

The attached draft text was shared by the UK negotiating team with the Task Force for Relations with the United Kingdom as a draft negotiating document, that is, to be shared among negotiating teams only, in line with the provisions of the Terms of Reference.

The text is now being made public.

Title: DRAFT WORKING TEXT FOR A COMPREHENSIVE AIR TRANSPORT AGREEMENT BETWEEN THE UNITED KINGDOM AND THE EUROPEAN UNION

Disclaimer:

The UK proposes the following legal text to form the basis for discussions with the EU on a comprehensive air transport agreement. In putting forward this proposal, the UK reserves the right to amend, supplement or withdraw proposals in the light of negotiations and the proposals put forward by the European Union. The general and final provisions in this text, including appropriate exemptions may require further adjustment or amendment in light of the negotiations.

The UK proposal has taken account of relevant international precedents, including the EU's own agreements with other major economies in developing these texts.

The UK recalls that it acts in these negotiations on behalf of all the territories for whose international relations it is responsible and in negotiating this draft agreement the UK Government will seek outcomes which support the territories' security and economic interests, reflecting their unique characteristics. The UK reserves its position on the application of these principles to the draft text.

This draft text is being shared by the UK negotiating team with the Task Force for Relations with the United Kingdom as a draft negotiating document. As agreed in the Terms of Reference, the receiving party should not share this material outside of negotiating teams without the consent of the sending party.

**COMPREHENSIVE AIR TRANSPORT AGREEMENT BETWEEN THE UNITED KINGDOM
AND THE EUROPEAN UNION**

THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND (“THE UNITED KINGDOM”) AND THE EUROPEAN UNION (“THE UNION” (hereinafter referred to as “the Parties” and each a “Party”);

CONSIDERING that on 24 January 2020 the United Kingdom, the European Union (hereinafter referred to as “the Union”) and the European Atomic Energy Community (hereinafter referred to as “the Community”) entered into the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (hereinafter referred to as “Withdrawal Agreement”);

RECOGNISING that at 23:00 GMT on 31 January 2020 the United Kingdom withdrew from the Union and the Community;

DESIRING to agree liberalised market access for air services on a reciprocal basis, ensuring operational and commercial flexibility for the aviation industries of the United Kingdom and the Union;

DESIRING to minimise additional regulatory barriers for the aviation and aerospace industries of the United Kingdom and the Union;

DESIRING to ensure the highest degree of safety and security in air transport and affirming their grave concern about 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 in the safety of civil aviation;

DESIRING to ensure interoperability between the airspace of the United Kingdom and the Union;

DESIRING to promote an international aviation system based on non-discrimination and a fair and equal opportunity for the aviation and aerospace industries of the United Kingdom and the Union to compete, whilst maintaining regulatory autonomy;

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

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

HAVE AGREED AS FOLLOWS:

Chapter 1

GENERAL PROVISIONS

Article 1

Objectives

1. The objectives of this Agreement are to:

- (a) facilitate liberalised market access to promote air connectivity between the European Union and the United Kingdom and value for money for passenger and cargo operators;
- (b) to maintain or improve existing standards on the safety of passengers, crew, ground personnel and the general public in all matters related to safeguarding against acts of unlawful interference with civil aviation; and
- (c) facilitate and promote continued cooperation on air traffic management to ensure the efficient management of shared European airspace.

Article 2

Definitions

For the purposes of this Agreement, unless otherwise stated, the term:

- (a) "Agreement" means this Agreement, any Annexes and Appendices to it, and any amendments thereto;
- (b) "airline" means an air transport undertaking holding a valid operating licence or equivalent;
- (c) "airline documentation" means documentation and related items whose origin and destination are both an airline;
- (d) "Air Navigation Services" means air traffic services, communication, navigation and surveillance services, meteorological services for air navigation, and aeronautical information services;
- (e) "Air Operator's Certificate" means a document issued to an airline which affirms that the airline in question has the professional ability and organisation to secure the safe operation of aircraft for the aviation activities specified in the certificate;
- (f) "air traffic management (ATM)" means the aggregation of the airborne and ground-based functions (air traffic services, airspace management and air traffic flow management) required to ensure the safe and efficient movement of aircraft during all phases of operations;
- (g) "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;
- (h) "airspace user" means operators of aircraft operated as general air traffic;
- (i) "aviation security" means the combination of measures and human and material resources intended to safeguard civil aviation against acts of unlawful interference that jeopardise the security of civil aviation;

- (j) "cargo" means any property intended for carriage on an aircraft, other than baggage, mail, airline documentation, airline materials and in-flight supplies';
- (k) "citizenship determination" means a finding that an airline proposing to operate air services under this Agreement satisfies the requirements of Article 5 (designation and authorisation) of this Agreement regarding its ownership, effective control, and principal place of business;
- (l) "civil aviation" means any air operation carried out by civil aircraft, excluding operations carried out by State aircraft referred to in Article 3 of the Convention;
- (m) "competent authorities" means the government agencies or state entities responsible for the administrative functions under this Agreement;
- (n) "Convention" means the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944, and includes:
 - (i) any amendment that has entered into force under Article 94(a) of the Convention and has been ratified by both United Kingdom and the EU Member State or EU Member States as is relevant to the issue in question; and
 - (ii) 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 the United Kingdom and the EU Member State or EU Member States as is relevant to the issue in question;
- (o) "designated airline" means an airline which has been designated in accordance with Article 5 (designation and authorisation) of this Agreement;
- (p) "full cost" means the cost of service provided plus a reasonable charge for administrative overhead;
- (q) "international air transport" means air transport that passes through the airspace over the territory of more than one State;
- (r) "ICAO" means the United Nations' International Civil Aviation Organisation;
- (s) "Member State" means a Member State of the European Union;
- (t) "price" means the prices to be paid for the carriage of passengers, baggage and cargo and the conditions under which those prices apply, including prices and conditions for agency and other auxiliary services, but excluding remuneration for the carriage of mail and conditions for the carriage of mail;
- (u) "principal place of business" means the head office or registered office of an airline in the territory of the Party within which the principal financial functions and operational control, including continued airworthiness management, of the airline are exercised;
- (v) "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;
- (w) "territory" means [];
- (x) "third country" means a party which is not Party to this Agreement;

- (y) "user charge" means a charge made to airlines by the competent authority or permitted by that authority to be made for the provision of airport property or facilities or of air navigation facilities (including facilities for overflights), or related services and facilities, for aircraft, their crews, passengers and cargo.

Article 3

Applicability of the Convention

The provisions of this Agreement shall be subject to the provisions of the Convention insofar as those provisions are applicable to international air transport.

Chapter 2

ECONOMIC PROVISIONS

Article 4

Grant of rights

1. Each Party grants to the other Party the following rights for the conduct of international air transport by the airlines of the other Party:
 - (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 and cargo services, separately or in combination, without limitation as to capacity or frequency, between points in the territory of the United Kingdom and points in the territory of the European Union, and vice versa; and
 - (d) the rights otherwise specified in this Agreement.
2. The airlines of each Party may on any or all services and at their option:
 - (a) operate services in either or both directions;
 - (b) combine different flight numbers within one aircraft operation;
 - (c) carry transit traffic through the territory of the other Party;
 - (d) combine traffic on the same aircraft regardless of where such traffic originates; and
 - (e) serve more than one point on the same service (co-terminalisation).
3. If because of armed conflict, political disturbances or developments, or special and unusual circumstances, an airline of one Party is unable to operate a service on its normal routeing, the other Party shall use its best efforts to facilitate the continued operation of such service through appropriate temporary rearrangements of routes.

Article 5

Designation and authorisation

1. Each Party shall have the right to designate airlines for the purpose of conducting international air transport under this Agreement and to withdraw or alter such designations. Such designations shall be transmitted to the other Party in writing.
2. On receipt of such a designation, and of applications from the designated airline, in the form and manner prescribed for operating authorisations and technical permissions, the other Party shall grant appropriate authorisations and permissions without delay, provided:
 - (a) in the case of an airline designated by the United Kingdom:
 - (i) it is incorporated and has its principal place of business in the territory of the United Kingdom and is licensed in accordance with the applicable law of the United Kingdom; and
 - (ii) it holds a current Air Operator's Certificate issued by the United Kingdom; and
 - (iii) the United Kingdom maintains effective regulatory control of the airline;
 - (b) in the case of an airline designated by a Member State:
 - (i) it is established in the territory of the European Union under the EU Treaties and holds a valid operating licence in accordance with European Union law; and
 - (i) effective regulatory control of the airline is exercised and maintained by the EU Member State responsible for issuing its air operator certificate and the competent authority is clearly identified; and
 - (ii) it is owned, directly or through majority ownership, and it is effectively controlled by Member States of the European Union and/or Member States of the European Free Trade Association and/or the United Kingdom and/or nationals of any of these states; and
 - (c) the designated airline meets the conditions prescribed under the laws and regulations normally applied to the operation of international air services by the Party considering the application or applications.
3. When an airline has been granted the appropriate authorisations and permissions in accordance with paragraph 2 of this Article, it may begin to operate international air transport in accordance with this Agreement.
4. On receipt of an application for an operating authorisation from an airline of a Party, the other Party shall recognise any fitness and/or citizenship determination made by the first Party with respect to that airline as if such determination had been made by its own competent authorities, and shall not enquire further into such matters, except as provided in paragraph 5 of this Article.
5. If, after receipt of an application for operating authorisation from an airline, 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 2 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 Aviation Committee.

Article 6

Revocation or suspension of operating authorisations

1. Either Party may refuse, revoke, suspend, impose conditions on or limit the operating authorisation or technical permissions, or otherwise refuse, suspend, impose conditions on or limit the operations, of an airline designated by the other Party:
 - (a) where, in the case of an airline designated by the United Kingdom:
 - (i) it is not incorporated or does not have its principal place of business in the territory of the United Kingdom or is not licenced in accordance with the applicable law of the United Kingdom; or
 - (ii) it does not hold a current Air Operator's Certificate issued by the United Kingdom; or
 - (iii) the United Kingdom does not maintain effective regulatory control of the airline;
 - (b) where, in the case of an airline designated by a Member State:
 - (i) it is not established in the territory of the European Union under the EU Treaties or does not hold a valid operating licence in accordance with European Union law; or
 - (ii) effective regulatory control of the airline is not exercised or maintained by the EU Member State responsible for issuing its air operator certificate or the competent authority is not clearly identified; or
 - (iii) the airline is not owned, directly or through majority ownership, or it is not effectively controlled by Member States of the European Union and/or Member States of the European Free Trade Association and/or the United Kingdom and/or nationals of any of these states; or
 - (c) in the case of failure by that airline to comply with the laws and regulations referred to in Article 7 (compliance with laws and regulations) of this Agreement, or the laws and regulations normally and reasonably applied to the operation of international air transport by the Party granting those rights; or
 - (d) in the case of failure to comply with the provisions of Article 8 (fair competition) of this Agreement (and consultations under paragraph 9 of that Article have not achieved a satisfactory resolution); or

- (e) in the case of failure by the other Party to take appropriate action to improve safety in accordance with paragraph 4 of Article 19 (aviation safety) of this Agreement; or
 - (f) if a Party determines (in accordance with paragraph 8 of Article 19 (aviation safety) of this Agreement) that immediate action is essential to ensure the safety of an airline operation; or
 - (g) if a Party determines that there has been a failure by the other Party or an airline of the other Party to comply with any provision of Article 20 (aviation security) of this Agreement; or
 - (h) if a Party determines that wider security concerns justify such action; or
 - (i) if a Party determines that such action is necessary in order to prevent, protect against or control the spread of disease, or otherwise protect public health; or
 - (j) if that airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement.
2. Unless immediate revocation, suspension or imposition of the conditions mentioned in paragraph 1 of this Article is essential to prevent further infringements of laws or regulations, such right shall be exercised only after consultation with the other Party.
 3. Either Party that exercises the rights under paragraph 1 of this Article shall notify in writing the other Party as soon as possible of the reasons for the refusal, suspension or limitation of the operating authorisation or technical permission.
 4. In exercising their rights under paragraph 1 of this Article the Parties shall not discriminate between airlines on the grounds of nationality.

Article 7

Compliance with laws and regulations

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

Article 8

Fair competition

1. There shall be fair and equal opportunity for the designated airlines of both Parties to compete in operating international air transport in accordance with this Agreement.

2. Each Party shall allow each designated airline 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, or the aircraft type or types operated by the designated airlines of the other Party, except as may be required for customs, technical, operational, or environmental reasons under uniform conditions consistent with Article 15 of the Convention.
3. Neither Party shall impose on the other Party's designated airlines any requirement with respect to capacity, frequency or traffic that would be inconsistent with the purposes of this Agreement.
4. Neither Party shall require the filing of schedules or operational plans by airlines of the other Party for approval, except as may be required on a non-discriminatory basis to enforce the uniform conditions foreseen by paragraph 2 of this Article, in which case both Parties shall ensure that any such filing is processed expeditiously.
5. Neither Party shall allow its designated airline or airlines, either in conjunction with any other airline or airlines or separately, to abuse market power in a way which has or is likely or intended to have the effect of severely weakening a competitor or excluding a competitor from a route.
6. Neither Party shall provide or permit state subsidy or support for or to its airline or airlines in such a way that would adversely affect the fair and equal opportunity of the airlines of the other Party to compete in providing international air services governed by this Agreement.
7. For the purposes of paragraph 6 of this Article, state subsidy or support means the provision of support on a discriminatory basis to an airline, directly or indirectly, by the state or by a public or private body controlled by the state. Without limitation, it may include the setting-off of operational losses; the provision of capital, non-refundable grants or loans on privileged terms; the granting of financial advantages by forgoing profits or the recovery of sums due; the forgoing of a normal return on public funds used; tax exemptions; compensation for financial burdens imposed by the public authorities; or discriminatory access to airport facilities, fuel or other reasonable facilities necessary for the normal operation of international air services.
8. Where a Party provides state subsidy or support to a designated airline in respect of services operated under this Agreement, it shall require that airline to identify the subsidy or support clearly and separately in its accounts.
9. If one Party believes that its designated airlines are being subjected to discrimination or unfair practices, or that a subsidy or support being considered or provided by the other Party for or to the airlines of that other Party would adversely affect or is adversely affecting the fair and equal opportunity of the airlines of the first Party to compete in providing international air services, it may request consultations and notify the other Party of the reasons for its dissatisfaction. These consultations shall be held not later than 30 days after receipt of the request, unless otherwise agreed by both Parties.

Article 9

Prices

1. Each Party shall allow prices for international air transport to be established freely by each designated airline on the basis of fair competition. Neither Party shall require their airlines to consult other airlines about the prices they charge or propose to charge for services under this Agreement.
2. The Parties shall not require prices to be filed with or notified to competent authorities.

Article 10

Duties, taxes and fees

1. The Parties shall relieve from all customs duties, national excise taxes and similar national fees:
 - (a) aircraft operated in international air transport by the designated airline or airlines of either Party; and
 - (b) the following items introduced by a designated airline of one Party into the territory of the other Party:
 - (i) repair, maintenance and servicing equipment and component parts;
 - (ii) passenger handling equipment and component parts;
 - (iii) cargo-loading equipment and component parts;
 - (iv) security equipment including component parts for incorporation into security equipment;
 - (v) instructional material and training aids;
 - (vi) airline and operators' documents; and
 - (c) the following items introduced by a designated airline of one Party into the territory of the other Party or supplied to a designated airline of one Party in the territory of the other Party:
 - (i) aircraft stores (including but not limited to such items as food, beverages and tobacco) whether introduced into or taken on board in the territory of the other Party;
 - (ii) fuel, lubricants and consumable technical supplies;
 - (iii) spare parts including engines; and
 - (d) computer equipment and component parts introduced by a designated airline of one Party into the territory of the other Party to assist in one or more of the following matters:
 - (i) the repair, maintenance or servicing of aircraft;
 - (ii) the handling of passengers at the airport or on board aircraft;
 - (iii) the loading of cargo onto or the unloading of cargo from aircraft;

- (iv) the carrying out of security checks on passengers or cargo;

provided in the case of sub-paragraphs (b)-(d) they are for use on board an aircraft or within the limits of an international airport in connection with the establishment or maintenance of international air transport by the designated airline concerned

2. The relief from customs duties, national excise duties and similar national fees shall not extend to charges based on the cost of services provided to the designated airline or airlines of a Party in the territory of the other Party.
3. Equipment and supplies referred to in paragraph 1 of this Article may be required to be kept under the supervision or control of the appropriate authorities.
4. The reliefs provided for by this Article shall also be available in situations where the designated airline or airlines of one Party have entered into arrangements with another airline or airlines for the loan or transfer in the territory of the other Party of the items specified in paragraph 1 of this Article, provided such other airline or airlines similarly enjoy such relief from such other Party.
5. 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 airline that operates between two points in its territory.

Article 11

Codeshare

Any designated airline or airlines may, subject to applicable laws and regulations governing competition, enter into code-sharing arrangements with any other airline or airlines, provided that:

- (a) each flight forming part of a service to which the arrangements apply is operated by an airline entitled to operate that flight; and
- (b) in respect of each ticket sold, the purchaser is informed at the point of sale which airline will operate each sector of the service.

Article 12

Leasing

1. The Parties grant each other's airlines the right to provide services under this Agreement by:
 - (a) using aircraft leased without crew from any lessor;
 - (b) using aircraft leased with crew from airlines of the Parties; or
 - (c) using aircraft leased with crew from airlines other than those of the Parties, provided that the leasing is justified on the basis of exceptional needs, seasonal capacity needs or operational difficulties of the lessee, and the leasing does not

exceed the duration which is strictly necessary to fulfil those needs or overcome those difficulties.

2. The Parties may require the leasing arrangements mentioned in paragraph 1 of this Article to be approved by their competent authorities for the purpose of verifying compliance with the conditions set out in that paragraph and with the applicable safety and security requirements. Where a Party requires such approval, it shall endeavour to expedite the approval procedures and minimise the administrative burden on the airlines concerned.

Article 13

Ground handling

Subject to the laws and regulations of each Party, each designated airline shall have in the territory of the other Party the right to perform its own ground handling (“self-handling”) or, at its option, the right to select among competing suppliers that provide ground handling services in whole or in part. Where such laws and regulations limit or preclude self-handling and where there is no effective competition between suppliers that provide ground handling services, each designated airline shall be treated on a non-discriminatory basis as regards their access to self-handling and ground handling services provided by a supplier or suppliers.

Article 14

Transfer of earnings

Each designated airline may on demand convert and remit all local revenues from the sale of air transport services and associated activities directly linked to air transport in excess of sums locally disbursed to the country of its choice. Prompt conversion and remittance shall be permitted without restrictions at the commercial rate of exchange prevailing at the time such revenues are presented for conversion and remittance, and shall not be subject to any charges except those normally made by banks for carrying out such conversion and remittance.

Article 15

Airline representation and sales

A designated airline may:

- (a) in accordance with the laws and regulations relating to entry, residence and employment of the other Party bring in and maintain in the territory of the other Party those of their own managerial, technical, operational and other specialist staff which the airline reasonably considers necessary for the provision of international air transport;
- (b) use the services and personnel of any other organisation, company or airline operating in the territory of the other Party;
- (c) establish offices in the territory of the other Party;
- (d) engage in the sale and marketing of international air transport and ancillary services in the territory of the other Party, either directly or through agents or other

intermediaries appointed by the airline. The airline may sell, and any person shall be free to purchase, such transportation and ancillary services in local currency or in any freely convertible other currency.

Article 16

User charges

1. User charges that may be imposed by the competent charging authorities or bodies of each Party on the airlines of the other Party shall be just, reasonable, not unjustly discriminatory, and equitably apportioned among categories of users. In any event, any such user charges shall be imposed on the airlines of the other Party on terms no less favourable than the most favourable terms available to any other airline at the time the charges are imposed.
2. User charges imposed on the airlines of the other Party may reflect, but not exceed, the full cost to the competent charging authorities or bodies of providing appropriate and not excessive airport, airport environmental, air navigation and aviation security facilities and services at the airport or within the airport system. Such charges may include a reasonable return on assets. Facilities and services for which charges are made shall be provided on an efficient and economic basis.
3. Each Party shall make its best efforts to ensure that consultations take place between the competent charging authorities or bodies in its territory and the airlines using the services and facilities, and that the competent charging authorities or bodies and the airlines exchange such information as may be necessary to permit an accurate review of the reasonableness of the charges in accordance with the principles of paragraphs 1 and 2 of this Article. Each Party shall make its best efforts to ensure that the competent charging authorities provide users with reasonable notice of any proposal for changes in user charges to enable users to express their views before changes are made
4. Each Party shall ensure that user charges that may be imposed by its competent charging authorities or bodies on the airlines 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 airlines of the other Party on terms not less favourable than the most favourable terms available to any other airline.
5. Neither Party shall be held, in dispute resolutions procedures pursuant to Article 27 (dispute resolution and arbitration) of this Agreement, to be in breach of a provision of this Article, unless:
 - (a) it fails to undertake a review, or fails to commission an independent review of the charge or practice that is the subject of complaint by the other Party within a reasonable time; or
 - (b) following such a review, it fails to take all steps within its power to remedy any charge or practice that is inconsistent with this Article.

Article 17

Intermodal transport

The airlines of each Party shall be permitted to employ, in connection with international air transport, any intermodal transport to or from any points in the territories of the Parties or third countries. Airlines may elect to perform their own intermodal transport or to provide it through arrangements, including code share, with other modes of carriage. Such intermodal services may be offered as a through service and at a single price for the air and intermodal transport combined, provided that passengers and shippers are informed as to the providers of the transport involved.

Article 18

Statistics

1. The Parties shall cooperate within the framework of the Aviation Committee to facilitate the exchange of statistical information related to air transport under this Agreement.
2. Upon request, each Party shall provide the other Party with non-confidential and non-commercially sensitive available statistics related to air transport under this Agreement, as required by the respective laws and regulations of the Parties, on a non-discriminatory basis, and as may reasonably be required.

Chapter 3

AVIATION SAFETY

Article 19

Aviation safety

1. The Parties reaffirm the importance of close cooperation in the field of aviation safety. In that context, the Parties shall engage in further cooperation including in relation to air operations, notably to allow the sharing of information which may have an impact on the safety of international air navigation, the participation in each other's oversight activities or conducting joint oversight activities in the field of aviation safety and the development of joint projects and initiatives, including with third countries. This cooperation shall be developed in the framework of the Agreement on Civil Aviation Safety between the United Kingdom and the European Union, with respect to matters covered by that Agreement.
2. Certificates of airworthiness, certificates of competency and licences, issued or rendered valid by one Party and still in force, shall be recognised as valid by the other Party and its aeronautical authorities for the purpose of operating the air services, provided that such certificates or licences were issued or rendered valid pursuant to, and in conformity with, as a minimum, the standards established under the Convention.
3. Each Party may request consultations at any time concerning safety standards in any area relating to aircrews, aircraft or their operation adopted by the other Party. Such consultations shall take place within 30 days of that request.
4. If, following such consultations, one Party finds that the other Party does not effectively maintain and administer safety standards in any such area that are at least equal to the minimum standards established at that time pursuant to the Convention, the first Party shall notify the other Party of those findings and the steps considered necessary to conform with those minimum standards, and the other Party shall take appropriate

corrective action. Failure by the other Party to take appropriate action within 15 days or such longer period as may be agreed, shall be grounds for the application of Article 6(1) (Refusal, revocation, suspension or limitation of operating authorisation) of this Agreement.

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

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

7. In the event that access for the purpose of undertaking a ramp inspection of an aircraft operated by the airline or airlines of one Party in accordance with paragraph 5 of this Article is denied by a representative of that airline or airlines, the other Party shall be free to infer that serious concerns of the type referred to in paragraph 6 of this Article arise and draw the conclusions referred in that paragraph.
8. Each Party reserves the right to suspend or vary the operating authorisation of an airline or airlines of the other Party immediately in the event the first Party concludes, whether as a result of a ramp inspection, a series of ramp inspections, a denial of access for ramp inspection, consultation or otherwise, that immediate action is essential to the safety of an airline operation.
9. Any action by one Party in accordance with paragraphs 6 or 8 of this Article shall be discontinued once the basis for the taking of that action ceases to exist.

Chapter 4

AVIATION SECURITY

Article 20

Aviation security^{1*}

^{1*} Additional cooperative arrangements on aviation security are to be discussed.

1. Consistent with their rights and obligations under international law, the Parties reaffirm that their obligation to each other to protect the security of civil aviation against acts of unlawful interference forms an integral part of this Agreement. Without limiting the generality of their rights and obligations under international law, the Parties shall in particular act in conformity with the provisions of the Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16 December 1970, the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971, the Montreal Supplementary Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, signed at Montreal on 24 February 1988, the Convention on the Marking of Plastic Explosives for the Purpose of Detection, signed at Montreal on 1 March 1991 and any aviation security agreement that becomes binding on both Parties.
2. 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.
3. 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 thereof.
4. Each Party shall take such measures as it may find practicable to ensure that an aircraft of the other Party which is subjected to an act of unlawful interference, and which lands 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.
5. The Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by ICAO and as Annexes to the Convention to the extent that such security provisions are applicable to the Contracting Parties to the Convention. Each Party shall require that its airlines and the operators of airports in its territory act in conformity with such aviation security provisions. Accordingly, each Party shall, on request, provide the other Party notification of any difference between its national laws, regulations and practices and the aviation security standards of the Annexes referred to in this paragraph. Each Party may at any time request consultations, to be held without delay, with the other Party to discuss those differences.
6. Each Party agrees that its airlines shall be required to observe the aviation security provisions referred to in paragraph 5 of this Article required by the other Party for entry into the territory of that other Party. For departure from, or while within the territory of the other Party, airlines shall be required to observe aviation security provisions in conformity with the law in force in that Party. Each Party shall ensure that adequate security measures are effectively applied within its territory to protect the aircraft and to inspect passengers, crew, carry-on items, baggage, cargo and aircraft stores prior to and during boarding or loading; and that security measures are adjusted to meet any increased or specific threat to the security of civil aviation where appropriate. Each Party agrees that security provisions required by the other Party for departure from and while within the territory of that other Party must be observed. Each Party shall also act favourably upon

- any request from the other Party for reasonable special security measures to meet a particular threat.
7. Each Party shall make available to the other Party on request the results of audits carried out by ICAO and the corrective actions taken by the audited state, subject to the mutual agreement of appropriate arrangements for the secure transfer, use, storage and disposal of such information.
 8. Each Party shall also give sympathetic consideration to a request from the other Party to enter into reciprocal administrative arrangements whereby the aeronautical authorities of one Party could make in the territory of the other Party their own assessment of the security measures in respect of flights destined for the territory of the Party making the request.
 9. With full regard and mutual respect for each other's sovereignty, a Party may adopt security measures for entry into its territory. Where possible, that 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 right of a Party to refuse entry into its territory for any flight or flights that it deems to present a threat to its security.
 10. A Party may take emergency measures to meet a specific security threat. Such measures shall be notified immediately to the other Party.
 11. Without prejudice to the need to take immediate action in order to protect aviation security, the Parties affirm that when considering security measures, a Party shall evaluate possible adverse effects on international air services and, unless constrained by law, shall take such factors into account when it determines what measures are necessary, proportionate and appropriate to address those security concerns.
 12. Each Party may request consultations at any time concerning security standards adopted by the other Party. Such consultations shall take place within 30 days of that request. When a Party has reasonable grounds to believe that the other Party has departed from provisions of this Article, that Party may request immediate consultations with the other Party. Failure to reach a satisfactory resolution within 15 days from the date of such request, shall constitute grounds to revoke, suspend or limit the operating authorisation and technical permissions of an airline or airlines of the other Party.
 13. When required by an emergency, a Party may take interim action prior to the expiry of 15 days. Any action taken in accordance with this paragraph shall be discontinued upon compliance by the other Party with the security provisions of this Article or as mutually agreed by both Parties.

Chapter 5

AIR TRAFFIC MANAGEMENT^{2*}

Article 21

Air traffic management

^{2*} Additional cooperative arrangements on air traffic management are to be discussed.

1. The Parties shall cooperate on regulatory matters concerning air navigation services, including their oversight. They shall address any policy issues relating to the performance of air traffic management, with a view to optimising overall flight efficiency, reducing costs, minimising environmental impact and enhancing the safety and capacity of the systems.
2. The Parties shall encourage their competent authorities and air navigation service providers to cooperate on interoperability issues to further integrate both Parties' systems where possible, to reduce the environmental impact of aviation, and to share information where appropriate.
3. The Parties shall promote cooperation between their air navigation service providers in order to exchange flight data and coordinate traffic flows to optimise flight efficiency, with a view to improving the use of resources and achieving predictability, punctuality and service continuity.
4. The Parties agree to cooperate on modernisation programmes, including development, deployment and best practices for economic efficiency, for air traffic management and relevant aerodrome aspects, and to encourage cross-participation in validation and demonstration activities.

Article 22

European Geostationary Navigation Overlay Service

The Parties agree that there shall be fair and equal access to European Geostationary Navigation Overlay Service (EGNOS) by persons established in the UK who make use of ATM services.

Chapter 6

OTHER REGULATORY COOPERATION

Article 23

Environment

1. The Parties support the need to protect the environment by promoting the sustainable development of aviation.
2. When environmental measures are established, the aviation environmental standards adopted by ICAO in Annexes to the Convention shall be followed except where differences have been filed.
3. Nothing in this Agreement shall be construed to limit the authority of the competent authorities of a Party to take all appropriate measures to prevent or otherwise address the environmental impacts of air services, provided that such measures are fully consistent with their rights and obligations under international law and are applied without distinction as to nationality.

Article 24

Social aspects

1. The Parties recognise the importance of considering the effects of this Agreement on labour, employment and working conditions. The Parties agree to cooperate on labour matters within the scope of this Agreement, inter alia, in relation to impacts on employment, fundamental rights at work, working conditions, social protection and social dialogue.
2. The Parties recognise the right of each Party to establish its own level of domestic labour protection as it deems appropriate, and to adopt or modify accordingly its relevant laws and policies, consistent with its international obligations. The Parties shall ensure that the rights and principles contained in their respective laws and regulations are not undermined but effectively enforced.

Chapter 7

INSTITUTIONAL PROVISIONS

Article 25

Implementation 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.
2. In exercising their rights under this Agreement, the Parties shall take measures which are appropriate and proportionate to their objective.
3. The Parties shall refrain from any measures which would jeopardise the attainment of the objectives of this Agreement.
4. Each Party shall be responsible, in its own territory, for the proper enforcement of this Agreement.
5. Where either Party has concerns about possible infringement of this Agreement, it may request information and assistance from the other Party. Upon receipt of such request, the other Party shall provide all necessary information and assistance, subject to its applicable laws and regulations.
6. This Agreement shall not preclude consultation and discussions between competent authorities of the Parties outside the Aviation Committee, including in the fields of air transport development, security, safety, environment, social policy, air traffic management, aviation infrastructure, competition matters and consumer protection. The Parties shall inform the Aviation Committee of the outcome of such consultation and discussions which may have an impact on the interpretation or application of this Agreement.

Article 26

The Aviation Committee

1. An Aviation Committee composed of representatives of the Parties shall be responsible for overseeing the administration of this Agreement and ensure its proper implementation.

2. The Aviation Committee shall adopt its rules of procedures.
3. The Aviation Committee shall meet as and when necessary and at least twice a year. Any Party may at any time request the convening of a meeting of the Aviation Committee. Such a meeting shall begin at the earliest possible date, and not later than two (2) months from the date of receipt of the request, unless otherwise agreed by the Parties.
4. For the purpose of the proper implementation of this Agreement, the Aviation Committee shall:
 - (a) exchange information, including on changes to laws, regulations, and policies of the respective Parties which may affect the areas covered by this agreement and statistical information related to air transport;
 - (b) make recommendations and take decisions where expressly provided for in this Agreement;
 - (c) develop cooperation, including on regulatory matters;
 - (d) hold consultations on any questions relating to the application or interpretation of this Agreement; as well as, where appropriate, on air transport issues dealt with in international organisations, in relations with third countries and in multilateral arrangements, including consideration of whether to adopt a joint approach;
 - (e) consider potential areas for the further development of this Agreement, including the recommendation of amendments to this Agreement.
5. Recommendations and decisions shall be adopted by consensus between the Parties. Decisions taken by the Aviation Committee shall be binding on the Parties.

Article 27

Dispute resolution and arbitration

1. Any dispute relating to the application or interpretation of this Agreement, may be referred by the Parties to the dispute settlement mechanism provided for in this Article.
2. Without prejudice to any previous consultations between the Parties under this Agreement, where a Party wishes to have recourse to the dispute settlement mechanism provided for in this Article, it shall notify the other Party in writing of its intention and request a meeting of the Aviation Committee for consultations.
3. If the Aviation Committee meeting is not held within two (2) months of the receipt of the request referred to in the preceding paragraph or by the date agreed by the Parties, or, if the dispute is not resolved at the Aviation Committee within six (6) months of the said request, the dispute may be referred to a person or body for decision by agreement of the Parties. If the Parties cannot reach mutual agreement to refer the dispute to a person or body for decision, the dispute shall, at the request of any of the Parties, be submitted to arbitration.
4. Notwithstanding paragraph 2 of this Article, if a Party has taken action to refuse, revoke, suspend, impose conditions on or limit the operating authorisation or technical permissions of an airline of the other Party, the dispute may be immediately referred to a person or body for decision, or submitted to arbitration.

5. The request for arbitration shall be made in writing by a Party (hereinafter referred to as “initiating party”) to the other Party (hereinafter referred to as “responding party”). In its request, the initiating party shall present the questions to be resolved, describe the measure at issue, and explain the reasons why it considers such measure to be inconsistent with the provisions of this Agreement.
6. Unless the initiating party and responding party otherwise agree, arbitration shall be by a tribunal of three arbitrators to be constituted as follows:
 - (a) within sixty (60) days after the receipt of a request for arbitration, the initiating party and the responding party shall each appoint one arbitrator. Within thirty (30) days after these two arbitrators have been appointed, the initiating party and responding party shall by agreement appoint a third arbitrator, who shall act as President of the tribunal;
 - (b) if the initiating party or the responding party fails to appoint an arbitrator, or if the third arbitrator is not appointed in accordance with subparagraph (a) of this paragraph, either the initiating party or the responding party may request the President of the Council of ICAO to appoint the necessary arbitrator or arbitrators within thirty (30) days of receipt of that request. If the President of the Council of ICAO is a national of either the United Kingdom or an EU Member State, the most senior Vice President of that Council, who is not disqualified on that ground, shall be requested to make the appointment.
7. The date of establishment of the tribunal shall be the date on which the last of the three arbitrators accepts the appointment.
8. The proceedings shall be conducted in accordance with the Rules of Procedure to be adopted by the Aviation Committee at the earliest possible occasion subject to the provisions of this Article. Until the Aviation Committee has adopted the Rules of Procedures, the tribunal shall establish its own procedural rules.
9. At the request of the initiating party, the tribunal may, pending its final ruling, authorise the initiating party to adopt interim relief measures or ask the responding party to adopt interim relief measures.
10. The tribunal shall issue an interim report to the initiating party and the responding party setting out the findings of fact, the applicability of relevant provisions and the basic rationale behind any findings and recommendations that it makes, not later than ninety (90) days after the date of its establishment. Where it considers that this deadline cannot be met, the President of the tribunal shall notify the initiating party and the responding party in writing, stating the reasons for the delay and the date on which the tribunal plans to issue its interim report. Under no circumstances shall the tribunal issue the interim report later than one hundred and twenty (120) days after the date of its establishment.
11. The initiating party or the responding party may submit a written request to the tribunal to review specific aspects of the interim report within fourteen (14) days of its issuance. After considering any written comments by the initiating party and the responding party on the interim report, the tribunal may modify its report and make any further examination it considers appropriate. The tribunal’s final ruling shall include a sufficient discussion of the arguments made at the interim review stage, and shall clearly answer the questions and observations of the initiating party and the responding party.
12. The tribunal shall issue its final ruling to the initiating party and the responding party within one hundred and twenty (120) days from the date of its establishment. Where it considers

that that deadline cannot be met, the President of the tribunal shall notify the initiating party and the responding party in writing, stating the reasons for the delay and the date on which the tribunal plans to issue its ruling. Under no circumstances shall the tribunal issue its ruling later than one hundred and fifty (150) days after the date of its establishment.

13. If a Party has taken action to refuse, revoke, suspend, impose conditions on or limit the operating authorisation or technical permissions of an airline of the other Party; or, upon request by the initiating party or responding party, if the tribunal rules that the case is urgent, the respective timelines stated in paragraphs 10, 11 and 12 of this Article shall be halved.
14. The initiating party and the responding party may submit requests for clarification of the tribunal's final ruling within ten (10) days of its issuance and any clarification given shall be issued within fifteen (15) days of such request.
15. If the tribunal determines that there has been a violation of this Agreement and the responsible party does not comply with the tribunal's final ruling, or does not reach agreement with the other party on a mutually satisfactory resolution within sixty (60) days after the issuance of the tribunal's final ruling, the other party may suspend the application of comparable benefits arising under this Agreement until such time as the responsible party complies with the tribunal's final ruling or the initiating party and responding party have reached agreement on a mutually satisfactory resolution.
16. Each Party shall bear the costs of the arbitrator appointed by it. The other costs of the tribunal shall be shared equally between the Parties.

Article 28

Amendments

Any amendment to this Agreement may be agreed by the Parties pursuant to consultations held by the Aviation Committee in accordance with Article 26 (the Aviation Committee) of this Agreement. Amendments shall come into force in accordance with Article 31 (entry into force and provisional application) of this Agreement.

Article 29

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 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 30

Registration of the Agreement

This Agreement and any amendments thereto shall be registered with 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 31

Entry into force and provisional application

1. Each Party shall inform the other Party and ICAO, in writing through diplomatic channels, of the completion of its domestic requirements for the entry into force of this Agreement.
2. This Agreement shall enter into force on a date to be mutually determined and specified in these notifications.
3. Pending entry into force of this Agreement, the Parties agree to provisionally apply this Agreement, in accordance with their internal procedures, from the date of signature of this Agreement.