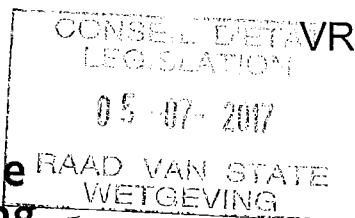




Vlaamse
Regering



VR 2017 1606 DOC.0595/45

61810/3.

**Voorontwerp van decreet houdende instemming met de
overeenkomst tussen de Regering van het Koninkrijk België
en de Regering van de Arabische Republiek Egypte
betreffende het luchtvervoer, ondertekend te _____ op
_____.**

DE VLAAMSE REGERING,

Op voorstel van de Vlaamse minister van Buitenlands Beleid en Onroerend Erfgoed
en de Vlaamse minister van Mobiliteit, Openbare Werken, Vlaamse Rand, Toerisme
en Dierenwelzijn;

Na beraadslaging,

BESLUIT:

De Vlaamse minister van Vlaamse minister van Mobiliteit, Openbare Werken,
Vlaamse Rand, Toerisme en Dierenwelzijn is ermee belast, in naam van de Vlaamse
Regering, bij het Vlaams Parlement het ontwerp van decreet in te dienen, waarvan
de tekst volgt:

Artikel 1. Dit decreet regelt een gewestaangelegenheid.

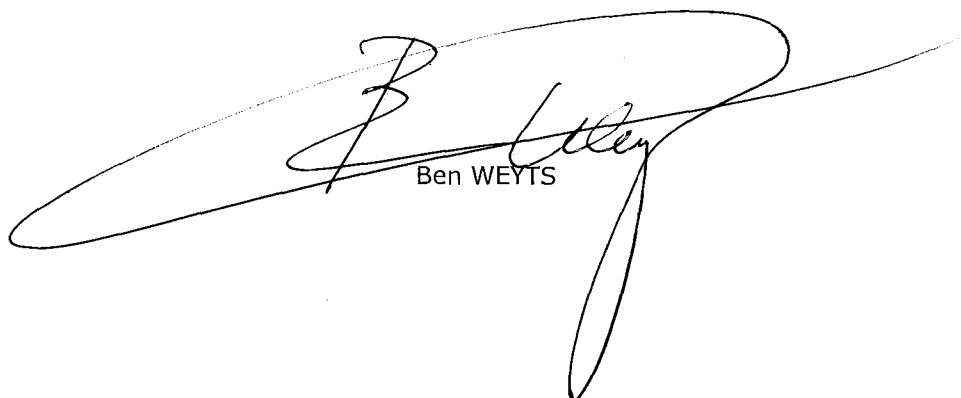
Art. 2. De overeenkomst tussen de Regering van het Koninkrijk België en de Regering van de Arabische Republiek Egypte betreffende het luchtvervoer, ondertekend te _____ op _____, zal volkomen gevolg hebben.

Brussel,

De minister-president van de Vlaamse Regering,
Vlaams minister van Buitenlands Beleid en Onroerend Erfgoed,

Geert BOURGEOIS

De Vlaamse minister van Mobiliteit, Openbare Werken, Vlaamse Rand,
Toerisme en Dierenwelzijn,



Ben WEYTS

**ONTWERP VAN
MEMORIE VAN TOELICHTING**

I. ALGEMENE TOELICHTING

1. Samenvatting

Bilaterale luchtvaartakkoorden omvatten de beginselen van de opsomming van de uitgewisselde vrijheden, de aanwijzing van de luchtvervoerders, de capaciteit van de ingezette vervoersmiddelen, de reizen en landingspunten, de tarievenregeling en de beveiliging van de vluchten.

Dit ontwerp van instemmingsdecreet kadert in de strategische doelstelling "Vlaanderen onderhoudt goede relaties met buitenlandse overheden" uit de beleidsnota Buitenlands Beleid, Internationaal Ondernemen en Ontwikkelingssamenwerking.

2. Situering

Algemeen

Ondanks zijn symboolwaarde van ongebondenheid is het luchtruim staatkundig slechts in dezelfde mate vrij als de zee. In de territoriale nabijheid en boven het grondgebied van een Staat geldt diens recht van soevereiniteit, waarbij er slechts vrije toegang is voor de luchtvaartuigen van de eigen nationaliteit.

Op deze algemene en principiële onvrijheid kunnen uitzonderingen gemaakt worden door expliciete afwijkingen die naar hun voorwerp als de vijf vrijheden van de lucht werden onderscheiden. Deze vrijheden behelzen het recht van overvliegen, het recht van niet-commerciële landing en de rechten van respectievelijk aan en van boord brengen en doorvoeren van commerciële lading nl. passagiers en hun bagage, vracht en post.

De conventie van Chicago van 7 december 1944 kwam tegemoet aan de behoefte aan internationale standaarden en afspraken voor een veilige en ordelijke ontwikkeling van het luchtverkeer. Deze conventie bepaalde onder meer dat er geen geregelde internationale luchtdiensten mogen worden geëxploiteerd over of tot in het grondgebied van één van de verdragsluitende Staten, tenzij met de bijzondere toestemming of vergunning van die Staat. Sindsdien werden er bilaterale luchtvaartakkoorden gesloten om die toestemming te regelen. Het luchtvaartakkoord tussen het Verenigd Koninkrijk en de Verenigde Staten geldt als basismodel. België heeft een 100-tal dergelijke luchtvaartakkoorden afgesloten.

Intussen werden er bevoegdheden op vlak van luchtvaart overgeheveld naar het Europese niveau. De zogenaamde 'open skies' arresten van 2002 van het Hof van Justitie van de Europese Unie veroordeelden onder meer België omdat haar bilaterale luchtvaartakkoorden vier bepalingen bevatten die niet conform het EU-recht waren. De bestaande bilaterale akkoorden dienden dus opnieuw onderhandeld te worden.

Vlaamse bevoegdheden

Deze bilaterale luchtvaartakkoorden bevatten enerzijds bepalingen die betrekking hebben op materies waarvoor de gewesten adviesbevoegdheid hebben: verkeersrechten (art. 6, §3, 6° BWHI) en beveiliging van de luchtvaart (art. 6, §4, 4° BWHI).

Anderzijds zijn er bepalingen die betrekking hebben op gewestelijke bevoegdheden.

Artikel 13 'gebruikersvergoedingen' stelt dat luchthavenvergoedingen niet hoger mogen zijn dan deze voor nationale transportmaatschappijen. Deze materie wordt binnen het Vlaams Gewest door de ministeriële besluiten van respectievelijk 17 december 2003 en 13 maart 2009 geregeld.

Artikel 7 'grondaafhandeling' bevat een verbod op discriminatie. In het Vlaamse Gewest wordt de bevoegdheid tot grondaafhandeling geregeld door het Besluit van de Vlaamse Regering van 17 december 1999 betreffende de toegang tot de grondaafhandelingsmarkt op de Vlaamse regionale luchthavens. Dit besluit is een omzetting van de Europese richtlijn 96/67/EG.

Bovenstaande bepalingen hebben direct of indirect betrekking op de bevoegdheden van de gewesten, in het bijzonder deze vermeld in art. 6, §1, X, 7° BWHI (*'de uitrusting en uitbating van de luchthavens en openbare vliegvelden, met uitzondering van de luchthaven Brussel-Nationaal'*).

3. Inhoud

Het luchtvaartakkoord bestaat uit de tekst van het akkoord zelf – het juridische kader – en een memorandum van overeenstemming (operationeel). Deze akkoorden bestaan grotendeels uit standaardbepalingen van de conventie van Chicago en van de EU.

Het akkoord en zijn uitvoeringsbepalingen voorzien in alle exploitatiemogelijkheden die de luchtvaartmaatschappijen van beide landen wensen, zowel op het gebied van het aantal vluchten per week als op het gebied van de uitgewisselde rechten.

4. Procedureverloop

4.1. Gemengd karakter en ondertekening

Sinds eind 2007 worden de bilaterale luchtvaartakkoorden die onderhandeld worden door ons land aan het eind van de onderhandelingen wel nog geparafeerd op administratief niveau, maar niet langer ondertekend. Het uitblijven daarvan, was het gevolg van uiteenlopende zienswijzen over het karakter van de bilaterale luchtvaartakkoorden (al dan niet gemengd) en de te volgen procedure met het oog op ondertekening.

Tijdens zijn vergadering van 15 februari 2017 stemde de Interministeriële Conferentie Buitenlands Beleid (ICBB) ermee in dat een aantal geparafeerde bilaterale luchtvaartakkoorden namens het Koninkrijk België getekend worden met enkele ondertekening door de federale overheid, met dien verstande dat deze akkoorden, na ondertekening zullen beschouwd worden als gemengde verdragen.

De Werkgroep gemengde verdragen (WGV), adviesorgaan van ICBB, nam op 16 februari 2017 akte van de beslissing van de ICBB om de voorliggende akkoorden als gemengd te beschouwen. Zowel de federale overheid als de gewesten worden respectievelijk bevoegd geacht. De werkgroep besliste dat de ondertekening zal gebeuren volgens formule 5. Dat wil zeggen één ondertekening, door een federale, gewest- of gemeenschapsminister, of een andere gemachtigde, met volmachten van alle betrokken overheden, enkel in naam van het Koninkrijk België en zonder verklaring bij de ondertekening.

4.2. Advies van de Mobiliteitsraad van Vlaanderen

(p.m.)

4.3. Advies van de Raad van State, afdeling Wetgeving

(p.m.)

II. TOELICHTING BIJ DE ARTIKELEN

In artikel 1 worden enkele definities weergegeven.

Artikel 2 betreft de toepasbaarheid van de conventie van Chicago.

Overeenkomstig artikel 3 verlenen de partijen elkaar de volgende rechten voor het uitvoeren van internationale luchtdiensten door de respectieve aangewezen luchtvaartmaatschappijen:

- om zonder te landen over haar grondgebied te vliegen;
- om op haar grondgebied te landen voor andere dan verkeersdoeleinden;
- om op haar grondgebied te landen bij de exploitatie van de routes omschreven in de Bijlage, voor het opnemen en afzetten van passagiers, vracht en post in internationaal vervoer, afzonderlijk of gecombineerd.

Artikel 4 betreft de aanwijzing en de autorisatie voor het exploiteren van diensten. Elke luchtvaartmaatschappij moet beantwoorden aan de voorwaarden vastgelegd in de wetten en regels die normaal toegepast worden door de bevoegde overheid. In bepaalde gevallen kunnen de bevoegde overheden een exploitatievergunning weigeren, intrekken, opschorten of beperken (artikel 5).

De luchtvaartmaatschappijen hebben het recht hun grondaafhandeling te regelen en, samen te werken met andere transportdiensten (artikel 7).

Luchtvaartmaatschappijen moeten de toepasselijke wetten en regels inzake het binnenkomen of verlaten van het grondgebied of inzake de exploitatie en navigatie van luchtvaartuigen naleven (artikel 10).

Gebruikersheffingen op luchthavens, luchthavenvoorzieningen en -diensten moeten kostengerelateerd en niet discriminerend zijn (artikel 13).

Artikel 11 behandelt de bewijzen en vergunningen. Artikelen 12 en 14 betreffen de veiligheid en de beveiliging van de luchtvaart. De partijen beschermen de beveiliging van de burgerluchtvaart tegen wederrechtelijke gedragingen. Deze verplichting maakt integraal deel uit van de overeenkomst.

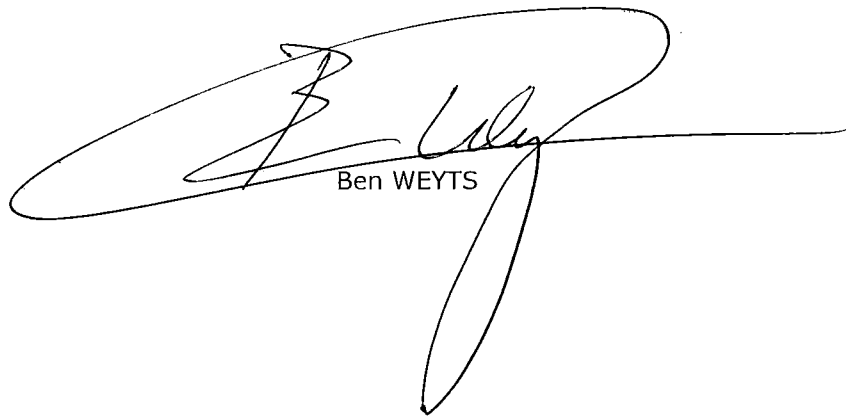
De overige artikelen betreffen de beginselen inzake de exploitatie van overeengekomen diensten (artikel 6), gedeelde codes (artikel 8), douane en accijnzen (artikel 9), het personeel (artikel 15), de verkoop en inkomsten (artikel 16) en de tarieven (artikel 17).

Tot slot bevat de overeenkomst een aantal algemene slotbepalingen inzake de uitwisseling van informatie (artikel 18), onderling overleg (artikel 19), regeling van geschillen (artikel 20), amendementen (artikel 21), registratie van de overeenkomst (artikel 22), beëindiging (artikel 23) en de inwerkingtreding (artikel 24).

De minister-president van de Vlaamse Regering,
Vlaams minister van Buitenlands Beleid en Onroerend Erfgoed,

Geert BOURGEOIS

De Vlaamse minister van Mobiliteit, Openbare Werken, Vlaamse Rand,
Toerisme en Dierenwelzijn,



Ben WEYTS

"Attachment B"
EU Model

AIR SERVICES AGREEMENT
BETWEEN
THE GOVERNMENT OF
THE ARAB REPUBLIC OF EGYPT
AND
THE GOVERNMENT OF
THE KINGDOM OF BELGIUM

The Government of the Arab Republic of Egypt and the Government of the Kingdom of Belgium (hereinafter referred to as "the Contracting Parties");

Being parties to the Convention on International Civil Aviation opened for signature at Chicago, on the seventh day of December, 1944;

Desiring to develop cooperation in the field of air transport and to contribute to the progress of international civil aviation;

Desiring to conclude an air services agreement, in conformity with and supplementary to the said Convention, for the purpose of establishing international air services between and beyond their respective territories;

Desiring to ensure the highest degree of safety and security in international air transport;

Have agreed as follows:

ARTICLE 1
DEFINITIONS

1. For the purpose of this Agreement, unless the context otherwise requires;

- (a) The term "aeronautical authority" means in the case of the Government of the Arab Republic of Egypt, the Minister of Civil Aviation and in the case of the Kingdom of Belgium, The Federal Public Service Mobility and Transport or, in both cases, any other authority or person empowered to perform the functions now exercised by the said authorities;

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- (b) The term "agreed services" means scheduled international air services on the route specified in the Annex to this Agreement for the transport of passengers, baggage, mail and cargo, separately or in combination in accordance with agreed capacity entitlements;
- (c) The term "Agreement" means this Agreement, its Annex drawn up in application thereof, and any amendment to the Agreement or to the Annex;
- (d) The terms "air service" "international air service", "airline" and "stop for non-traffic purposes" have the meanings respectively assigned to them in Article 96 of the Convention;
- (e) The term "Annex" shall mean the route schedules attached to the present Agreement and any clauses or notes appearing in such Annex, and any modification made thereto;
- (f) The term " All cargo air services " means an international air service performed by aircraft on which cargo or mail (with ancillary attendance) is carried separately or in combination , but on which revenue passengers are not carried .
- (g) The term "capacity" means, in relation to an aircraft, the availability of seats and/or cargo of the said aircraft and, in relation to the Agreed Services, it means the capacity of the aircraft used on the said services, multiplied by the number of frequencies operated by the said aircraft during each season on one route or on one sector of a route.
- (h) "the term "EU Member State" means Member States of the European Union;
- (i) the term "nationals, In the case of the Arab Republic of Egypt shall be understood as referring to nationals of the Arab Republic of Egypt; and in case of Belgium" shall be understood as referring to nationals of Member States of the European Union (EU) or the European Free Trade Association (EFTA)".
- (j) The term "EFTA Countries" means Member States of the European Free Trade Association; the Republic of Iceland, the Principality of Liechtenstein, the Kingdom of Norway (being Parties to the Agreement on the European Economic Area), the Swiss Confederation (under the Agreement between the European Community and the Swiss Confederation on Air Transport);
- (k) The term "EU Treaties" shall be understood as referring to the Treaty on

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European Union and the Treaty on the Functioning of the European Union;

- (l) The term "airlines of the Kingdom of Belgium" shall be understood as referring to airlines designated by the Kingdom of Belgium, The term "airlines of the Arab Republic of Egypt" shall be understood as referring to airlines designated by the Arab Republic of Egypt;
- (m) The term "Convention" means the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944 and includes any Annex adopted under Article 90 of that Convention and any amendment of the annexes or of the Convention under Articles 90 and 94 thereof, so far as those Annexes and amendments have been adopted or ratified by both Contracting Parties;
- (n) The term "designated airline" means an airline or airlines that have been designated and authorized in accordance with Article 4 of this Agreement;
- (o) The term "tariffs" means the prices which the designated airlines charge for the transport of passengers, baggage, or cargo and the conditions under which those prices apply, including prices and conditions for agency and other auxiliary services, but excluding remuneration and conditions for carriage of mail;
- (p) The term "territory" in relation to a State has the meaning assigned to it in Article 2 of the Convention;
- (q) The term "user charges" means charges made to airlines by the competent authorities or permitted by them to be made for the provision of airport property or facilities or of air navigation facilities or aviation security facilities or services, including related services and facilities, for aircraft, their crews, passengers and cargo.
- (r) The terms "aircraft equipment", "ground equipment", "aircraft stores", "spare parts" have the meanings respectively assigned to them in Annex 9 of the Convention.

2. The Annex to this Agreement is considered an integral part thereof.

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ARTICLE 2
APPLICABILITY OF CHICAGO CONVENTION

In implementing this Agreement, the Contracting Parties shall act in conformity with the provisions of the Convention insofar as those provisions are applicable to international air services.

ARTICLE 3
GRANT OF RIGHTS

1. Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement to enable its designated airline or airlines to operate air services on the routes specified in the Route Schedule.
2. Subject to the provisions of this Agreement, the airlines designated by each Contracting Party shall enjoy the following rights;
 - a) to fly across the territory of the other Contracting Party without landing;
 - b) to make stops in the territory of the other Contracting Party for non-traffic purposes, and
 - c) to make stops in the territory of the other Contracting Party at points specified in the Annex, for the purpose of taking on board and discharging international traffic passengers, baggage, cargo and mail, separately or in combination, coming from or destined for points in the territory of the other contracting party, on the specified routes while operating an agreed service.
3. The airlines of each Contracting Party, other than those designated under Article 4, shall also enjoy the rights specified in paragraphs 2(a) and 2(b) of this Article.
4. Nothing in this Article shall be deemed to confer on the designated airline or airlines of one Contracting Party the privilege of taking up, in the territory of the other Contracting Party, passengers, baggage cargo and mail carried for remuneration or hire and destined for another point in the territory of that other Contracting Party.
5. If because of armed conflict, political disturbances or developments or special and unusual circumstances a designated airline of one Contracting Party is unable to operate the agreed services on its normal routing, the other Contracting Party shall use its best efforts to facilitate the continued operation of such agreed service through appropriate temporary rearrangements of routes as is mutually decided by the Contracting Parties.

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ARTICLE 4 DESIGNATION AND AUTHORIZATION

- 1- Each Contracting Party shall have the right to designate an airline or airlines for the purpose of operating the agreed services on the specified routes. The notification of such designation shall be made in writing, by the aeronautical authority of the Contracting Party having designated the airline to the aeronautical authority of the other Contracting Party through diplomatic channels.
- 2- Each Contracting Party shall have the right to withdraw, by diplomatic note to the other Contracting Party, the designation of any airline and to designate another one.
- 3- On receipt of such notification the other Contracting Party shall, subject to the provisions of paragraphs (4) and (5) of this Article, without delay grant to the airline or airlines designated the appropriate operating authorizations.
- 4- The designated airline is qualified to meet the conditions prescribed under the laws and regulations normally and reasonably applied to the operation of international air transportation by the Contracting Party considering the application or applications in conformity with the provisions of the Convention.
- 5- Following receipt of a notice of designation by one Contracting Party, the aeronautical authorities of the Other Contracting Party shall, consistent with its laws and regulations, grant the designated airlines the appropriate authorisations to operate the agreed services for which those airlines have been designated, provided that :
 - a) In the case of an airline designated by the Government of the Kingdom of Belgium:
 - I. it is established in the territory of the Kingdom of Belgium under the EU Treaties and has a valid Operating Licence in accordance with European Union law; and
 - II. effective regulatory control of the airline is exercised and maintained by the European Union Member State responsible for issuing its Air Operator's Certificate and the relevant Aeronautical Authority is clearly identified in the designation; and
 - III. The airline is owned, directly or through majority ownership, and it is effectively controlled by Member States of the European Union or the European Free Trade Association and/or by nationals of such states.

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- b) in the case of an airline(s) designated by the Arab Republic of Egypt:
 - I. it is established in the territory of the Arab Republic of Egypt and has a valid Air Operator's Certificate (AOC) and a valid operating license in accordance with the applicable law of the Arab Republic of Egypt; and
 - II. Effective regulatory control of the airline is exercised and maintained by the Arab Republic of Egypt or by its nationals, and
 - III. it is owned, directly or through majority ownership, and it is effectively controlled by the Arab Republic of Egypt, and
 - IV. It has its principal place of business in the Arab Republic of Egypt.
 - c) The designated airline is qualified to meet the conditions prescribed under the laws and national regulations normally applied to the operation of international air services by the Contracting Party considering the application or applications.
- 6- When an airline has been designated and authorized it may begin at any time to operate the agreed services, subject to compliance with the provisions of this Agreement.

ARTICLE 5 REVOCATION, SUSPENSION AND LIMITATION OF RIGHTS

- 1- Either Contracting Party may refuse, revoke, suspend or limit the operating authorization or technical permission of an airline designated by the other Contracting Party, where:
- a) in the case of an airline designated by the Government of the Kingdom of Belgium:
 - I. it is not established in the territory of the Kingdom of Belgium under the EU Treaties or does not have a valid Operating Licence in accordance with European Union law; or
 - II. effective regulatory control of the airline is not exercised or not maintained by the European Union Member State responsible for issuing its Air Operator's Certificate, or the relevant Aeronautical Authority is not clearly identified in the designation; or
 - III. the airline is not owned, directly or through majority ownership, or it is not effectively controlled by Member States of the European Union or the European Free Trade Association and/or by nationals of such states, or
 - IV. The airline holds an air operators certificate issued by a European Union member state and there is no Bilateral Air Service Agreement

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between the Arab Republic of Egypt and that European Union member State, and traffic rights to that European Union Member State have been denied to the airline designated by the Arab Republic of Egypt.

b) in the case of an airline(s) designated by Arab Republic of Egypt:

- I. it is not established in the territory of the Arab Republic of Egypt or is not licensed in accordance with the applicable laws and regulations of Arab Republic of Egypt; or
- II. effective regulatory control of the airline is not exercised or maintained by the authorities of the Arab Republic of Egypt; or
- III. the airline is not owned, directly or through majority ownership, or effectively controlled by the Arab Republic of Egypt and/or by nationals of the Arab Republic of Egypt,

c) in the event of failure by such airlines to prove that they are qualified to fulfil the conditions prescribed under the laws and regulations normally and reasonably applied to the operation of international air transport services by these authorities in conformity with the Convention; or

d) in the event of failure by such airlines to comply with the laws and regulation of the Contracting Party granting these rights, or

e) in the event of failure by such airlines to operate the agreed services in accordance with the conditions prescribed under this Agreement.

Unless immediate action is essential to prevent infringement of the laws and regulations referred to above, the rights enumerated in paragraph 1 of this Article shall be exercised only after consultation between the Aeronautical Authorities in conformity with Article 20 of this Agreement.

ARTICLE 6 PRINCIPLES GOVERNING OPERATION OF AGREED SERVICES

1. Each Contracting Party shall take all appropriate action within its jurisdiction to eliminate all forms of discrimination and unfair, anti competitive or predatory practices adversely affecting the competitive position of the designated airlines of the other Contracting Party in the exercise of their rights and entitlements set out in this Agreement.
2. The aeronautical authorities of the two Contracting Parties shall agree on the capacity to be operated in accordance with the following principles:

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- a) There shall be fair and equal opportunity for the designated airline or airlines of both Contracting Parties to operate the agreed services on the specified routes.
 - b) In operating the agreed services the designated airline or airlines of each Contracting Party shall take into account the interests of the designated airline or airlines of the other Contracting Party so as not to affect unduly the services which the latter provide on the whole or part of the same routes.
 - c) The agreed services provided by the designated airlines of the Contracting Parties shall bear a close relationship to the requirements of the public for transportation on the specified routes and shall have as their primary objective the provision at a reasonable load factor of capacity adequate to meet the current and reasonably anticipated requirements for the carriage of passengers, cargo and mail coming from or destined for the territory of the Contracting Party which has designated the airline or airlines.
3. The capacity which may be provided in accordance with this Article by the designated airline or airlines of each Contracting Party on the agreed services shall be such as decided between the aeronautical authorities of the Contracting Parties before the commencement by the designated airline or airlines concerned of the agreed services and reviewed from time to time thereafter.
4. The designated airlines shall, not later than 30 days prior to the date of operation of any agreed service, submit for approval their proposed flight programs to the aeronautical authorities of both Contracting Parties. Said flight programs shall include i.a. the type of service, the aircraft to be used, the frequencies and the flight schedules.
This shall likewise apply to later changes.
In special cases this time limit may be reduced, subject to the consent of the said authorities.

ARTICLE 7

GROUND HANDLING PROVISIONS

Subject to the laws and regulations of each Contracting Party including, in the case of the Kingdom of Belgium, European Union law, each designated airline shall have in the territory of the other Contracting Party the right to perform its own ground handling ("self-handling") or, at its option, the right to select among authorized competing suppliers that provide for ground handling services in whole or in part.

Where such laws and regulations limit or preclude self-handling and where there is no effective competition between suppliers that provide ground handling services, each designated airline shall be treated on a non-discriminatory basis as regards their access to self-handling and ground handling services provided by an authorized supplier or suppliers.

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ARTICLE 8
CODE-SHARE ARRANGMENTS

1. In operating or offering the agreed services on the specified routes any designated airline of one Contracting Party may enter into code sharing arrangements as marketing and/or operating airline, with:
 - a) An airline or airlines of the other Contracting party; and/or
 - b) An airline or airlines of a third country,
2. The entitlements set out in paragraph (1) above may be exercised only where:
 - a) The operating airline(s) involved in the code sharing arrangements hold the appropriate authority and the underlying traffic rights, including the route rights and the capacity entitlements, and meet the requirements normally applied to such arrangements;
 - b) The marketing airline(s) involved in the code sharing arrangements hold the appropriate authority and the underlying route rights and meet the requirements normally applied to such arrangements;
 - c) In respect of any ticket sold, the airline involved makes it clear to the purchaser at the point of sale which airline will actually operate each sector of the service and with which airline or airlines the purchaser is entering into a contractual relationship
3. Capacity offered by a designated airline acting as the marketing airline on the services operated by other airlines shall not be counted against the capacity entitlements of the contracting party designating the said airline.
4. No fifth freedom traffic rights or stop over rights shall be exercised by the marketing airlines on the services provided under code share arrangements.
5. The designated airline or airlines of one contracting party may also offer code share services on the connecting domestic segments to & from the gateway points specified in the route schedule in the territory of the other contracting party; provided that such services are operated by an airline of the other contracting party and forms a part of a through international journey.
6. The absence of an understanding between either contracting party and a third party relating to third country code share arrangements will not preclude the exercise of this entitlements by the designated airlines of either contracting party.
7. The schedules of the code sharing services will be notified to the aeronautical authorities of both Contracting Parties before the proposed date of their introduction in accordance with Article 6.3.

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ARTICLE 9 CUSTOMS DUTIES

- 1- Aircraft operating on international air services by the designated airline(s) of either Contracting Party, as well as their regular equipment, spare parts, supplies of fuel and lubricants and aircraft stores (including food, beverages, tobacco) as well as advertising and promotional material kept on board such aircraft shall on the basis of reciprocity be exempt from all customs duties, inspection fees and other duties or taxes on arriving in the territory of the other Contracting Party provided such equipment and supplies remain on board the aircraft up to such time as they are re-exported. The exemption shall also apply to printed ticket stock, air way bills, any printed material which bears the insignia of the company printed thereon and usual publicity materials distributed without charge by the designated airline.
- 2- There shall also be exempt from the same duties, fees and taxes, with the exception of charges corresponding to the performed service:
 - a) aircraft stores taken in the territory of either Contracting Party, within reasonable limits fixed by the competent authorities of the said Contracting Party, and destined for use on board outbound aircraft operated on an international service by the designated airline of the other Contracting Party, even when these stores are to be used on part of the journey performed over the territory of the Contracting Party in which they are taken on board;
 - b) spare parts and regular equipment, including engines, entered into the territory of one Contracting Party and destined for the maintenance or repair of aircraft engaged in an international service by the designated airline of the other Contracting Party;
 - c) fuel, lubricants and technical consumable supplies, introduced into or supplied in the territory of one Contracting Party for use on an aircraft engaged in an international service by the designated airline(s) of the other Contracting Party, even when these supplies are to be used on the part of the flight performed over the territory of the Contracting Party in which they are taken on board;
 - d) printed documents and promotional advertising materials including but not limited to, timetables, brochures, printed forms introduced into the territory of one Contracting Party and intended to be given away for free on board the aircraft by the designated airline(s) of the other Contracting Party;
 - e) safety and security equipment for use at airports or cargo terminals.
- 3- If national laws and regulations of either Contracting Party so require, materials referred to in paragraphs 1 and 2 of this Article, shall be kept under customs control of the said Contracting Party.

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- 4- Baggage, Cargo or mail in direct transit shall be exempt from customs duties and other taxes.
- 5- The regular airborne equipment, the ground equipment, as well as materials and supplies retained on board of the aircraft operated by the designated airline of either Contracting Party may be unloaded in the territory of the other Contracting Party only with the approval of the customs authorities of such Party. 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 legislation or regulations.
- 6- The exemptions provided for by this Article shall also be available in situations where the designated airlines of either Contracting Party have entered into arrangements with another airline or airlines, for the loan or transfer in the territory of the other Contracting Party, of the regular equipment and the other items referred to in paragraphs (1) and (2) of this Article, provided that other airline or airlines similarly enjoy such exemptions from that other Contracting Party.

ARTICLE 10 APPLICATION OF LAWS AND REGULATIONS

- 1- The laws, regulations and procedures of one Contracting Party governing entry into, sojourn in and departure from its territory of aircraft engaged in international air navigation or the operation and navigation of such aircraft shall be complied with by the designated airlines of the other Contracting Party upon entry into, departure from and while within the said territory.
- 2- The laws and regulations of one Contracting Party respecting entry, clearance, transit, immigration, emigration, exit, passports, customs, currency, sanitary requirements and quarantine shall be complied with by the designated airlines of the other Contracting Party and by or on behalf of their crews, passengers, cargo and mail upon transit in, admission to, departure from and while within the territory of such Contracting Party.
- 3- Neither Contracting Party may grant any preference to its own airline or any other airline with regard to the designated airlines of the other Contracting Party in the application of its regulations specified in paragraphs 1 and 2 of this article or in the use of airports, airways, air traffic services and associated facilities under its control.
- 4- Passengers, baggage, cargo, and mail in direct transit across the territory of either Contracting Party and not leaving the area of the airport reserved for such purpose shall, except in respect of security measures against violence, air piracy and narcotics control, be subject to no more than a simplified control.

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ARTICLE 11
CERTIFICATES AND LICENCES

1. Certificates of airworthiness, certificates of competency and licences issued or validated in accordance with the laws and regulations of one Contracting Party including in the case of the Kingdom of Belgium, European Union laws and regulations, and unexpired shall be recognised as valid by the other Contracting Party for the purpose of operating the agreed services on the routes specified in the Annex, provided always that such certificates or licences were issued or validated equal or above the minimum standards established under the Convention.
2. Each Contracting Party, reserves the right, however, to refuse to recognize, for the purpose of flights above its own territory, certificates of competency and licenses granted to its own nationals by the other Contracting Party.
3. If the privileges or conditions of the licenses or certificates issued or rendered valid by one Contracting Party permit a difference from the standards established under the Convention, and if such difference has been filed with the International Civil Aviation Organization, the aeronautical authority of the other Contracting Party may, without prejudice to its rights under Article 12 (2), request consultations with the aeronautical authority of the Contracting Party permitting such difference in accordance with Article 19, with a view to satisfying themselves that the practice in question is acceptable to them. Failure to reach satisfactory agreement shall constitute grounds for the application of Article 5(1) of this Agreement.

ARTICLE 12
SAFETY

1. Each Contracting Party may request consultations at any time concerning the safety standards maintained by the other Contracting Party in areas relating to aeronautical facilities, flight crew, aircraft and the operation of aircraft adopted by the other Contracting Party. Such consultations shall take place within thirty (30) days of the request.
2. If, following such consultations, the aeronautical authority of one Contracting Party finds that the aeronautical authority of the other Contracting Party does not effectively maintain and administer safety standards in any such area that are at least equal to the minimum standards established at that time pursuant to the Convention, the aeronautical authority of the first Contracting Party shall notify the aeronautical authority of the other Contracting Party of those findings and the steps considered necessary to conform with those minimum standards, and the aeronautical authority of that other Contracting Party shall take appropriate corrective action. Failure by that other Contracting Party to take appropriate action within 15 days or such longer period as may be agreed shall be grounds

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for the application of Article 5(1) of this Agreement.

3. Notwithstanding the obligation mentioned in Article 33 of the Chicago Convention it is agreed that any aircraft operated by or, under a lease arrangement, on behalf of the airline of one Party on services to or from the territory of the other Contracting Party may, while within the territory of the other Contracting Party, be made the subject of an examination by the authorized representatives of the aeronautical authority of the other Contracting 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 (in this Article called "ramp inspection"), provided this does not lead to unreasonable delay.
4. If any such ramp inspection or series of ramp inspections gives rise to:
 - a) Serious concerns that an aircraft or the operation of an aircraft does not comply with the minimum standards established at that time pursuant to the Convention; or
 - b) Serious concerns that there is a lack of effective maintenance and administration of safety standards established at that time pursuant to the Convention;

the aeronautical authority of the Contracting Party carrying out the inspection shall, for the purposes of Article 33 of the Convention, be free to conclude that the requirements under which the certificate or licenses in respect of that aircraft or in respect of the crew of that aircraft had been issued or rendered valid, or that the requirements under which that aircraft is operated, are not equal to or above the minimum standards established pursuant to the Convention.

5. In the event that access for the purpose of undertaking a ramp inspection of an aircraft operated by or on behalf of the airline or airlines of one Contracting Party in accordance with paragraph (3) of this Article is denied by a representative of that airline or airlines, the aeronautical authority of the other Contracting Party shall be free to infer that serious concerns of the type referred to in paragraph (4) of this Article arise and draw the conclusions referred to in that paragraph.
6. The aeronautical authority of each Contracting Party reserves the right to suspend or vary the operating authorization of an airline or airlines of the other Contracting Party immediately in the event the aeronautical authority of the first Contracting Party concludes, whether as a result of a ramp inspection, a series of ramp inspections, a denial of access for ramp inspection, consultation or otherwise, that immediate action is essential to the safety of an airline operation.
7. Any action by the aeronautical authority of a Contracting Party in accordance with paragraphs (2) or (6) of this Article shall be discontinued once the basis for the taking of that action ceases to exist.

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8. Where the Kingdom of Belgium has designated an air carrier whose regulatory control is exercised and maintained by another EU Member State, the rights of the Arab Republic of Egypt under the safety provisions of the agreement between the Kingdom of Belgium and the Arab Republic of Egypt shall apply equally in respect of the adoption, exercise or maintenance of safety standards by that other EU Member State and in respect of the operating authorization of that air carrier.

ARTICLE 13 USER CHARGES

- 1- The charges imposed in the territory of one Contracting Party on the designated airlines of the other Contracting Party for the use of airports and other aviation facilities by the aircraft of the designated airlines of the other Contracting Party shall not be higher than those imposed on a national airline of the first Contracting Party engaged in similar international services.
- 2- Each Contracting Party shall encourage consultations between its competent charging authorities and the designated airlines using the facilities and services, where practicable, through the airlines' representative organisations. Reasonable notice should be given of any proposal for changes in user charges to enable them to express their views before changes are made

ARTICLE 14 AVIATION SECURITY

1. Consistent with their rights and obligations under international law, the Contracting Parties reaffirm that their obligation to each other to protect the security of civil aviation against acts of unlawful interference forms an integral part of the present Agreement.
2. The Contracting Parties shall in particular act in conformity with the provisions of 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, its Supplementary Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, signed at Montreal on 24 February 1988, the Convention on the Marketing of Plastic Explosives for the Purpose of Detection, signed at Montreal on 1 March 1991 as well as with any other convention and protocol relating to aviation security which both Contracting Parties adhere to.

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3. The Contracting 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 Contracting Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by the International Civil Aviation Organization and designated as Annexes to the Convention to the extent that such security provisions are applicable to the Contracting Parties; they shall require that operators of aircraft of their registry or operators of aircraft who have their principal place of business or permanent residence in the territory of the Contracting Parties or, in the case of the Kingdom of Belgium, operators of aircraft which are established in its territory under the EU Treaties and have a valid Operating Licence in accordance with European Union Law, and the operators of airports in the territory of their states act in conformity with such aviation security provisions.
5. Each Contracting Party agrees that its operators of aircraft shall be required to observe, for departure from or while within the territory of the other Contracting Party, aviation security provisions in conformity with the law in force in that country, including, in the case of the Kingdom of Belgium, European Union law. Each Contracting Party agrees to take adequate measures to inspect passengers, crew, carry-on items, baggage, cargo and aircraft stores prior to and during boarding or loading. Each Contracting Party shall also give positive consideration to any request from the other Contracting Party for special security measures for its aircraft or passengers to meet a particular threat.
6. 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 Contracting Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.
7. Should a Contracting Party depart from the aviation security provisions of this article, the aeronautical authorities of the other Contracting Party may request immediate consultations with the aeronautical authorities of that Party. Failure to reach a satisfactory agreement within thirty (30) days will constitute grounds for application of Article 5 of this Agreement.

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ARTICLE 15 STAFF REQUIREMENTS

1. The designated airlines of one Contracting Party shall be allowed on the basis of reciprocity, to maintain in the territory of the other Contracting Party their representatives and commercial, operational and technical staff as required in connection with the operation of the agreed services.
2. These staff requirements may, at the option of the designated airlines, be satisfied by their own personnel of any nationality or by using the services of any other organisation, company or airline operating in the territory of the other Contracting Party and authorised to perform such services in the territory of that Contracting Party.
3. The representatives and staff shall be subject to the laws and regulations in force of the other Contracting Party. Consistent with such law and regulations, each Contracting Party shall, on the basis of reciprocity and with the minimum of delay, grant the necessary work permits, employment visas or other similar documents to the representatives and staff referred to in paragraph 1 of this article.
4. To the extent permitted under national law, both Contracting Parties shall dispense with the requirement of work permits or employment visas or other similar documents for personnel performing certain temporary services and duties.

ARTICLE 16 SALES AND REVENUES

1. The designated airline or airlines of each Contracting Party shall have the right to establish in the territory of the other Contracting Party offices for the purpose of provision and sale of air services as well as for other matters incidental to the provision of air transportation
2. Each designated airline shall be granted the right to engage in the sale of air transportation in the territory of the other Contracting Party directly and, at its discretion, through its agents.
3. Each designated airline shall have the right to sell transportation, using its own transportation documents, in the currency of that territory or, at its discretion, in any freely convertible currencies of other countries.
4. Any person shall be free to purchase such transportation in currencies accepted for sale by that airline. The designated airline or airlines of one Contracting Party shall have the right to pay for local expenses in the territory of the other Contracting Party in local currency or provided these accords with local regulations, in freely convertible currencies.
5. Each Contracting Party grants to the designated airlines of the other Contracting Party the right of free transfer of the excess of receipts over expenditures earned by the

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designated airline in its territory. Such transfers shall be effected on the basis of the official exchange rates for current payments, or where there are no official exchange rates, at the prevailing foreign exchange market rates for current payments, applicable on the day of the introduction of the request for transfer by the airlines designated by the other Contracting Party and shall not be subject to any charges except normal service charges collected by banks for such transactions.

6. If a Contracting Party imposes restrictions in a discriminatory manner on the transfer of excess of receipts over expenditure by the designated airline or airlines of the other Contracting Party, the latter shall have the right to impose reciprocal restrictions on the designated airline or airlines of that Contracting Party

ARTICLE 17 TARIFFS

1. The tariffs (including taxes and/or surcharges) to be charged by the designated airline(s) of each Contracting Party shall be freely and independently established at reasonable levels, due regard being paid to all relevant factors, including the cost of operation, the cost of fuel, the characteristics of the service and a reasonable profit.
2. Each Contracting Party may require notification to or filing with its Aeronautical Authorities of tariffs to be charged to or from its territory by designated airline(s) of the other Contracting Party. Notification or filing by the airlines of both Contracting Parties may be required no more than fifteen (15) days before the proposed date of effectiveness. In individual cases, notification or filing may be permitted on shorter notice than normally required.
3. Without limiting the application of general competition and consumer protection laws in each Contracting Party, intervention by the Contracting Parties shall be limited to:
 - a) Prevention of unreasonably discriminatory tariffs or practices;
 - b) Protection of consumers from tariffs that are unreasonably high or unreasonably restrictive due either to the abuse of a dominant position or to concerted practices among airline;
 - c) Protection of airlines from tariffs that are artificially low because of direct or indirect governmental subsidy or support;
 - d) Protection of airlines from prices that are artificially low, where evidence exists as to an intent to eliminate competition.
4. Neither Contracting Party shall take unilateral action to prevent the inauguration or continuation of a tariff proposed to be charged or charged by the designated airline(s) of the other Contracting Party for international air services between the territories of the Contracting Parties. If either Contracting Party believes that any such tariff is inconsistent with the consideration set forth in this Article, it shall

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request consultations and notify the other Contracting Party of the reasons for its dissatisfaction within fourteen (14) days from receiving the filing. These consultations shall be held not later than fourteen (14) days after receipt of the request. Without a mutual agreement, the previously applied tariff shall continue into effect.

ARTICLE 18 EXCHANGE OF INFORMATION

1. The aeronautical authorities of both Contracting Parties shall exchange information, as promptly as possible, concerning the current authorizations extended to their respective designated airline or airlines to render service to, through, and from the territory of the other Contracting Party. This will include copies of current certificates and authorizations for services on specified routes, together with amendments or exemption orders and authorized service patterns.
2. Each Contracting Party shall cause its designated airline or airlines to provide to the aeronautical authority of the other Contracting Party upon request, such periodic or other statements of statistics relating to the traffic carried on the agreed services showing the points of embarkation and disembarkation as may be reasonably required for the purpose of reviewing the operations on the agreed services.

ARTICLE 19 CONSULTATIONS

1. In a spirit of close cooperation, the aeronautical authorities of the Contracting Parties shall consult each other from time to time with a view to ensuring the implementation of satisfactory compliance with, the provisions of this Agreement and the Annex thereto and either Contracting Party may at any time request consultations on the implementation, interpretation, application or amendment of this Agreement.
2. Such consultations, which may be through discussion or correspondence, shall begin within a period of sixty (60) days of the date of receipt of such a request, unless otherwise agreed by both Contracting Parties.

ARTICLE 20 SETTLEMENT OF DISPUTES

1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall in the first place endeavor to settle it by negotiation.
2. If the Contracting Parties fail to reach a settlement by negotiation, they may agree to refer the dispute for decision to a mutually agreed person or body, or either

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Contracting Party may submit the dispute for decision to a Tribunal of three arbitrators.

3. The arbitral tribunal shall be constituted as follows:

Each of the Contracting Parties shall nominate an arbitrator within a period of sixty (60) days from the date of receipt, by one Contracting Party, through diplomatic channels, of a request for arbitration from the other Contracting Party. These two arbitrators shall by agreement appoint a third arbitrator within a further period of sixty (60) days.

The third arbitrator shall be a national of a third State, shall act as President of the Tribunal and shall determine the place where arbitration will be held. If either of the Contracting Parties fails to nominate an arbitrator within the period specified, or if the third arbitrator is not appointed within the period specified, the President of the Council of the International Civil Aviation Organisation may be requested by either Contracting Party to appoint an arbitrator or arbitrators as the case requires. If the President is of the same nationality as one of the Contracting Parties, the most senior vice-president who is not disqualified on that ground, shall make the appointment. In all cases the third arbitrator shall determine the place where arbitration will be held.

4. The Contracting Parties undertake to comply with any decision or award given under paragraphs 2 and 3 of this article.

If either Contracting Party fails to comply with such decision, the other Contracting Party shall have grounds for the application of article 5 of this Agreement.

5. Each contracting party shall pay the expenses of the arbitrator it has nominated. The remaining expenses of the arbitral tribunal shall be shared equally by the contracting parties.

ARTICLE 21 AMENDMENT OF AGREEMENT

1. If either Contracting Party considers it desirable to amend any provision of this Agreement, such amendment shall be agreed upon in accordance with the provisions of Article 20 (.consultations). Such amendment shall enter into force when the two Contracting Parties will have notified each other through diplomatic channels, of the fulfillment of their internal legal procedures relating to the conclusion and the entry into force of international agreements.
2. Notwithstanding the provisions of paragraph (1) above, amendments to the Annex to this Agreement may be agreed directly between the aeronautical authorities of the Contracting Parties.
3. If a general multilateral air convention comes into force in respect of both Contracting Parties, the provisions of such convention shall prevail. Consultations in accordance with paragraph 1 of this article may be held with a view to determining the extent to which this Agreement is affected by the provisions of the multilateral convention.

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ARTICLE 22
REGISTRATION WITH
THE INTERNATIONAL CIVIL AVIATION ORGANIZATION

The present Agreement and any amendments thereto, shall be submitted by the Contracting Parties to the International Civil Aviation Organization for registration.

ARTICLE 23
TERMINATION

1. Either Contracting Party may at any time give notice in writing through diplomatic channels to the other Contracting Party of its decision to terminate this Agreement. Such notice shall be simultaneously communicated to the International Civil Aviation Organization. In such case the Agreement shall terminate twelve (12) months after the date of receipt of notice by the other Contracting Party, unless the notice to terminate is withdrawn by agreement before the expiry of this period.
2. In the absence of acknowledgment of receipt of a notice of termination by the other Contracting Party, notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization.

ARTICLE 24
ENTRY INTO FORCE

This Agreement shall be approved pursuant to the national legislation of the State of each Contracting Party which shall be confirmed by exchange of diplomatic notes. This Agreement shall come into force on the day of the last notification confirming that the Contracting Parties have completed procedures required for the entry into force of this Agreement.

This Agreement is drawn in two originals in the Arabic, French, Dutch and English languages, all originals being equally authentic. In case of divergence of interpretation the English text shall prevail. Each Party retains one copy for implementation.

In Witness Whereof, the undersigned, being duly authorized thereto by their respective Governments, have signed the present Agreement.

Done at on this day of in the year

FOR
THE GOVERNMENT
OF THE
ARAB REPUBLIC OF EGYPT

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FOR
THE GOVERNMENT
OF THE
KINGDOM OF BELGIUM

ANNEX
ROUTE SCHEDULE

I- Routes to be operated by the Designated Airlines of the Arab Republic of Egypt:

FROM	INTERMEDIATE POINTS	TO	BEYOND POINTS
Any Points in Egypt	Any Points	Any Points in Belgium	Any points

II- Routes to be operated by the Designated Airlines of the Kingdom of Belgium:

FROM	INTERMEDIATE POINTS	TO	BEYOND POINTS
Any Points in Belgium	Any points	Any Points in Egypt	Any Points

1. Any of the points on the Specified Routes in Schedules I and II of this Annex may at the option of the designated airline of either Contracting Party be omitted on any or all flights, provided that these flights originate in the territory of the Contracting Party designating the Airline.
2. Fifth freedom traffic rights are not allowed.

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ATTACHMENT "C"

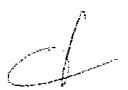
FAIR COMPETITION

1. The Contracting Parties acknowledge that it is their joint objective to have a fair and competitive environment and fair and equal opportunity for the airlines of both Contracting Parties to compete in operating the agreed services on the specified routes. Therefore, the Contracting Parties shall take all appropriate measures to ensure the full enforcement of this objective.
2. The Contracting 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 Contracting 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 Contracting Party. The Contracting 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, by their respective airline(s) or other nationals, in accordance with their respective rules and jurisprudence, by their respective airline(s) or other nationals of information pertinent to a competition law action by the competition authorities of each other.
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 Contracting 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 Contracting 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 Contracting Parties and shall be exclusively directed towards the other Contracting Party and/or to airline(s) providing air transport services to/from the Contracting Parties. Such action shall not be subject to the dispute settlement procedure foreseen in Article 21 of this Agreement.

Unfair competition

5. Each Contracting Party shall eliminate all forms of discrimination or unfair practices

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which would adversely affect the fair and equal opportunity of the airlines of the other Contracting Party to compete in providing air transport services.

Public subsidies and support

6. Neither Contracting Party shall provide or permit public subsidies or support to their respective airlines if these subsidies or support would significantly and adversely affect, in an unjustified way, the fair and equal opportunity of the airlines of the other Contracting 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, computer reservation systems, slot allocation or other related facilities and services necessary for the operation of air services.
7. When a Contracting Party provides public subsidies or support in the sense of paragraph 6 above to an airline, it shall ensure the transparency of such a measure through any appropriate means, which may include requiring that the airline identifies the subsidy or support clearly and separately in its accounts.
8. Each Contracting Party shall, at the request of the other Contracting Party, provide to the other Contracting Party within a reasonable time, financial reports relating to the entities under the jurisdiction of the first Contracting Party, and any other such information that may be reasonably requested by the other Contracting Party to ensure that the provisions of this Article are being complied with. This may include detailed information relating to subsidies or support in the sense of paragraph 6 above. The submission of such information may be subject to confidential treatment by the Contracting Party requesting access to the information.
9. Without prejudice to any action undertaken by the relevant competition authority and/or court for the enforcement of the rules referred to in paragraphs 5 and 6:
 - (a) if one Contracting Party finds that an airline is being subject to discrimination or unfair practices in the sense of paragraphs 5 or 6 above and that this can be substantiated, it may submit observations in writing to the other Contracting Party. After informing the other Contracting Party, a Contracting Party may also approach responsible government entities in the territory of the other Contracting Party, including entities at the central, regional, provincial or local level to discuss matters relating to this Article. Moreover, a Contracting Party may request consultations on this matter with the other Contracting Party with a view to solving the problem. Such consultations shall start within a period of thirty (30) days of the receipt of the request. In

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the meantime, the Contracting Parties shall exchange sufficient information to enable a full examination of the concern expressed by one of the Contracting Parties;

- (b) if the Contracting Parties fail to reach a resolution of the matter through consultations within thirty (30) days from the start of consultations or consultations do not start within a period of thirty (30) days of the receipt of the request concerning an alleged violation of paragraphs 5 or 6 above, the Contracting Party which requested the consultation shall have the right to suspend the exercise of the rights specified in this Agreement by the airline(s) of the other Contracting Party by refusing, withholding, revoking or suspending the operating authorisation, 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.

Antitrust

10. Each Contracting Party shall effectively apply antitrust laws in accordance with paragraph 2, and shall prohibit airline(s):
 - (a) in conjunction with any other airline(s) to enter into agreements, take decisions or engage in concerted practices which may affect air transport services to/from that Contracting 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 airlines concerned restrictions which are not indispensable to the attainment of these objectives; (ii) afford such airlines 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 Contracting Party.
11. Each Contracting Party shall entrust the enforcement of the antitrust rules referred to in paragraph 10 above exclusively to its relevant and independent competition authority and/or court.
12. Without prejudice to any action undertaken by the relevant competition authority and/or court for the enforcement of the rules referred to in paragraph 10, if one Contracting Party finds that an airline suffers from an alleged violation of paragraph 10 above and that this can be substantiated, it may submit observations in writing to the other Contracting Party. After informing the other Contracting Party, a

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Contracting Party may also approach the responsible government entities in the territory of the other Contracting Party, including entities at the central, regional, provincial or local level to discuss matters relating to this Article. Moreover, a Contracting Party may request consultations on this matter with the other Contracting Party with a view to solving the problem. Such consultations shall start within a period of thirty (30) days of the receipt of the request. In the meantime, the Contracting Parties shall exchange sufficient information to enable a full examination of the concern expressed by one of the Contracting Parties.

13. If the Contracting Parties fail to reach a resolution of the matter through consultations within thirty (30) days from the start of consultations or consultations do not start within a period of thirty (30) days of the receipt of the request concerning an alleged violation of paragraph 10, and provided the relevant competent competition authority or court has found an antitrust violation, the Contracting Party which requested the consultation shall have the right to suspend the exercise of the rights specified in this Agreement by the airline(s) of the other Contracting Party by refusing, withholding, revoking or suspending the operating authorisation, 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.

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