those needs or overcome those difficulties.

The Parties concerned may require leasing arrangements to be approved by their competent authorities for the purpose of verifying compliance with the conditions set out in this paragraph and with the applicable safety and security requirements. However, where a Party requires such approval, it shall endeavour to expedite the approval procedures and minimise the administrative burden on the carriers concerned. For the avoidance of doubt, this paragraph is without prejudice to the laws and regulations of a Party as regards the leasing of aircraft by air carriers of that Party.

*Article 9***Customs duties**

1. On arriving in the territory of one Party, aircraft operated in international air transport by the air carriers of the other Party, their regular equipment, fuel, lubricants, consumable technical supplies, ground equipment, spare parts (including engines), aircraft stores (including but not limited to such items as food, beverages, tobacco and other products destined for sale to or use by passengers in limited quantities during flight) and other items intended for or used solely in connection with the operation or servicing of aircraft engaged in international air transport shall, on the basis of reciprocity and provided that such equipment and supplies remain on board the aircraft, be exempt from all import restrictions, property taxes and capital levies, customs duties, excise taxes, inspections fees, value added tax (VAT) or other similar indirect taxes, and similar fees and charges that are:

- (a) imposed by the national or local authorities or the Union, and
- (b) not based on the cost of service provided.

2. The following shall also be exempt, on the basis of reciprocity, from the taxes, levies, duties, fees and charges referred to in paragraph 1, with the exception of charges based on the cost of service provided:

- (a) aircraft stores introduced into or supplied in the territory of a Party and taken on board, within reasonable limits, for use on outbound aircraft of an air carrier of the other Party engaged in international air transport, even when such stores are to be used on a part of the journey performed over the said territory;
- (b) ground equipment and spare parts (including engines) introduced into the territory of a Party for the servicing, maintenance, or repair of aircraft of an air carrier of the other Party used in international air transport;
- (c) fuel, lubricants and consumable technical supplies introduced into or supplied in the territory of a Party for use in an aircraft of an air carrier of the other Party engaged in international air transport, even when such supplies are to be used on a part of the journey performed over the said territory;
- (d) printed matter, as provided for by the customs legislation of each Party, introduced into or supplied in the territory of one Party and taken on board for use on outbound aircraft of an air carrier of the other Party engaged in international air transport, even when such stores are to be used on a part of the journey performed over the said territory; and
- (e) safety and security equipment for use at airports or cargo terminals.

3. Nothing in this Agreement shall prevent a Party from imposing taxes, levies, duties, fees, or charges on fuel supplied in its territory, on a non-discriminatory basis, for use in an aircraft of an air carrier that operates between two points in its territory.

4. The regular airborne equipment, as well as the material, supplies and spare parts referred to in paragraphs 1 and 2 normally retained on board aircraft operated by an air carrier of one Party may be unloaded in the territory of the other Party only with the approval of the customs authorities of that Party and may be required to be kept under the supervision or control of the said authorities, up to such time as they are re-exported or otherwise disposed of in accordance with customs regulation.

5. The exemptions provided for by this Article shall also be available where the air carriers of one Party have contracted with another air carrier, which similarly enjoys such exemptions from the other Party, for the loan or transfer in the territory of the other Party of the items specified in paragraphs 1 and 2.

6. Nothing in this Agreement shall prevent either Party from imposing taxes, levies, duties, fees or charges on goods sold other than for consumption on board to passengers during a sector of an air service between two points within its territory at which embarkation or disembarkation is permitted.

7. Baggage and cargo in direct transit across the territory of a Party shall be exempt from taxes, customs duties, fees and other similar charges that are not based on the cost of service provided.
8. Equipment and supplies referred to in paragraphs 1 and 2 may be required to be kept under the supervision or control of the competent authorities.
9. This Agreement is without prejudice to the provisions of the respective conventions in force between any EU Member State and Qatar for the avoidance of double taxation on income and on capital.

Article 10

User charges

1. Each Party shall ensure that user charges that may be imposed by its competent charging authorities or bodies on the air carriers of the other Party for the use of air navigation and air traffic control shall be cost-related and non-discriminatory. In any event, any such user charges shall be assessed on the air carriers of the other Party on terms not less favourable than the most favourable terms available to any other air carrier.
2. Each Party shall ensure that user charges that may be imposed by its competent charging authorities or bodies on the air carriers of the other Party for the use of airport, aviation security and related facilities and services, with the exception of charges levied with respect to the services described Article 8(5), are not unjustly discriminatory and are equitably apportioned among categories of users. Such user charges shall reflect, but shall not exceed, the full cost to the competent charging authorities or bodies of providing the appropriate airport and aviation security facilities and services at that airport or those airports at which a common charging system applies. Such user charges may include a reasonable return on assets, after depreciation. Facilities and services for which user charges are imposed shall be provided on an efficient and economic basis. In any event, such charges shall apply to the air carriers of the other Party on terms not less favourable than the most favourable terms available to any other air carrier at the time the charges are applied.
3. Each Party shall require the competent charging authorities or bodies in its territory and the air carriers using the services and facilities to undertake consultations and to exchange such information as may be necessary to permit an accurate assessment of the reasonableness of the charges in accordance with the principles set out in paragraphs 1 and 2. The competent charging authorities or bodies shall provide users with reasonable notice of any proposal for changes in user charges to enable users to express their views and provide comments before any changes are made.

Article 11

Fares and rates

1. The Parties shall permit fares and rates to be freely established by the air carriers of the Parties on the basis of free and fair competition.
2. Either Party may require, on a non-discriminatory basis, notification to its competent authorities of fares and rates offered for services originating from its territory by air carriers of both Parties on a simplified basis and for information purposes only. Such notification by the air carriers may be required to be made no earlier than the initial offering of a fare or a rate.

Article 12

Statistics

1. The Parties shall cooperate within the framework of the Joint Committee to facilitate the exchange of statistical information related to air transport under this Agreement.

2. Upon request, each Party shall provide the other Party with non-confidential and non-commercially sensitive available statistics related to air transport under this Agreement, as required by the respective laws and regulations of the Parties, on a non-discriminatory basis, and as may reasonably be required.

TITLE II

REGULATORY COOPERATION

Article 13

Aviation safety

1. The Parties reaffirm the importance of close cooperation in the field of aviation safety. In that context, the Parties shall, as appropriate, engage in further cooperation in relation to accident investigation, regulatory development, the exchange of safety information, the possible participation in each other's oversight activities or conducting joint oversight activities and the development of joint projects and initiatives.

2. Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one Party and still in force shall be recognised as valid by the other Party and its aeronautical authorities for the purpose of operating air services, provided that such certificates or licences were issued or rendered valid pursuant to, and in conformity with, as a minimum, the relevant international standards and recommended practices and procedures for air navigation services established under the Convention.

3. Each Party may request consultations at any time concerning the safety standards and requirements maintained and administered by the other Party in areas relating to aeronautical facilities, flight crew, aircraft and the operation of aircraft. Such consultations shall take place within 30 days of the request.

4. If, following such consultations, the requesting Party finds that the other Party does not effectively maintain and administer safety standards and requirements in the areas referred to in paragraph 3 that, unless otherwise decided, are at least equal to the minimum standards established pursuant to the Convention, the other Party shall be notified of such findings.

The other Party shall submit a corrective action plan within 30 days which will include a timeline for implementation. The corrective action plan and the corresponding timeline shall be agreed by the Parties before being implemented.

Failure by the other Party to take appropriate corrective action within a reasonable period of time shall constitute grounds for the requesting Party to refuse, revoke, suspend, impose conditions on or limit the operating authorisations or technical permissions or to otherwise refuse, revoke, suspend, impose conditions on or limit the operations of an air carrier which is under the safety oversight of the other Party.

5. Each Party accepts that any aircraft operated by, or on behalf of, an air carrier of a Party may, while within the territory of the other Party, be the subject of a ramp inspection by the competent authorities of the other Party to verify the validity of the relevant aircraft documents and those of its crew members and the apparent condition of the aircraft and its equipment, provided that such examination does not cause an unreasonable delay in the operation of the aircraft.

6. If a Party, after carrying out a ramp inspection, finds that an aircraft or the operation of an aircraft does not comply with the minimum standards and procedures for air navigation services established pursuant to the Convention, that Party shall notify the aircraft operator of such lack of compliance while requesting corrective action as deemed appropriate. Whenever appropriate, the competent authorities of the other Party that are responsible for the safety oversight of the air carrier operating the aircraft may be requested to give their acceptance of the corrective action taken by the aircraft operator. Notwithstanding this, each Party will allow access to the results of ramp inspections performed on aircraft operators which are under the safety oversight of the other Party.

7. Each Party shall have the right to take immediate action including the right to revoke, suspend or limit the operating authorisations or technical permissions or to otherwise suspend or limit the operations of an air carrier of the other Party, if it concludes that it is necessary in view of an immediate threat to aviation safety. The Party taking such measures shall promptly inform the other Party, providing reasons for its action.

8. Any action by a Party in accordance with paragraph 4, 6 or 7 shall be necessary and proportionate to address a safety finding and shall be discontinued once the basis for the taking of that action ceases to exist.

Article 14

Aviation security

1. The Parties underline their commitment to achieve the highest levels of aviation security standards and may, as appropriate, engage in further dialogue and cooperation in this field.

2. The Parties reaffirm their obligations to each other to provide for the security of civil aviation against acts of unlawful interference, and in particular their obligations under the Convention, the Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16 December 1970, the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971, the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, signed at Montreal on 24 February 1988 and the Convention on the marking of plastic explosives for purpose of detection signed at Montreal on 1 March 1991, insofar as the Parties are parties to these conventions, as well as all other conventions and protocols relating to civil aviation security to which the Parties are parties.

3. The Parties shall provide upon request all necessary assistance to each other to address any threat to the security of civil aviation, including the prevention of acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, of their passengers and crew, airports and air navigation facilities, and any other threat to the security of civil aviation.

4. The Parties shall, in their mutual relations, act in conformity with the international aviation security standards and appropriate recommended practices established by the ICAO. They shall require that operators of aircraft of their registries, operators of aircraft who have their principal place of business or permanent residence in their territory, and the operators of airports in their territory, act, at least, in conformity with such aviation security provisions.

5. Each Party shall ensure that effective measures are taken within its territory to protect civil aviation against acts of unlawful interference, including, but not limited to, screening of passengers and their cabin baggage, screening of hold baggage, screening and security controls for persons other than passengers, including crew, and their items carried, screening and security controls for cargo, mail, in-flight and airport supplies, and access control to airside and security restricted areas. Those measures shall be adjusted to meet increases in the threat to the security of civil aviation. Each Party agrees that the security provisions required by the other Party relating to the admission to, operating within, or departure from its territory of aircraft must be observed.

6. With full regard and mutual respect for each other's sovereignty, a Party may adopt security measures for entry into its territory, as well as emergency measures, in order to meet a specific security threat, which should be communicated to the other Party without delay. Each Party shall give positive consideration to any request from the other Party for reasonable special security measures, and the first Party shall take into account the security measures already applied by the other Party and any views that the other Party may offer as well as the possible adverse effects on air transport between the Parties. Except where not reasonably possible in case of emergency, each Party will inform the other Party in advance of any special security measures it intends to introduce which could have a significant financial or operational impact on the air transport services provided under this Agreement. Either Party may request a meeting of the Joint Committee, on an urgent basis if appropriate, to discuss such security measures, as provided for in Article 22.

7. Each Party recognises, however, that nothing in this Article limits the ability of a Party to refuse entry into its territory of any flight or flights that it deems to present a threat to its security.

8. When an incident or threat of an incident of unlawful seizure of civil aircraft or other unlawful acts against the safety of aircraft, passengers, crew, airports or air navigation facilities occurs, the Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat.

9. Each Party shall take all measures it finds practicable to ensure that an aircraft subjected to an act of unlawful seizure or other acts of unlawful interference which is on the ground in its territory is detained on the ground unless its departure is necessitated by the overriding duty to protect human life. Where practicable, such measures shall be taken on the basis of mutual consultations.

10. When a Party has reasonable grounds to believe that the other Party has departed from the provisions of this Article, that Party may request immediate consultations with the other Party. Such consultations shall start within 30 days of the date of receipt of such a request or such longer period as may be agreed. Failure to reach a satisfactory agreement within 30 days of the starting date of such consultations, or a longer period as may be agreed, shall constitute grounds for the Party that requested the consultations to take action to refuse, revoke, suspend, impose conditions on or limit the operating authorisation and technical permissions of an air carrier of the other Party to ensure compliance with the provisions of this Article. When required by an emergency, or to prevent further non-compliance with the provisions of this Article, a Party may take immediate interim action.

11. Any action taken in accordance with this Article shall be necessary and proportionate to address a security threat and shall be discontinued upon compliance by the other Party with the provisions of this Article or when such action is no longer necessary.

Article 15

Air traffic management

1. The Parties shall cooperate on regulatory matters concerning air navigation services, including the oversight of such services. They shall address any policy issues relating to the performance of air traffic management, with a view to optimising overall flight efficiency, reducing costs, minimising environmental impact and enhancing the safety and capacity of the systems.

2. The Parties shall encourage their competent authorities and air navigation service providers to cooperate on interoperability issues to further integrate both Parties' systems where possible, to reduce the environmental impact of aviation, and to share information where appropriate.

3. The Parties shall promote cooperation between their air navigation service providers in order to exchange flight data and coordinate traffic flows to optimise flight efficiency, with a view to improving the use of resources and achieving predictability, punctuality and service continuity.

4. The Parties agree to cooperate on modernisation programmes, including development, deployment and best practices for economic efficiency, air traffic management and relevant aerodrome aspects, and to encourage cross-participation in validation and demonstration activities.

Article 16

Environment

1. The Parties support the need to protect the environment by promoting the sustainable development of aviation. The Parties intend to work together to identify issues related to the impacts of aviation on the environment.

2. The Parties recognise the importance of working together, to consider and minimise the effects of aviation on the environment in a manner consistent with the objectives of this Agreement.

3. The Parties recognise the importance of addressing climate change and therefore of limiting or reducing greenhouse gas (GHG) emissions associated with domestic and international air transport. They agree to cooperate on these matters, with a view to developing and implementing instruments, including implementing rules for the development of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) and any other aspect of particular relevance to address GHG emissions in the aviation sector.

4. The Parties undertake to exchange information and have regular dialogue among experts to enhance cooperation on addressing aviation environmental impacts including:

- (a) on research and development with regard to environmentally friendly aviation technology;
- (b) in air traffic management innovation with a view to reducing the environmental impacts of aviation;
- (c) on research and development of sustainable alternative fuels for aviation;
- (d) on issues dealing with the environmental effects of aviation and mitigation of climate-related emissions of aviation; and
- (e) in noise mitigation and monitoring, with a view to reducing the environmental impacts of aviation.

5. The Parties shall also, in compliance with their multilateral environmental rights and obligations, enhance cooperation, including financial and technological, in relation to measures aimed at addressing greenhouse gas emissions from international aviation.

6. The Parties recognise the need to take appropriate measures to prevent or otherwise address the environmental impacts of air transport provided that such measures are fully consistent with their rights and obligations under international law.

Article 17

Air carrier liability

The Parties reaffirm their obligations under the Convention for the Unification of Certain Rules for International Carriage by Air, done at Montreal on 28 May 1999 (the Montreal Convention).

Article 18

Consumer protection

The Parties shall cooperate to protect the interests of consumers in air transport. The objective of this cooperation shall be to achieve a high level of consumer protection. To this end, the Parties shall consult each other in the Joint Committee on matters of consumer interest, including their planned measures, with a view to achieving increased regulatory convergence and compatibility to the extent possible.

Article 19

Computerised reservation systems

1. Computerised reservation system ("CRS") vendors operating in the territory of one Party shall be entitled to bring in, maintain and make freely available their CRSs to travel agencies or travel companies whose principal business is the distribution of travel-related products in the territory of the other Party provided that the CRS complies with any relevant regulatory requirements of the other Party.

2. The Parties shall annul any existing requirement, which could restrict free access by one Party's CRSs to the other Party's market or otherwise limit competition. The Parties shall refrain from adopting such requirements in the future.

3. Neither Party shall, in its territory, impose or permit to be imposed on the CRS vendors of the other Party requirements with respect to CRS displays different from those imposed on its own CRS vendors or any other CRS operating on its market. Neither Party shall prevent the conclusion of agreements between CRS vendors, their providers and their subscribers related to the exchange of travel services information which facilitate the display of comprehensive and unbiased information to consumers, or the fulfilment of regulatory requirements on neutral displays.

4. Owners and operators of CRSs of one Party that comply with the relevant regulatory requirements of the other Party, if any, shall have the same opportunity to own CRSs within the territory of the other Party as do the owners and operators of any other CRS operating in the market of that Party.

Article 20

Social aspects

1. The Parties recognise the importance of considering the effects of this Agreement on labour, employment and working conditions. The Parties agree to cooperate on labour matters within the scope of this Agreement, inter alia, in relation to impacts on employment, fundamental rights at work, working conditions, social protection and social dialogue.

2. The Parties recognise the right of each Party to establish its own level of domestic labour protection as it deems appropriate, and to adopt or modify accordingly its relevant laws and policies, in a manner consistent with its international obligations. The Parties shall ensure that the rights and principles contained in their respective laws and regulations are not undermined but effectively enforced.

3. Each Party shall continue to improve those laws and policies in a manner consistent with its international obligations, and shall strive towards providing and encouraging high levels of labour protection in the aviation sector. The Parties recognise that the violation of fundamental principles and rights at work cannot be invoked or otherwise used as a legitimate comparative advantage and that labour standards should not be used for protectionist purposes.

4. The Parties reaffirm their commitment, in accordance with their obligations deriving from their membership of the International Labour Organization (ILO) and the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up, adopted by the International Labour Conference at its 86th Session in 1998, to respect, promote and effectively implement and apply the Fundamental Rights and Principles at Work.

5. The Parties shall promote the objectives included in the ILO Decent Work Agenda and the ILO Declaration on Social Justice for a Fair Globalization of 2008 adopted by the International Labour Conference at its 97th Session.

6. Each Party undertakes to make best endeavours towards ratifying, if it has not yet done so, the fundamental ILO conventions. The Parties will also consider the ratification of other ILO conventions and consequently the effective implementation of corresponding international standards in the labour and social domain of relevance for the civil aviation sector, taking into account domestic circumstances.

7. Either Party may request a meeting of the Joint Committee to address labour issues that the requesting Party identifies as significant.

TITLE III

INSTITUTIONAL AND FINAL PROVISIONS

*Article 21***Interpretation and implementation**

1. The rights laid down in this Agreement are granted by the Parties to one another. Any reference in this Agreement to rights granted to the air carriers of a Party shall be construed only as a reference to rights granted to that Party. Nothing in this Agreement shall be construed as intended to confer rights or to impose obligations which can be directly invoked by nationals of one Party before the courts or tribunals of the other Party.
2. The Parties shall take all appropriate measures, whether general or particular, to ensure fulfilment of the obligations arising out of this Agreement.
3. In exercising their rights under this Agreement, the Parties shall take measures which are appropriate and proportionate to the objectives of those measures.
4. The Parties shall refrain from any measures which would jeopardise the attainment of the objectives of this Agreement.
5. Each Party shall be responsible, in its own territory, for the proper enforcement of this Agreement.
6. Where either Party has concerns about possible infringement of this Agreement, it may request information and assistance from the other Party. Upon receipt of such request, the other Party shall provide all necessary information and assistance, subject to its applicable laws and regulations.
7. This Agreement shall not preclude consultations and discussions between competent authorities of the Parties outside the Joint Committee, including in the fields of air transport development, security, safety, environment, social policy, air traffic management, aviation infrastructure, competition matters and consumer protection. The Parties shall inform the Joint Committee of the outcome of such consultations and discussions which may have an impact on the interpretation or application of this Agreement.
8. Where reference is made in this Agreement to cooperation between the Parties, including but not limited to the fields of commercial opportunities, security, safety, environment, air traffic management and consumer protection, the Parties shall endeavour to find common ground for joint action to further develop this Agreement and/or improve its functioning in the areas concerned, on the basis of mutual consent.

*Article 22***Joint Committee**

1. A Joint Committee composed of representatives of the Parties shall be responsible for overseeing the administration of this Agreement and ensure its proper implementation.
2. The Joint Committee shall adopt its rules of procedure.
3. The Joint Committee shall meet as and when necessary and at least once a year. Any Party may at any time request the convening of a meeting of the Joint Committee. Such a meeting shall begin at the earliest possible date, and not later than two months from the date of receipt of the request, unless otherwise agreed by the Parties.
4. For the purpose of the proper implementation of this Agreement, the Joint Committee shall:
 - (a) exchange information, including on changes to laws, regulations and policies of the Parties which may affect air services and statistical information related to air transport;
 - (b) make recommendations and take decisions where expressly provided for in this Agreement;

- (c) develop cooperation, including on regulatory matters;
 - (d) hold consultations on any questions relating to the application or interpretation of this Agreement, as well as, where appropriate, on air transport issues dealt with in international organisations, in relations with third countries and in multilateral arrangements, including consideration of whether to adopt a joint approach;
 - (e) consider potential areas for further development of this Agreement, including the recommendation of amendments to this Agreement for accession of third countries to this Agreement.
5. Recommendations and decisions of the Joint Committee shall be adopted by consensus between the Parties. Decisions taken by the Joint Committee shall be binding on the Parties.

Article 23

Dispute resolution and arbitration

1. Without prejudice to Article 4, any dispute relating to the application or interpretation of this Agreement may be referred by the Parties to the dispute settlement mechanism provided for in this Article.
2. Without prejudice to any previous consultations between the Parties under this Agreement, where a Party wishes to have recourse to the dispute settlement mechanism provided for in this Article, it shall notify the other Party in writing of its intention and request a meeting of the Joint Committee for consultations.
3. If the Joint Committee meeting is not held within two months of the receipt of the request referred to in paragraph 2 or by the date agreed by the Parties, or, if the dispute is not resolved by the Joint Committee within six months of the said request, the dispute may be referred to a person or body for decision by agreement of the Parties. If the Parties cannot reach mutual agreement to refer the dispute to a person or body for decision, the dispute shall, at the request of any of the Parties, be submitted to arbitration.
4. Notwithstanding paragraph 2, if a Party has taken action to refuse, revoke, suspend, impose conditions on or limit the operating authorisation or technical permissions of an air carrier of the other Party, the dispute may be immediately referred to a person or body for decision, or submitted to arbitration.
5. The request for arbitration shall be made in writing by a Party ("initiating party") to the other Party ("responding party"). In its request, the initiating party shall present the questions to be resolved, describe the measure at issue, and explain the reasons why it considers such measure to be inconsistent with the provisions of this Agreement.
6. Unless the initiating party and the responding party otherwise agree, arbitration shall be by a tribunal of three arbitrators to be constituted as follows:
- (a) within 60 days after the receipt of a request for arbitration, the initiating party and the responding party shall each appoint one arbitrator. Within 30 days after these two arbitrators have been appointed, the initiating party and responding party shall by agreement appoint a third arbitrator, who shall act as President of the tribunal;
 - (b) if the initiating party or the responding party fails to appoint an arbitrator, or if the third arbitrator is not appointed in accordance with point (a), either the initiating party or the responding party may request the President of the ICAO Council to appoint the necessary arbitrator or arbitrators within 30 days of receipt of that request. If the President of the ICAO Council is a national of either Qatar or an EU Member State, the most senior Vice President of the ICAO Council who is not a national of neither Qatar nor an EU Member State shall be requested to make the appointment.
7. The date of establishment of the tribunal shall be the date on which the last of the three arbitrators accepts the appointment.

8. The proceedings shall be conducted in accordance with the rules of procedure to be adopted by the Joint Committee at the earliest possible occasion subject to the provisions of this Article and in accordance with point (b) of Article 22(4) and Article 22(5). Until the Joint Committee has adopted the rules of procedure, the tribunal shall establish its own procedural rules.

9. At the request of the initiating party, the tribunal may, pending its final ruling, authorise the initiating party to adopt interim relief measures or ask the responding party to adopt interim relief measures.

10. The tribunal shall issue an interim report to the initiating party and the responding party setting out the findings of fact, the applicability of relevant provisions and the basic rationale behind any findings and recommendations that it makes, not later than 90 days after the date of its establishment. Where it considers that this deadline cannot be met, the President of the tribunal shall notify the initiating party and the responding party in writing, stating the reasons for the delay and the date on which the tribunal plans to issue its interim report. Under no circumstances shall the tribunal issue the interim report later than 120 days after the date of its establishment.

11. The initiating party or the responding party may submit a written request to the tribunal to review specific aspects of the interim report within 14 days of its issuance. After considering any written comments by the initiating party and the responding party on the interim report, the tribunal may modify its report and make any further examination it considers appropriate. The findings of the tribunal's final ruling shall include a sufficient discussion of the arguments made at the interim review stage, and shall clearly answer the questions and observations of the initiating party and the responding party.

12. The tribunal shall issue its final ruling to the initiating party and the responding party within 120 days of the date of its establishment. Where it considers that that deadline cannot be met, the President of the tribunal shall notify the initiating party and the responding party in writing, stating the reasons for the delay and the date on which the tribunal plans to issue its ruling. Under no circumstances shall the tribunal issue its ruling later than 150 days after the date of its establishment.

13. If a Party has taken action to refuse, revoke, suspend, impose conditions on or limit the operating authorisation or technical permissions of an air carrier of the other Party, or, upon request by the initiating party or responding party, if the tribunal rules that the case is urgent, the respective timelines stated in paragraphs 10, 11 and 12 shall be halved.

14. The initiating party and the responding party may submit requests for clarification of the tribunal's final ruling within 10 days of its issuance and any clarification given shall be issued within 15 days of such request.

15. If the tribunal determines that there has been a violation of this Agreement and the responsible Party does not comply with the tribunal's final ruling, or does not reach agreement with the other Party on a mutually satisfactory resolution within 60 days after the issuance of the tribunal's final ruling, the other Party may suspend the application of comparable benefits arising under this Agreement until such time as the responsible Party complies with the tribunal's final ruling or the initiating party and responding party have reached agreement on a mutually satisfactory resolution.

16. Each Party shall bear the costs of the arbitrator appointed by it. The other costs of the tribunal shall be shared equally between the Parties.

Article 24

Relationship to other agreements

1. This Agreement shall suspend earlier agreements and arrangements on the same subject matter between the Parties subject to paragraphs 2 and 7 unless this Agreement is terminated.

2. Provisions in an earlier air services agreement or arrangement between an EU Member State and Qatar concerning the issues covered under Articles 2, 3, 8, and 11 of this Agreement shall continue to apply as a matter of this Agreement where they are more favourable and/or flexible for the air carriers concerned. All rights and benefits enjoyed by the air carriers of the EU Member State concerned in accordance with those provisions shall accrue to all carriers of the Union.

3. For the purposes of paragraph 2, any dispute between the Parties as to whether the provisions or treatments under earlier agreements or arrangements between the Parties are more favourable and/or flexible shall be settled in the framework of the dispute settlement mechanism provided in Article 23.

4. Any additional traffic rights that might be granted to an EU Member State by Qatar, or vice versa, after the date of entry into force of this Agreement, shall be subject to this Agreement and shall not discriminate between air carriers of the Union. These arrangements shall be notified to the Joint Committee forthwith.

5. The Joint Committee shall draw up and keep up to date an informative list of the provisions and arrangements on traffic rights referred to in paragraphs 2 and 4.

6. If the Parties become parties to a multilateral agreement, or endorse a decision adopted by the ICAO in the field of air transport, that addresses matters covered by this Agreement, they shall consult in the Joint Committee to determine whether this Agreement should be revised to take into account such developments.

7. Nothing in this Agreement shall affect the validity and application of existing and future agreements between the EU Member States and Qatar as regards territories under their respective sovereignty which are not encompassed within the definition of "territory" in Article 1 of this Agreement.

Article 25

Amendments

Any amendment to this Agreement may be agreed by the Parties pursuant to consultations held in accordance with Article 22. Amendments shall come into force in accordance with the terms set out in Article 29.

Article 26

Accession by new Member States of the Union

1. This Agreement shall be open for accession by States which have become EU Member States after the date of signature of this Agreement.

2. In such a case, the accession of that Member State of the Union to this Agreement shall be effected by the deposit of an instrument of accession with the Secretary-General of the Council of the European Union, who shall notify Qatar of the deposit of the instrument of accession and the date thereof. The accession of that Member State of the Union shall take effect as from the 30th day following the date of the deposit of the instrument of accession.

3. Article 24(1), (2), (3) and (7) of this Agreement shall apply *mutatis mutandis* to existing agreements and arrangements which are in place at the time of accession of an EU Member State to the Agreement.

Article 27

Termination

Either Party may, at any time, give notice in writing, through diplomatic channels, to the other Party of its decision to terminate this Agreement. Such notice shall be sent simultaneously to the ICAO and to the United Nations Secretariat. This Agreement shall terminate at midnight GMT at the end of the International Air Transport Association (IATA) traffic season in effect one year following the date of written notice of termination, unless the notice is withdrawn by agreement of the Parties before the end of this period.

*Article 28***Registration of the Agreement**

This Agreement and any amendments thereto shall be registered with the ICAO, in accordance with Article 83 of the Convention, and with the United Nations Secretariat, in accordance with Article 102 of the Charter of the United Nations.

*Article 29***Entry into force, provisional application and depositary**

1. This Agreement shall enter into force on the first day of the second month following that in which the Parties have notified each other of the completion of their respective internal procedures necessary for the entry into force of this Agreement.
2. For the purposes of paragraph 1, Qatar shall deliver its notification to the Secretary-General of the Council of the European Union, and the Secretary-General of the Council of the European Union shall deliver to Qatar the notification from the Union and the Members States, through diplomatic channels.
3. Notwithstanding paragraph 1, the Parties shall provisionally apply this Agreement in accordance with their internal procedures and/or domestic legislation, as applicable, from the date of signature of this Agreement.
4. The Secretary-General of the Council of the European Union shall act as the depositary of this Agreement.

*Article 30***Authentic texts**

This Agreement shall be drawn up in duplicate in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, Swedish and Arabic languages, each text being equally authentic.

In the event of any divergence between language versions, the Joint Committee shall decide on the language of the text to be used.

IN WITNESS WHEREOF the undersigned Plenipotentiaries, duly authorised to this effect, have signed this Agreement.

Съставено в Люксембург на осемнадесети октомври две хиляди двадесет и първа година.

Hecho en Luxemburgo, el dieciocho de octubre de dos mil veintiuno.

V Lucemburku dne osmnáctého října dva tisíce dvacet jedna.

Udfærdiget i Luxembourg den attende oktober to tusind og enogtyve.

Geschehen zu Luxemburg am achtzehnten Oktober zweitausendeinundzwanzig.

Kahe tuhante kahekümne esimese aasta oktoobrikuu kaheksateistkümnendal päeval Luxembourgis.

Έγινε στο Λουξεμβούργο, στις δέκα οκτώ Οκτωβρίου δύο χιλιάδες είκοσι ένα.

Done at Luxembourg on the eighteenth day of October in the year two thousand and twenty one.

Fait à Luxembourg, le dix-huit octobre deux mille vingt et un.

Arna dhéanamh i Lucsamburg, an t-ochtú lá déag de Dheireadh Fómhair an bhliain dhá mhíle fiche agus haon.

Sastavljeno u Luxembourggu osamnaestog listopada godine dvije tisuće dvadeset prve.

Fatto a Lussemburgo, addì diciotto ottobre duemilaventuno.

Luksemburgā, divi tūkstoši divdesmit pirmā gada astoņpadsmitajā oktobrī.

Priimta du tūkstančiai dvidešimt pirmų metų spalio aštuonioliktą dieną Liuksemburge.

Kelt Luxembourgban, a kétézer-huszonegyedik év október havának tizennyolcadik napján.

Magħmul fil-Lussemburgu, fit-tmintax-il jum ta' Ottubru fis-sena elfejn u wiehed u ghoxrin.

Gedaan te Luxemburg, achttien oktober tweeduizend eenentwintig.

Sporządzono w Luksemburgu dnia osiemnastego października roku dwa tysiące dwudziestego pierwszego.

Feito em Luxemburgo, em dezoito de outubro de dois mil e vinte e um.

Întocmit la Luxemburg la optsprezece octombrie două mii douăzeci și unu.

V Luxemburgu osemnásteho oktobra dvetisícdvadsaťjeden.

V Luxembourggu, dne osemnajstega oktobra leta dva tisoč enaindvajset.

Tehty Luxemburgissa kahdeksantentoista päivänä lokakuuta vuonna kaksituhattakaksikymmentäyksi.

Som skedde i Luxemburg den artonde oktober år tjugohundratjugoett.

حُرِّرت في لوكسمبورغ في اليوم الثامن عشر من أكتوبر من سنة ألفين وإحدى عشرين

Voor het Koninkrijk België
Pour le Royaume de Belgique
Für das Königreich Belgien



Deze handtekening verbindt eveneens het Vlaamse Gewest, het Waalse Gewest en het Brussels Hoofdstedelijk Gewest.

Cette signature engage également la Région wallonne, la Région flamande et la Région de Bruxelles-Capitale.

Diese Unterschrift bindet zugleich die Wallonische Region, die Flämische Region und die Region Brüssel-Hauptstadt.

За Република България



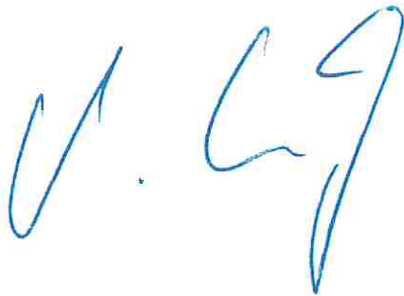
Za Českou republiku



For Kongeriget Danmark



Für die Bundesrepublik Deutschland



Eesti Vabariigi nimel



Thar ceann na hÉireann
For Ireland



Για την Ελληνική Δημοκρατία

Por el Reino de España

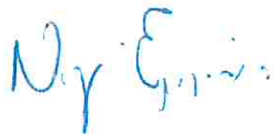
Pour la République française

Za Republiku Hrvatsku

Per la Repubblica italiana



Για την Κυπριακή Δημοκρατία



Latvijas Republikas vārdā –



Lietuvos Respublikos vardu



Pour le Grand-Duché de Luxembourg

A handwritten signature in blue ink, appearing to be 'W. L.' with a stylized flourish.

Magyarország részéről

A handwritten signature in blue ink, appearing to be 'Stelbentus O'.

Għar-Repubblika ta' Malta

A handwritten signature in blue ink, appearing to be 'Karlene K.' with a long, wavy flourish.

Voor het Koninkrijk der Nederlanden

A handwritten signature in blue ink, appearing to be 'W. Spaak'.

Für die Republik Österreich

Nikolaus Janschitsch

W imieniu Rzeczypospolitej Polskiej

Andrzej Sado

Pela República Portuguesa

Nuno Brito

Pentru România

Loobhercu

Za Republiko Slovenijo

Za Slovenskú republiku

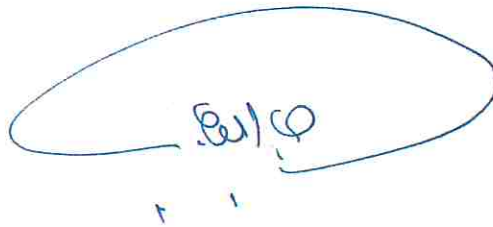
Suomen tasavallan puolesta
För Republiken Finland

För Konungariket Sverige

За Европейския съюз
Por la Unión Europea
Za Evropskou unii
For Den Europæiske Union
Für die Europäische Union
Euroopa Liidu nimel
Για την Ευρωπαϊκή Ένωση
For the European Union
Pour l'Union européenne
Thar ceann an Aontais Eorpaigh
Za Europsku uniju
Per l'Unione europea
Eiropas Savienības vārdā –
Europos Sąjungos vardu
Az Európai Unió részéről
Għall-Unjoni Ewropea
Voor de Europese Unie
W imieniu Unii Europejskiej
Pela União Europeia
Pentru Uniunea Europeană
Za Európsku úniu
Za Evropsko unijo
Euroopan unionin puolesta
För Europeiska unionen



عن دولة قطر



ANNEX 1

TRANSITIONAL PROVISIONS

1. Notwithstanding Article 2 (2) of this Agreement, the exercise of third and fourth freedom traffic rights for passenger, combination and all-cargo services and of fifth freedom traffic rights for all-cargo services on the specified routes shall be subject to the transitional provisions of this Annex.
2. Third and fourth freedom traffic rights between points in Qatar and points in Belgium, Germany, France, Italy and the Netherlands shall be gradually liberalised in accordance with paragraphs 4 to 8.
3. The fifth freedom traffic rights for all-cargo services shall be gradually increased in accordance with paragraph 9 to reach the agreed frequency entitlement of seven weekly frequencies at the end of the transitional period.
4. For services to/from the EU Member States referred to in paragraph 2, air carriers of the Parties shall be entitled, from the date of signature of this Agreement, to exercise third and fourth freedom traffic rights according to the weekly frequency entitlements referred to as "Baseline" in the tables in paragraphs 7 and 8, and the routes pertaining to them.
5. The frequency entitlements for services to/from the EU Member States referred to in paragraph 2 shall be subject to the steps provided for in the tables in paragraphs 7 and 8. Step 1 shall take effect on the first day of the IATA Winter Season 2020/2021 with subsequent steps (Steps 2 to 5) on the respective first day of the IATA Winter Seasons 2021/2022, 2022/2023, 2023/2024 and 2024/2025.
6. From the first day of the IATA Winter Season 2024/2025 onwards (Step 5), the air carriers of each Party shall be entitled to exercise the third and fourth freedom traffic rights granted in point (c) of Article 2(2) of this Agreement without route, capacity and/or frequency limitations between points in Qatar and points in all EU Member States.
7. For passenger and combination third and fourth freedom services, the air carriers of the Parties shall be entitled to operate the following number of weekly frequencies:

(a) Between points in Qatar and points in Belgium and vice versa

Routes	Baseline	Step 1	Step 2	Step 3	Step 4	Step 5
To/from all points	14	19	24	29	34	Unrestricted

(b) Between points in Qatar and points in Germany and vice versa

Routes	Baseline	Step 1	Step 2	Step 3	Step 4	Step 5
To/from all points in Qatar and Frankfurt	14	18	21	24	28	Unrestricted
To/from all points in Qatar and Munich	14	18	21	24	28	Unrestricted
To/from each of all other points	7	11	14	17	21	Unrestricted

(c) Between points in Qatar and points in France and vice versa

Routes	Baseline	Step 1	Step 2	Step 3	Step 4	Step 5
To/from all points in Qatar and Paris	21	24	27	30	33	Unrestricted
To/from all points in Qatar and Nice	7	10	14	17	21	Unrestricted
To/from all points in Qatar and Lyon	7	10	14	17	21	Unrestricted
To/from each of all other points	7	10	14	17	21	Unrestricted

(d) Between points in Qatar and points in Italy and vice versa

Routes	Baseline	Step 1	Step 2	Step 3	Step 4	Step 5
To/from all points	81	84	84	89	92	Unrestricted

(e) Between points in Qatar and points in the Netherlands and vice versa

Routes	Baseline	Step 1	Step 2	Step 3	Step 4	Step 5
To/from all points in Qatar and Amsterdam	10	12	14	14	17	Unrestricted
To/from each of all other points	7	7	14	17	21	Unrestricted

8. For all-cargo third and fourth freedom services, the air carriers of the Parties shall be entitled to operate the following number of weekly frequencies:

(a) Between points in Qatar and points in Belgium and vice versa

Routes	Baseline	Step 1	Step 2	Step 3	Step 4	Step 5
To/from all points	35	39	42	45	49	Unrestricted

(b) Between points in Qatar and points in Germany and vice versa

Routes	Baseline	Step 1	Step 2	Step 3	Step 4	Step 5
To/from all points	10	14	14	17	21	Unrestricted

(c) Between points in Qatar and points in France and vice versa

Routes	Baseline	Step 1	Step 2	Step 3	Step 4	Step 5
To/from all points	7	10	14	17	21	Unrestricted

(d) Between points in Qatar and points in Italy and vice versa

Routes	Baseline	Step 1	Step 2	Step 3	Step 4	Step 5
To/from all points	19	21	21	24	28	Unrestricted

(e) Between points in Qatar and points in the Netherlands and vice versa

Routes	Baseline	Step 1	Step 2	Step 3	Step 4	Step 5
To/from all points	10	14	14	17	21	Unrestricted

9. For all-cargo fifth freedom services, the air carriers of the Parties shall be entitled, from the date of signature of this Agreement, to operate the rights specified in point (c) of Article 2(2) of this Agreement on three weekly frequencies ("Baseline") between each EU Member State and Qatar. This frequency entitlement shall be subject to the steps provided for in the table below, to reach a final frequency entitlement of seven weekly frequencies in total. Step 1 shall take effect on the first day of the IATA Winter Season 2020/2021 with subsequent steps (Steps 2 to 4) on the respective first day of the IATA Winter Seasons 2021/2022, 2022/2023 and 2023/2024.

Baseline	Step 1	Step 2	Step 3	Step 4
3	4	5	6	7

10. In accordance with Article 24(2) of this Agreement, where fifth freedom traffic rights for all-cargo services granted prior to the signature of the Agreement have a different geographical coverage to that set out in point (c) of Article 2(2) of this Agreement, this geographical coverage can continue to be used instead of the geographical coverage provided for in point (c) of Article 2(2) of this Agreement for those frequency entitlements granted prior to the signature of this Agreement.

ANNEX 2

GEOGRAPHIC APPLICABILITY FOR FIFTH FREEDOM TRAFFIC RIGHTS FOR ALL-CARGO SERVICES

Section 1

The geographical scope for the application of point (c)(i)(B) of Article 2(2) of this Agreement shall encompass all of the North and South American continents and the islands adjacent thereto, Bermuda, some of the islands of the Caribbean Sea, the Hawaiian Islands (including Midway and Palmyra). At the time of signature of this Agreement this includes:

North America

Canada, United States, Mexico

Caribbean Islands and Bermuda

Anguilla, Antigua and Barbuda, Bahamas, Barbados, Bermuda, Cayman Islands, Cuba, Dominica, Dominican Republic, Grenada, Haiti, Jamaica, Montserrat, St. Kitts-Nevis, Saint Lucia, St. Vincent and the Grenadines, Trinidad and Tobago, Turks and Caicos Islands, Virgin Islands (British)

Central America

Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama

South America

Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Guyana, Paraguay, Peru, Suriname, Uruguay, Venezuela

Section 2

The geographical scope for the application of point (c)(ii)(B) of Article 2(2) of this Agreement shall encompass all of Asia lying east of and including Iran, and the islands adjacent thereto, Australia, New Zealand and the islands adjacent thereto, and some of the islands of the Pacific Ocean. At the time of signature of this Agreement this includes:

South Asia

Afghanistan, Bangladesh, Bhutan, India (including Andaman Islands), Maldives, Nepal, Pakistan, Sri Lanka

Central Asia

Kazakhstan, Kyrgyzstan, Mongolia, Russia, Tajikistan, Turkmenistan, Uzbekistan

East Asia

China, Hong Kong SAR, Japan, North Korea, South Korea, Macau SAR, Taiwan

South East Asia

Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar/Burma, Papua New Guinea, Philippines, Singapore, Thailand, Vietnam

Asia Pacific

American Samoa, Australia, Christmas Island, Cocos (Keeling) Islands, Cook Islands, Fiji, Guam, Kiribati, Marshall Islands, Micronesia, Nauru, New Zealand, Niue, Norfolk Island, Northern Mariana Islands, Palau, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu Islands
