



Council of the
European Union

Brussels, 9 April 2021
(OR. en)

Interinstitutional File:
2021/0084(NLE)

7650/21
ADD 1

AVIATION 64
RELEX 275
COEST 76
NIS 6
OC 11
AM 1

COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	8 April 2021
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2021) 160 final - ANNEX
Subject:	ANNEX to the Proposal for a Council Decision on the conclusion, on behalf of the European Union, of a Common Aviation Area Agreement between the Republic of Armenia, of the one part, and the European Union and its Member States, of the other part

Delegations will find attached document COM(2021) 160 final - ANNEX.

Encl.: Annex to COM(2021) 160 final - ANNEX



Brussels, 8.4.2021
COM(2021) 160 final

ANNEX

ANNEX

to the

Proposal for a Council Decision

on the conclusion, on behalf of the European Union, of a Common Aviation Area Agreement between the Republic of Armenia, of the one part, and the European Union and its Member States, of the other part

COMMON AVIATION AREA AGREEMENT
BETWEEN THE REPUBLIC OF ARMENIA,
OF THE ONE PART,
AND
THE EUROPEAN UNION AND ITS MEMBER STATES,
OF THE OTHER PART

TABLE OF CONTENTS

ARTICLE 1: Objective

ARTICLE 2: Definitions

TITLE I: ECONOMIC PROVISIONS

ARTICLE 3: Grant of rights

ARTICLE 4: Operating authorisation

ARTICLE 5: Refusal, revocation, suspension or limitation of authorisation

ARTICLE 6: Investment in air carriers

ARTICLE 7: Compliance with laws and regulations

ARTICLE 8: Fair competition

ARTICLE 9: Commercial opportunities

ARTICLE 10: Customs duties and taxation

ARTICLE 11: User charges

ARTICLE 12: Air fares and air rates

ARTICLE 13: Statistics

TITLE II: REGULATORY COOPERATION

ARTICLE 14: Aviation safety

ARTICLE 15: Aviation security

ARTICLE 16: Air traffic management

ARTICLE 17: Environment

ARTICLE 18: Air carrier liability

ARTICLE 19: Consumer protection

ARTICLE 20: Computer reservation systems

ARTICLE 21: Social aspects

TITLE III: INSTITUTIONAL PROVISIONS

ARTICLE 22: Interpretation and enforcement

ARTICLE 23: The Joint Committee

ARTICLE 24: Dispute resolution and arbitration

ARTICLE 25: Safeguard measures

ARTICLE 26: Relationship to other agreements

ARTICLE 27: Amendments

ARTICLE 28: Termination

ARTICLE 29: Registration of the Agreement

ARTICLE 30: Entry into force and provisional application

ANNEX I: Transitional provisions

ANNEX II: Rules applicable to civil aviation

THE REPUBLIC OF ARMENIA (hereinafter "Armenia"),

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,

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 together as "the EU Treaties") and being Member States of the European Union (hereinafter referred to collectively as "EU Member States", or individually as "EU Member State"),

and the EUROPEAN UNION,

of the other part;

Armenia and the EU Member States 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 (CAA) based on the goal of opening access to markets of the Parties, with equal conditions of competition, non-discrimination, and respect of 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 entitle the Parties to reap its full advantages including opening access to markets and maximising benefits for the consumers, and the industries and labour of both Parties;

RECOGNISING that the creation of the CAA and implementation of its rules cannot be achieved without transitional arrangements where necessary;

RECOGNISING the importance of adequate assistance 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 maximising the potential benefits of regulatory cooperation and harmonisation of their respective laws and regulations applicable to civil aviation;

ACKNOWLEDGING the important 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, consistent with multilateral arrangements on this matter and notably relevant International Civil Aviation Organization (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 labour or labour-related standards of the parties 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 by the air transport industry for the further development of 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 which shall be 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 environment. To this end, this Agreement sets out the rules applicable between the Parties under the conditions set out hereafter. 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 term:

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 of Article 4 of this Agreement 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 authorities" means the government agencies or state entities 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 entered 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. "Parties" means, on the one hand, Armenia, and, on the other hand, the European Union and its Member States;
10. "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;
11. "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;
12. "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;

13. "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;

14. "territory" means, for Armenia, the territory of the Republic of Armenia, and, for the European Union and its Member States means the land territory, internal waters and territorial sea of the Member States to which the Treaty on European Union and the Treaty on the Functioning of the European Union apply and under the conditions laid down in those Treaties, and the air space above them.

15. "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;

16. "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;

17. "fifth freedom rights" 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;

18. "third country" means a party which is not Party to this Agreement.

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 grants 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 points¹ 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 partners², parties to the Multilateral Agreement establishing a European Common Aviation Area³, or Member States of the European Free Trade Association⁴ – Points in Armenia – Points Beyond

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 of June 2004.

³ Published in the EU OJ L 285 on 16.10.2006.

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

- (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 above:

- (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 above;
- (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 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:

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

4. Each Party shall allow each air carrier 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 and 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. 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 confer on the air carriers of:

- (a) Armenia the right to take on board in any EU Member State passengers, baggage, cargo, and/or mail carried for compensation and destined for another point in that same EU Member State;

- (b) the European Union the right to take on board in Armenia passengers, baggage, cargo, and/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

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; and

(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 of this Agreement, the air carrier is owned, directly or through majority ownership, and it is effectively controlled by Armenia, and/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; and

(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 of this Agreement, the air carrier is owned, directly or through majority ownership, and it is effectively controlled by a Member State or Member States of the European Union or the European Free Trade Association and/or by nationals of such states, or both;

(c) the provisions set out in Articles 14 and 15 of this Agreement 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. When granting operating authorisations and technical permissions, the Parties 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 subparagraphs (a) and (b) of this paragraph.

(a) 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 of this Article 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, and/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.

- (b) This paragraph does not cover 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

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; or

- (ii) effective regulatory control of the air carrier is not exercised or not maintained by Armenia responsible for issuing its air operator certificate or the competent authority is not clearly identified; or

- (iii) unless otherwise determined under Article 6 of this Agreement, the air carrier is not owned, directly or through majority ownership or it 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 have a valid operating licence in accordance with European 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) unless otherwise determined under Article 6 of this Agreement, the air carrier is not owned, directly or through majority ownership, or it is not effectively controlled by a Member State or Member States of the European Union or the European Free Trade Association and/or by nationals of such states, or both;

(c) the provisions set out in Articles 8, 14 and 15 of this Agreement are not being complied with; or

(d) the air carrier has failed to comply with the laws and regulations referred to in Article 7 of this Agreement and/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 subparagraphs (c), or (d) of paragraph 1 of this Article, 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 the provisions of Articles 14 or 15 of this Agreement.

ARTICLE 6

Investment in air carriers

1. Notwithstanding Articles 4 and 5 of this Agreement, and upon verification by the Joint

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

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

This 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. The provisions of Article 23 (11) of this Agreement shall not apply to this 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 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 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 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 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 and/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 of this Agreement.

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, computer 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. The submission of 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 and/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 paragraphs 5 or 6 above 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 a period of thirty (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 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 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: (a) impose on the companies concerned restrictions which are not indispensable to the attainment of these objectives; (b) 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 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 Party finds that a company suffers from an alleged violation of paragraph 10 above 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 a period of thirty (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 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 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 to this Agreement, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Part A of Annex II to this Agreement.

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 of removal of obstacles to doing business of 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 pursuant to Article 23 of this Agreement shall develop a process of cooperation in relation to doing business and commercial opportunities; shall monitor progress in effectively addressing obstacles to doing business of commercial operators and shall regularly review developments, including towards legislative and regulatory changes. In accordance with Article 23 of this Agreement 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 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 airway bill, both of its own and 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 ninety (90) days, subject to the relevant laws and regulations in force.

7.(a) Without prejudice to subparagraph (b) of this paragraph, 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, 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.

(b) The rights under (i) and (ii) in subparagraph (a) of this paragraph 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.

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 with a view to be 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 and/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, but not limited to, 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 and (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 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 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 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 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 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 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 these 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 these stores are to be used on a part of the journey performed over the said 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 of this Article 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 the said authorities up to such time as they are re-exported or otherwise disposed in accordance with customs regulation.

5. The exemptions provided 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 service provided.

8. 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.
9. The provisions of this Agreement shall not affect the field of Value Added Tax (VAT).
10. The provisions of the respective conventions between EU Member States and Armenia for the avoidance of double taxation on income and on capital shall be unaffected by this Agreement.

ARTICLE 11

User charges

1. Subject to the transitional provisions set out in Annex I to this Agreement, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Part A of Annex II to this Agreement.
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 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.
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) of this Agreement, shall not be unjustly discriminatory, shall not discriminate on grounds of nationality and shall be equitably apportioned among categories of users. Without prejudice to Article 16(1), these 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. These 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, these 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 charges in accordance with the principles set out in paragraphs 2 and 3 of this Article. Each Party shall ensure that 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 12

Air fares and air rates

1. The Parties shall permit air fares and air 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 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 to discuss matters such as, but not limited to, 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 the respective laws and regulations of the Parties, on a non-discriminatory basis, and as may reasonably be required.

2. The Parties shall cooperate, including in the framework of the Joint Committee pursuant to Article 23 of this Agreement, 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 to this Agreement, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Part B of Annex II to this Agreement.

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 of this Article, 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.

- (a) The transition of Armenia to the compliance with the regulatory requirements and standards relating to air transport specified in Part B of Annex II to this Agreement shall be subject to continued monitoring and periodic assessments, to be carried out by the European Union in cooperation with Armenia.
- (b) When Armenia is satisfied that it complies with the regulatory requirements and standards relating to air transport specified in Part B of Annex II to this Agreement, it shall inform the European Union that an evaluation should be carried out.
- (c) When Armenia has fully complied with the regulatory requirements and standards relating to air transport specified in Part B of Annex II to this Agreement, the Joint Committee established under Article 23 of this Agreement shall determine the precise status and conditions for the participation over and above the observer status referred to above of

Armenia in the European Aviation Safety Agency.

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 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.

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 Part B of Annex II to this Agreement, 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 Part B of Annex II to this Agreement, 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 Part B of Annex II to this Agreement, whichever is applicable.

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

7. Any action by a Party in accordance with paragraph 5 of this Article 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 to this Agreement, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to aviation security specified in Part C of Annex II to this Agreement.

2. Armenia may be subjected to a European Commission inspection in accordance with the relevant European Union aviation security legislation specified in Part C of Annex II to this Agreement. 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 Part C of Annex II to this Agreement, 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 of this Article 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 of this Agreement.

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 thirty (30) days of receipt of such request.

11. Without prejudice to Article 5 of this Agreement, failure to reach a satisfactory agreement within thirty (30) days from the date of such request 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 of this Article 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 to this Agreement, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Part D of Annex II to this Agreement, and where not provided for in the EU regulatory framework at least the relevant ICAO standards and recommended practices under the conditions set out hereafter.

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 to an existing functional airspace block or to create a new one;
 - (ii) participation in the network functions of the Single European Sky;
 - (iii) alignment to the SESAR deployment plans;
 - (iv) enhancing interoperability; and
- (d) Armenia shall take the necessary measures to implement the EU 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 to this Agreement, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Part E of Annex II to this Agreement.
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, to consider and minimise the effects of aviation on the environment consistent with the objectives of this Agreement.
4. The Parties recognise the importance of tackling climate change and therefore of addressing greenhouse gas (GHG) 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 international global market based measures to address GHG emissions in the aviation sector and any other aspect under the said Article 6 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 of 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) exchange of views 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 to this Agreement, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Part F of Annex II to this Agreement.

ARTICLE 20

Computer reservation systems

1. Subject to the transitional provisions set out in Annex I to this Agreement, the Parties shall ensure that their relevant legislation, rules or procedures comply with the regulatory requirements and standards relating to air transport specified in Part A of Annex II to this Agreement.
2. Computer reservation systems (hereinafter 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 the CRS complies with any relevant regulatory requirements of the other Party.
3. 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.

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 related to the exchange of travel services information and which are facilitating the display of comprehensive and unbiased information to consumers, or the fulfilment of regulatory requirements on neutral displays.

5. 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 21

Social aspects

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

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 the requesting Party identifies as significant.

TITLE III

INSTITUTIONAL 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 the case of investigations on possible infringements which that other Party carries out under its respective competences as provided in 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 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 and the European Commission.

ARTICLE 23

The Joint Committee

1. A Joint Committee composed of representatives of the Parties is hereby established, which shall be responsible for overseeing the administration of this Agreement and shall ensure its proper implementation. The Joint Committee 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 procedures.

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 (2) 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 of this Agreement, 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 point 1 of Annex I of this agreement.

8. In accordance with Article 6 of this Agreement, 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 (Aviation safety) of this Agreement, the Joint Committee shall monitor the process of phasing-out during the transition phase described in Annex I to this Agreement of aircraft registered in the Republic of Armenia and used by operators under the regulatory control of the Republic of Armenia, which do not have a type certificate issued in accordance with the relevant EU legislation specified in Part B of Annex II to this Agreement with a view to ensuring the phase-out of these aircraft in accordance with the agreed phase-out described in paragraph 7 of Annex I to this Agreement.

10. The Joint Committee shall also develop cooperation, in particular by, but not limited to:

- (a) reviewing market conditions affecting air services under this Agreement;
- (b) addressing with the aim of effectively resolving doing business issues and issues related to commercial opportunities described in Article 9 of this Agreement that may, inter alia, hamper market access and smooth operation of air services under this Agreement, as a means to ensure fair competition, regulatory convergence and minimising the regulatory burden of operating air services;
- (c) exchanging information, including advising as to changes to laws, regulations and policies of the respective 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 them for the purpose of monitoring the development of air services under this Agreement; and
- (i) considering the social effects of the 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 (6) months of the date of referral, the Parties may take appropriate safeguard measures under Article 25 of this Agreement.

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 of this Agreement, 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 forth 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 explain how such measure is inconsistent with the provisions of this Agreement in a manner sufficient to present the legal basis for the complaint clearly.
3. Unless the Parties otherwise agree, arbitration shall be by a tribunal of three arbitrators to be constituted as follows:
 - (a) within twenty (20) days after the receipt of a request for arbitration, each Party shall appoint one arbitrator. Within thirty (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 subparagraph (a) of this paragraph, either Party may request the President of the Council of the ICAO to appoint the necessary arbitrator or arbitrators within thirty (30) days of receipt of that request. If the President of the Council of the ICAO is a national of either Armenia or an EU Member State, the most senior Vice President of that Council, who is not disqualified on that ground, 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 ten (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 ninety (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 hundred twenty (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 forty-five (45) days and, in any case, no later than sixty (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 (7) 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 hundred 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 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 hundred fifty (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 sixty (60) days from 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 seventy-five (75) days after the date of establishment of the tribunal.

12. The Parties may submit requests for clarification of the final ruling within ten (10) days after it is notified and any clarification given shall be issued within fifteen (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 forty (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) of this Agreement, the Party concerned may not take safeguard measures until one (1) 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 of this Agreement, the existing bilateral agreements and arrangements between the Republic of 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 paragraph 1 and paragraph 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 Republic of 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 the Republic of Armenia and EU Member States are more favourable or flexible shall be settled in the framework of the dispute settlement mechanism provided 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 in Article 24.
3. Upon entry into force pursuant to Article 30 of this Agreement, this Agreement shall prevail over the relevant provisions of existing bilateral agreements and arrangements between the Republic of Armenia and EU Member States which are in place at the time of signature of this Agreement, except to the extent provided in paragraph 2 of this Article.
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 of this Agreement 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 of this Agreement. Amendments shall come into force in accordance with the terms set out in Article 30 of this Agreement.
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 to this Agreement.
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 to this Agreement 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 to this Agreement. Upon the request of any Party, the Joint Committee shall within sixty (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 of this Article, the Joint Committee shall:
 - (a) adopt a decision revising Annex II 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 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 UN Secretariat. This Agreement shall terminate at midnight GMT at the end of the International Air Transport Association (IATA) traffic season in effect one (1) 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 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 UN Secretariat, in accordance with Article 102 of the Charter of the UN, 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 as well as the International Civil Aviation Organization thereof.

2. The General Secretariat 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 of this Article, the Parties agree to provisionally apply this Agreement, as set out in paragraph 5 of this Article, 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 by the European Union on the completion of the procedures relevant to the 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.

IN WITNESS WHEREOF the undersigned, being duly authorised, have signed this Agreement.

Done at [...] on [...] in the year [...], 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.

For the Republic of Armenia

For the European Union

For the Kingdom of Belgium,

For the Republic of Bulgaria,

For the Czech Republic,

For the Kingdom of Denmark,

For the Federal Republic of Germany,

For the Republic of Estonia,

For Ireland,

For the Hellenic Republic,

For the Kingdom of Spain,

For the French Republic,

For the Republic of Croatia,

For the Italian Republic,

For the Republic of Cyprus,

For the Republic of Latvia,

For the Republic of Lithuania,

For the Grand Duchy of Luxembourg,

For Hungary,

For Malta,

For the Kingdom of the Netherlands,

For the Republic of Austria,

For the Republic of Poland,

For the Portuguese Republic,

For Romania,

For the Republic of Slovenia,

For the Slovak Republic,

For the Republic of Finland,

For the Kingdom of Sweden.

ANNEX I

TRANSITIONAL PROVISIONS

1. The compliance by Armenia with all regulatory requirements and standards relating to air transport specified in Annex II to this Agreement, with the exception of the aviation security legislation specified in Part C of Annex II to this Agreement, 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 (2) years after the entry into force of the Agreement at the latest.

2. Notwithstanding the provisions of Article 3 of this Agreement, 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 of this Annex I to this Agreement, 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 of this Annex I, 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 of this Agreement.

3. The compliance by Armenia with the regulatory requirements and standards relating to the aviation security legislation specified in Part C of Annex II to this Agreement shall be 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 at the latest three (3) years after the entry into force of this Agreement. In the meantime, Armenia shall implement ECAC Doc 30.

4. Upon the adoption of the decision referred to in paragraph 3 of this Annex, the confidential part of the aviation security legislation as specified in Part C of Annex II to this Agreement shall be made available to the appropriate authority of Armenia, subject to an agreement on the exchange of security sensitive 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 to this Agreement 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 decision referred to in paragraph 1 of this Annex, 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 of this Agreement with regard to the reciprocal recognition of fitness and/or citizenship determinations 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 within Article 25 (Safeguard measures), 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 EASA in accordance with relevant EU legislation in part B of Annex II to this Agreement, 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 to this Agreement (Transitional Provisions). Where necessary, specific adaptations for each individual act are set out hereafter:

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 par 6. of Annex I of the 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 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 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 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 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, 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 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.

ATM/ANS

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 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 exception of par. (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 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 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 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 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.

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

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 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 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
- 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, 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-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), 1(5)-(7), 2, 3, 4(1), 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

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 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, Annex, including its appendixes.

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 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), 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 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 to 3 and 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, 22-23