

MULTILATERAL AGREEMENT ON AIR SERVICES BETWEEN D-8 MEMBER STATES.....2015

The Governments of the People's Republic of Bangladesh, the Arab Republic of Egypt, the Republic of Indonesia, the Islamic Republic of Iran, Malaysia, the Federal Republic of Nigeria, the Islamic Republic of Pakistan and the Republic of Turkey (hereinafter collectively referred to as "Contracting Parties" or individually as "Contracting Party")

RECALLING the first meeting held in Turkey, 28-29 June 2007 and Memorandum of Understanding (MoU) for Establishment of D-8 Member States' Working Group for Co-operation in Civil Aviation signed in Isfahan, Islamic Republic of Iran, 9 September 2007;

AFFIRMING signing of a multilateral document for the development of air transportation as laid down in the Agenda 01 of the Report of the 8th D-8 Meeting Civil Aviation Directors-General and Expert Working Group on Civil Aviation held in Dhaka, Bangladesh on 24-25 August 2014;

BEING committed to maintain, further develop and strengthen friendly relations and co-operation between and among their countries;

RECOGNISING that efficient and competitive international air services are important to develop trade, benefit consumers, and promote economic growth;

DESIRING to ensure the highest degree of safety and security in international air transport and reaffirm their grave concern about acts or threats against the security of aircraft, which jeopardize the safety of persons or property, adversely affect the operation of air transportation, and undermine public confidence in the safety of civil aviation;

DESIRING to facilitate and enhance air services and their related activities, to complement the other transport facilitation and liberalization efforts in Memorandum of Understanding for the Establishment of D-8 Member States' Working Group for Co-operation in Civil Aviation;

DESIRING to remove restrictions, on a gradual basis, so as to achieve greater flexibility and capacity in the operation of air services in D-8 Member States with a view to build a single unified aviation market;

BEING Parties to the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944, and desiring to adhere to the principles and provisions of the aforesaid Convention; and

DESIRING to conclude a Multilateral Agreement on Air Services;

HAVE AGREED AS FOLLOWS:

ARTICLE 1 DEFINITIONS

For the purpose of this Agreement only, unless the context otherwise requires:

1. The term "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 all the Contracting Parties to this Agreement, and (ii) any Annex or any amendment thereto adopted under Article 90 of the Convention, insofar as such Annexes or amendments are, at any given time, effective for all the Contracting Parties to this Agreement;
2. The term "Aeronautical Authority" means the Ministry responsible for Civil Aviation, or any person or body authorized to perform any functions at present exercisable by him or similar functions;
3. The term "Designated Airline(s)" means any airline(s) which has/have been designated and authorized in accordance with Article 4 (Designation and Authorization of Airlines) of this Agreement;
4. The term "Territory" has the meaning specified in Article 2 of the Convention;
5. The terms "Air service", "international air service", and "airline" have the meanings respectively assigned to them in Article 96 of the Convention;
6. The term "Tariff" means the prices to be paid for the carriage of passengers and cargo and the conditions under which those prices apply, including prices and conditions for agency and other auxiliary services but excluding remuneration and conditions for the carriage of mail;
7. The term "Specified Routes" means the routes specified in the route schedule annexed to this Agreement;

8. The term "International Air Services" means scheduled air services performed for the carriage of passengers, cargo and/or mail, separately or in combination, for remuneration or hire on the specified routes;

9. The term "Agreement" means this Agreement, its annex and any amendments thereto;

10. The term "Depository" means the Secretary-General of D-8 Member States;

11. The term "Eligible Airline" means the airline(s) which has/have been designated and authorized by the aeronautical authority of the Contracting Party, obtained a valid AOC (Airline Operator's Certificate) and fulfill the requirements set forth in Article 4 (Designation, Authorization and Eligibility); and

12. The Annex to this Agreement and any amendments thereto forms an integral part of the Agreement.

ARTICLE 2 SCOPE OF APPLICATION

This Agreement establishes multilateral air service arrangements for a more permissivescheduled and non-scheduled air transport services and has precedence over presently valid agreements which have been signed at the same level on air services between Contracting Parties.

ARTICLE 3 GRANT OF RIGHTS

Each Contracting Party grants to the other Contracting Parties on specified routes the free exercise of the first, second, third and fourth air traffic rights on scheduled/non-scheduled passenger and cargo international air services performed by an eligible airline to/from their respective territories.

Nothing in paragraph (1) of this Article shall be deemed to confer on the airlines of one Contracting Party the privilege of taking up, in the territory of the other Contracting Party, traffic carried for remuneration or hire and destined for another point in the territory of that other Contracting Party.

ARTICLE 4

DESIGNATION, AUTHORISATION AND ELIGIBILITY

Each Contracting Party shall have the right to designate as many eligible airlines as it wishes for the purpose of operating international air services on the specified routes. Such designation shall be notified in writing through diplomatic channels to the Depository who shall subsequently inform all the Contracting Parties.

The Depository shall maintain a centralized register of airline designations and operating authorization in accordance with this article of the Agreement.

On receipt of such a designation, in accordance with its national laws, each Contracting Party shall grant without delay to the designated airline(s) the appropriate operating authorization.

To be eligible, an airline shall;

- a. be substantially owned and effectively controlled by that Contracting Party,
- b. be legally established in accordance with the regulations applicable in a Contracting Party to this Agreement,
- c. be duly licensed by a Contracting Party as defined in Annex 6 of the Chicago Convention;
- d. fully own or have a long-term lease exceeding six months on an aircraft and have its technical supervision;
- e. be adequately insured with regard to passengers, cargo, mail, baggage and third parties in an amount at least equal to the provisions of the International Conventions in force;

- f. be capable of demonstrating its ability to maintain standard at least equal to those set by ICAO and to respond to any query from any Contracting Party to which it provides air services.

ARTICLE 5

REVOCATION, SUSPENSION, WITHHOLDING AND LIMITATION OF AUTHORISATION

A Contracting Party may revoke, suspend, withhold or limit the operating authorization of a designated eligible airline of the other Contracting Party when the airline fails to comply with the laws or regulations of the Contracting Party granting the rights to operate in accordance with the conditions prescribed under this Agreement and meet the criteria of eligibility subject to the provisions of Article 4 (Designation, Authorization and Eligibility).

In case of revocation the Contracting Party shall inform the other Contracting Party at least thirty (30) days before the measure enters into force.

ARTICLE 6

CAPACITY AND FREQUENCY

Subject to the provisions of Article 3 (Grant of Rights), there shall be no limit on the number of frequencies and capacity offered on scheduled/non-scheduled passenger and cargo services which will be performed between Contracting Parties concerned. Each designated airline will be allowed to mount and operate such capacity and frequency as such airline deems appropriate. Consistent with this right, no Contracting Party shall unilaterally limit the volume of traffic, the type of aircraft to be operated or the number of flights per week, except for environmental, safety, security, technical or other special consideration.

ARTICLE 7
TARIFFS

The tariffs to be applied by the designated airlines shall be set out according to the current market conditions and shall not be required to be filed by the designated airlines of one Contracting Party with the aeronautical authorities of the other Contracting Party for approval.

In the event that one aeronautical authority of any Contracting Party is dissatisfied with a tariff proposed, the other Contracting Party shall supply those tariffs at its request and they will endeavor to settle the matter through consultations.

ARTICLE 8
AVIATION SAFETY

Each Contracting Party may request consultations at any time concerning safety standards in any area relating to aeronautical facilities and services, to aircrew, aircraft or their operation adopted by the other Contracting Party. Such consultations shall take place within thirty (30) days of that request.

If, following such consultations, one Contracting Party finds that the other Contracting Party does not effectively maintain and administer, in the aspects mentioned in paragraph 1 of this Article, 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 Contracting Party shall notify the other Contracting Party of those findings and the steps considered necessary to conform with those minimum ICAO standards, and that other Contracting Party shall take appropriate corrective action within an agreed period. Failure to take appropriate action within the agreed period shall be grounds for the application of Article 4 (Revocation, Suspension or Limitations of Authorization) of this Agreement.

Notwithstanding the obligations mentioned in Article 16 of the Convention, it is agreed that any aircraft operated by or on behalf of the airline of one Contracting Party on services to or from the territory of the State of the other Contracting Party may, while within the territory of the State of the other Contracting Party, be made subject of an examination (in this Article called "ramp inspection"), without unreasonable delay. This would be an inspection by the authorized representatives of the other Contracting Party, on board and around the aircraft. However, the obligations mentioned in Article 33 of the Convention, the objective of this inspection will be 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 accordance with the established effective norms on the basis of the Convention.

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

In the event that access for the purpose of undertaking a ramp inspection of an aircraft operated by the designated airline of a Contracting Party in accordance with paragraph (3) above is denied by the representative of that airline, the other Contracting Party shall be free to infer that serious concerns of the type referred to in paragraph (4) above arise and draw the conclusions referred in that paragraph.

Each Party reserves the right to suspend or vary the operating authorization of the airline of the other Contracting Party immediately in the case the first Contracting Party concludes, whether as a result of a ramp inspection, the denial of an access to a ramp inspection or a series of ramp inspection, consultation or otherwise, that immediate action is essential to the safety of an airline operation.

Any action by one Contracting Party in accordance with paragraphs (2) or (6) above shall be discontinued once the basis for the taking of that action ceases to exist.

ARTICLE 9

AVIATION SECURITY

Consistent with their rights and obligations under international law, the Contracting Parties reaffirm that their obligation to each other to protect the security of civil aviation against acts of unlawful interference forms an integral part of this Agreement. Without limiting the generality of their rights and obligations under international law, the Contracting Parties shall in particular act in conformity with the provisions of the Convention on Offenses 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 and Protocol for the Suppression of Unlawful Acts of Violence at Airports serving International Civil Aviation, signed at Montreal on 24 February 1988 or the Convention on the Marking of Plastic Explosives for the Purpose of Detection done at Montreal on 1 March 1991 or any other Convention on aviation security to which the Contracting Parties are parties.

Upon request, the Contracting Parties shall provide 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, of airports and air navigation facilities, and to address any other threat to the security of civil aviation.

The Contracting Parties, in their mutual relations, shall act in conformity with all aviation security standards and appropriate recommended practices established by ICAO and designated as Annexes to the Convention on International Civil Aviation to the extent that such security provisions are applicable to the Contracting Parties. They shall require that operators of aircraft of their registry or operators of aircraft who have their principal place of business or permanent residence in their territory and the operators of airports in their territory act in conformity with such aviation security provisions as are applicable to the Contracting Parties. Accordingly each Contracting Party shall advise the other Contracting Party of any difference between its national regulations and practices and the aviation security standards of the Annexes referred to above. Either Contracting Party may request immediate consultations with the other Contracting Party at any time to discuss any such differences which shall be held in accordance with paragraph 2 of Article 24 (Consultations and Amendment) of this Agreement.

Each Contracting Party agrees that such operators of aircraft may be required to observe the aviation security provisions referred to in paragraph (3) above required by the other Contracting Party for entry into, departure from, or while within, the territory of that other Contracting Party. Each Contracting Party shall secure that adequate measures are effectively applied within its territory to protect the aircraft and to inspect passengers, crew, carry-on items, and baggage, cargo and aircraft stores prior to and during boarding or loading. Each Contracting Party shall also give sympathetic consideration to any request from the other Contracting Party for reasonable special security measures to meet a particular threat.

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

Each Contracting Party shall take such measures, as it may find practicable, to ensure that an aircraft subject to an act of unlawful seizure or other acts of unlawful interference, which has landed in the territory of the respective State 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.

ARTICLE 10 OPERATION OF LEASED AIRCRAFT

The designated airlines of each Contracting Party may use aircraft leased from any airlines, provided that they shall give priority;

- a) firstly the designated airlines between the two D-8 Member States which the services are operated bilaterally,
- b) secondly the designated airlines of the other D-8 Member States.

Either Contracting Party may prevent the use of leased aircraft for services under this Agreement which does not comply with Articles 8 (Safety and Security) of this Agreement.

ARTICLE 11 COMMERCIAL ACTIVITIES

In accordance with the laws and regulations of the other Contracting Parties, the designated airline of a Contracting Party shall have the right:

- a. in relation to entry, residence and employment, to bring in and maintain in the territory of the other Contracting Parties managerial and other specialist staff, office equipment and other related equipment and promotional materials required for the operation of international air services;

b. to establish offices in the territory of the other Contracting Party for the purposes of provision, promotion and sale of air services;

c. to engage in the sale of air services in the territory of the other Contracting Party directly and, at its discretion, through its agents; to sell such air services, and any person shall be free to purchase such services in local currency of that territory or, subject to the national laws and regulations, in freely convertible currencies of other countries;

d. to convert and remit to the territory of its incorporation, on demand, local revenues in excess of sums locally disbursed. Conversion and remittance shall be permitted promptly without restrictions or taxation in respect thereof at the rate of exchange applicable to current transactions and remittance on the date the airline makes the initial application for remittance. Such conversion and remittance shall be made in accordance with the foreign exchange regulations of the Contracting Party concerned; and to pay for local expenses, including purchases of fuel, in the territories of the other Contracting Parties in local currency. At their discretion, the airlines of each Contracting Party may pay for such expenses in the territory of the other Contracting Parties in freely convertible currencies according to local currency regulation.

e. to enter into marketing arrangements such as blocked space, code sharing or other commercial arrangements with:

- an airline or airlines of the same Contracting Party;
- an airline or airlines of other Contracting Party;
- an airline or airlines of a third country;

provided that all airlines in the above arrangements hold the appropriate route and traffic rights, and, in respect of each ticket sold, the purchaser is informed at the point of sale which airline will operate each sector of the service.

For third party code share arrangements all airlines in such arrangements are subject to the approval of the aeronautical authorities of both Contracting Parties. Should such a third party not authorized or allow comparable arrangements between the airlines of the

other Contracting Party and other airlines on services to, from and via such third country, the aeronautical authorities of the concerned Contracting Party have the right not to accept such arrangements

It is the common understanding of both Contracting Parties that code-share services are not counted against the frequency entitlement of the marketing airline and the designated airlines of the Contracting Parties shall be encouraged to co-operate and enter into commercial arrangements.

ARTICLE 12 USER CHARGES

No Contracting Party shall impose or permit to be imposed on the designated airlines of another Contracting Party user charges higher than those imposed on its own airlines operating similar international air services.

Each Contracting Party shall encourage consultations on user charges between its competent charging authorities and airlines using the services and facilities provided by those charging authorities.

ARTICLE 13 CUSTOMS DUTIES

Each Contracting Party shall on the basis of reciprocity exempt a designated airline of another Contracting Party to the fullest extent possible under its national law from customs duties, excise taxes, inspection fees and other national duties and charges on aircraft, fuel, ground equipment, lubricating oils, consumable technical supplies, spare parts including engines, regular aircraft equipment, aircraft stores and other items, such as printed air waybills, any printed material which bears the insignia of the company printed thereon and usual publicity material distributed free of charge by that designated airline, intended for use or used solely in connection with the operation or servicing of aircraft of the designated airline of such other Contracting Party operating the agreed services.

ARTICLE 14
FAIR COMPETITION

Each Contracting Party agrees:

- a. that each designated airline shall have a fair and equal opportunity to compete in providing the international air services governed by this Agreement;
- b. to take action to eliminate all forms of discrimination and/or anti-competitive practices by that Contracting Party and/or its designated airline(s) that it deems to adversely affect the competitive position of a designated airline of any other Contracting Party.
- c. that the following airline practices may be regarded as possible anti-competitive practices that may merit closer examination:
 - charging fares and rates on routes at levels which are, in the aggregate, insufficient to cover the costs of providing the air services to which they relate;
 - the practices in question are sustained rather than temporary;
 - the practices in question reflect an apparent intent or have the probable effect, of crippling, excluding or driving another airline from the market; and
 - increase of frequency which causes market collapse.

ARTICLE 15
APPLICATION OF LAWS AND REGULATIONS

International laws including ICAO Recommendations & Practices and the national law of one Contracting Party governing entry into, sojourn in or departure from its territory of passengers, crew, baggage or cargo shall be complied with by the airlines designated by any other Contracting Party.

ARTICLE 16
CONSULTATIONS AND SETTLEMENT OF DISPUTES

A Contracting Party may, at any time, request consultation with other Contracting Party(ies) in respect of the interpretation or application of this Agreement. Such consultation shall begin at the earliest possible date but not later than thirty (30) days from the date the other Contracting Party receives the request.

If any dispute arises between Contracting Parties relating to the interpretation or application of this Agreement, Contracting Parties concerned shall in the first place endeavor to settle the dispute by aeronautical authorities of each Contracting Party.

If necessary, D-8 General Secretariat may be involved into said process.

If Contracting Parties concerned fail to reach a settlement of the dispute by D-8 General Secretariat, either party shall apply to settle dispute by diplomatic channels.

ARTICLE 17
RELATIONSHIP TO OTHER INTERNATIONAL AGREEMENTS

This Agreement or any actions taken thereto shall not affect the rights and obligations of the Contracting Parties under, inter alia, any existing agreements or international conventions to which they are also Contracting Parties,

In the event of any inconsistency between a provision of this Agreement and a provision of any existing bilateral or multilateral air services agreement(s) (including any amendments thereto), by which two or more of the D-8 Member States are bound or which is not covered by this Agreement, the provision which is less restrictive or more permissive or which is not covered by this Agreement, shall prevail. If the inconsistency concerns provisions relating to safety or aviation security, the provisions prescribing a higher or more stringent standard of safety or aviation security shall prevail to the extent of the inconsistency.

ARTICLE 18
FINAL PROVISIONS AND VALIDITY

This Agreement shall be deposited with the Depository who shall promptly furnish a certified true copy thereof to each Contracting Party.

This Agreement shall enter into force when the notification by Contracting Parties to the Depository of completion of the appropriate internal state procedures required by their respective national legislation. This Agreement will be valid in between the signatory contracting parties in case not all the contracting parties signed the agreement.

The Depository shall register this Agreement with the International Civil Aviation Organization as soon as it enters into force.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this D-8 Member States Multilateral Agreement on Air Services.

DONE at ... , this....., in (eight) 8 original copies in the English language.

**For the Civil Aviation Authority
of BANGLADESH***

.....
Director General, DGCA

**For the Civil Aviation Authority
of EGYPT**

.....
Director General, DGCA

**For the Civil Aviation Authority
of INDONESIA**

.....
Director General, DGCA

**For the Civil Aviation Authority
of Iran**

.....
Director General, DGCA

**For the Civil Aviation Authority
of MALAYSIA**

.....
Director General, DGCA

**For the Civil Aviation Authority
of NIGERIA**

.....
Director General, DGCA

**For the Islamic Republic of
PAKISTAN**

.....
Director General, DGCA

**For the Government of the Republic
of TURKEY**

.....
Director General, DGCA

For Secretary General, D8

.....
Secretariat of D8 Organization

*Alphabetic order

A N N E X
ROUTE SCHEDULE

The airlines designated by the D-8 Member States shall be entitled to operate air services in both directions on condition that 3th and 4th traffic rights are unlimited as follows:

From	Intermediate Points	To	Beyond Points
Any points in each D-8 Member States	Any point to be specified later(*)	Any points in each D-8 Member States	Any point to be specified later(*)

-(*) The intermediate points and beyond points on the above routes, and 5th freedom traffic rights which may be exercised at such points by the designated airlines, shall be jointly determined between the aeronautical authorities of both Contracting Parties.

-Intermediate and beyond points may be omitted by the designated airline(s) on any or all flights at their discretion provided that such services on this route shall start and terminate in the territory of the Contracting Party designating the airline.