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COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a

COUNCIL DECISION

on the signature and provisional application of the Agreement between the European Community and the Islamic Republic of Pakistan on certain aspects of air services

Proposal for a

COUNCIL DECISION

on the conclusion of the Agreement between the European Community and the Islamic Republic of Pakistan on certain aspects of air services

(presented by the Commission)

EXPLANATORY MEMORANDUM

1) CONTEXT OF THE PROPOSAL

- **Grounds for and objectives of the proposal**

Following the judgements of the Court of Justice in the so-called “Open Skies” cases, on 5 June 2003 the Council granted the Commission a mandate to open negotiations with third countries on the replacement of certain provisions in existing agreements with a Community agreement¹ (the “horizontal mandate”). The objectives of such agreements are to give all EU air carriers non-discriminatory access to routes between the Community and third countries, and to bring bilateral air service agreements between Member States and third countries in line with Community law.

- **General context**

International aviation relations between Member States and third countries have traditionally been governed by bilateral air services agreements between Member States and third countries, the Annexes to such agreements and other related bilateral or multilateral arrangements.

Traditional designation clauses in Member States’ bilateral air services agreements infringe Community law. They allow a third country to reject, withdraw or suspend the permissions or authorisations of an air carrier that has been designated by a Member State but that is not substantially owned and effectively controlled by that Member State or its nationals. This has been found to constitute discrimination against Community carriers established in the territory of a Member State but owned and controlled by nationals of other Member States. This is contrary to Article 43 of the Treaty which guarantees nationals of Member States who have exercised their freedom of establishment the same treatment in the host Member State as that accorded to nationals of that Member State.

There are further issues, such as aviation fuel taxation, tariffs introduced by third country air carriers on intra-Community routes, or obligatory commercial agreements between airlines where compliance with Community law should be ensured through amending or complementing existing provisions in bilateral air services agreements between Member States and third countries.

- **Existing provisions in the area of the proposal**

The provisions of the Agreement supersede or complement the existing provisions in sixteen bilateral air services agreements between Member States and Pakistan.

- **Consistency with the other policies and objectives of the Union**

The Agreement will serve a fundamental objective of the Community external aviation policy by bringing existing bilateral air services agreements in line with Community law.

¹ Council Decision 11323/03 of 5 June 2003 (restricted document)

2) CONSULTATION OF INTERESTED PARTIES AND IMPACT ASSESSMENT

- **Consultation of interested parties**

Consultation methods, main sectors targeted and general profile of respondents

Member States were consulted throughout the negotiations.

Summary of responses and how they have been taken into account

Comments made by Member States have been taken into account.

3) LEGAL ELEMENTS OF THE PROPOSAL

- **Summary of the proposed action**

In accordance with the mechanisms and directives in the Annex to the "horizontal mandate", the Commission has negotiated an agreement with Pakistan that replaces certain provisions in existing bilateral air services agreements between Member States and Pakistan. Article 2 of the Agreement replaces the traditional designation clauses with a Community designation clause, permitting all Community carriers to benefit from the right of establishment. Article 4 resolves conflicts between the existing bilateral air services agreements and Council Regulation No 2409/92 on fares and rates for air services which prohibits third country carriers from being price leaders on air services for carriage wholly within the Community. Article 5 brings provisions in bilateral agreements which are clearly anti-competitive (obligatory commercial agreements between airlines) in line with EU competition law.

- **Legal basis**

EC Treaty Art. 80(2), 300(2)

- **Subsidiarity principle**

The proposal is entirely based on the "horizontal mandate" granted by the Council taking into account the issues covered by Community law and bilateral air services agreements.

- **Proportionality principle**

The Agreement will amend or complement provisions in bilateral air services agreements only to the extent necessary to ensure compliance with Community law.

- **Choice of instruments**

The Agreement between the Community and Pakistan is the most efficient instrument to bring all existing bilateral air services agreements between Member States and Pakistan into conformity with Community law.

4) BUDGETARY IMPLICATION

The proposal has no implication for the Community budget.

5) ADDITIONAL INFORMATION

- **Simplification**

The proposal provides for simplification of legislation.

The relevant provisions of bilateral air services agreements between Member States and Pakistan will be superseded or complemented by provisions in one single Community agreement.

- **Detailed explanation of the proposal**

In accordance with the standard procedure for the signature and conclusion of international agreements, the Council is asked to approve the decisions on the signature and provisional application and on the conclusion of the Agreement between the European Community and the Islamic Republic of Pakistan on certain aspects of air services and to designate the persons authorised to sign the Agreement on behalf of the Community.

Proposal for a

COUNCIL DECISION

on the signature and provisional application of the Agreement between the European Community and the Islamic Republic of Pakistan on certain aspects of air services

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 80(2) in conjunction with the first sentence of the first subparagraph of Article 300(2) thereof,

Having regard to the proposal from the Commission²,

Whereas:

- (1) The Council authorised the Commission on 5 June 2003 to open negotiations with third countries on the replacement of certain provisions in existing bilateral agreements with a Community agreement.
- (2) On behalf of the Community, the Commission has negotiated an Agreement with Pakistan on certain aspects of air services in accordance with the mechanisms and directives in the Annex to the Council Decision authorising the Commission to open negotiations with third countries on the replacement of certain provisions in existing bilateral agreements with a Community agreement.
- (3) Subject to its possible conclusion at a later date, the Agreement negotiated by the Commission should be signed and provisionally applied.

HAS DECIDED AS FOLLOWS:

Sole Article

1. The President of the Council is hereby authorised to designate the person(s) empowered to sign on behalf of the Community the Agreement between the European Community and the Islamic Republic of Pakistan on certain aspects of air services subject to its conclusion at a later date.
2. Pending its entry into force, the Agreement shall be applied provisionally from the first day of the first month following the date on which the parties have notified each other of the completion of the necessary procedures for this purpose. The President of the Council is hereby authorised to make the notification provided for in Article 8(2) of the Agreement.

² OJ C , , p . .

3. The text of the Agreement is attached to this Decision.

Done at Brussels,

*For the Council
The President*

Proposal for a

COUNCIL DECISION

on the conclusion of the Agreement between the European Community and the Islamic Republic of Pakistan on certain aspects of air services

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 80(2) in conjunction with the first sentence of the first subparagraph of Article 300(2) and the first subparagraph of Article 300(3) thereof,

Having regard to the proposal from the Commission³,

Having regard to the opinion of the European Parliament⁴,

Whereas:

- (1) The Council authorised the Commission on 5 June 2003 to open negotiations with third countries on the replacement of certain provisions in existing bilateral agreements with a Community agreement.
- (2) On behalf of the Community, the Commission has negotiated an Agreement with the Islamic Republic of Pakistan on certain aspects of air services in accordance with the mechanisms and directives in the Annex to the Council Decision authorising the Commission to open negotiations with third countries on the replacement of certain provisions in existing bilateral agreements with a Community agreement.
- (3) The Agreement was signed on behalf of the Community on [...] subject to its possible conclusion at a later date, in conformity with Council Decision .../.../EC of [...]⁵.
- (4) The Agreement should be approved,

HAS DECIDED AS FOLLOWS:

Article 1

1. The Agreement between the European Community and the Islamic Republic of Pakistan on certain aspects of air services is hereby approved on behalf of the Community.

³ OJ C , , p. .

⁴ OJ C , , p. .

⁵ OJ C , , p. .

2. The text of the Agreement is attached to this Decision.

Article 2

The President of the Council is hereby authorised to designate the person(s) empowered to make the notification provided for in Article 8(1) of the Agreement.

Done at Brussels,

*For the Council
The President*

ANNEX
AGREEMENT

between the European Community and the Islamic Republic of Pakistan on certain aspects of air services

THE EUROPEAN COMMUNITY

of the one part, and

THE ISLAMIC REPUBLIC OF PAKISTAN

(hereinafter referred to as Pakistan)

of the other part

(hereinafter referred to as 'the Parties')

NOTING that certain provisions in bilateral air service agreements between several Member States of the European Community and the Islamic Republic of Pakistan need to be brought into conformity with Community law,

NOTING that the European Community has exclusive competence with respect to several aspects that may be included in bilateral air service agreements between Member States of the European Community and third countries,

NOTING that European Community air carriers established in a Member State have been granted the right to non-discriminatory access to air routes between that Member State and third countries by the European Community under Community law,

HAVING REGARD to the agreements between the European Community and the four European countries listed in Annex 3 providing for the possibility for the nationals of these countries to acquire ownership in air carriers licensed in accordance with European Community law,

RECOGNISING that all matters relating to bilateral air service agreements between Member States of the European Community and the Islamic Republic of Pakistan must be in conformity with the laws of the parties in order to establish a sound legal basis for air services between the European Community and the Islamic Republic of Pakistan and to preserve the continuity of such air services,

NOTING that provisions of the bilateral air services agreements between Member States of the European Community and the Islamic Republic of Pakistan, which are not incompatible with European Community law and Pakistani law do not need to be affected by this agreement,

RECOGNISING that provisions in bilateral air service agreements concluded between Member States of the European Community and the Islamic Republic of Pakistan which i) require or favour the adoption of agreements between undertakings, decisions by associations

of undertakings or concerted practices that prevent, distort or restrict competition between air carriers on the relevant routes; or ii) reinforce the effects of any such agreement, decision or concerted practice; or iii) delegate to air carriers or other private economic operators the responsibility for taking measures that prevent, distort or restrict competition between air carriers on the relevant routes may render ineffective the competition rules applicable to undertakings,

NOTING that it is not a purpose of the European Community and the Islamic Republic of Pakistan in this agreement to increase the total volume of air traffic between the European Community and the Islamic Republic of Pakistan, to affect the balance between Community air carriers and air carriers of the Islamic Republic of Pakistan, or to amend the provisions of existing bilateral air service agreements concerning traffic rights.

HAVE AGREED AS FOLLOWS:

ARTICLE 1

General provisions

1. For the purposes of this Agreement, 'Member States' shall mean Member States of the European Community.
2. References in each of the agreements listed in Annex 1 to nationals of the Member State that is a party to that agreement shall be understood as referring to nationals of the Member States of the European Community.
3. References in each of the agreements listed in Annex 1 to air carriers or airlines of the Member State that is a party to that agreement shall be understood as referring to air carriers or airlines designated by that Member State.

ARTICLE 2

Designation by a Member State

1. The provisions in paragraphs 2 and 3 of this Article shall prevail over the corresponding provisions in the articles listed in Annex 2 (a) and (b) respectively, in relation to the designation of an air carrier by the Member State concerned, its authorisations and permissions granted by the Islamic Republic of Pakistan, and the refusal, revocation, suspension or limitation of the authorisations or permissions of the air carrier, respectively.
2. On receipt of a designation by a Member State of the European Community, the Islamic Republic of Pakistan shall grant the appropriate authorisations and permissions with minimum procedural delay, provided that:
 - i. the air carrier is established in the territory of the designating Member State under the Treaty establishing the European Community and has a

valid Operating Licence from a Member State in accordance with European Community law; and

- ii. effective regulatory control of the air carrier is exercised and maintained by the Member State responsible for issuing its Air Operator's Certificate and the relevant aeronautical authority is clearly identified in the designation; and
- iii. the air carrier is owned, directly or through majority ownership, and it is effectively controlled by Member States and/or nationals of Member States, and/or by other states listed in Annex 3 and/or nationals of such other states; and
- iv. the air carrier has its principal place of business in the territory of the Member State which granted its valid Operating Licence.

3. The Islamic Republic of Pakistan may refuse, revoke, suspend or limit the authorisations or permissions of an air carrier designated by a Member State where:

- i. the air carrier is not established in the territory of the designating Member State under the Treaty establishing the European Community or does not have a valid Operating Licence from a Member State in accordance with European Community law; or
- ii. effective regulatory control of the air carrier is not exercised or not maintained by the Member State responsible for issuing its Air Operator's Certificate, or the relevant aeronautical authority is not clearly identified in the designation; or
- iii. the air carrier is not owned, directly or through majority ownership, or it is not effectively controlled by Member States and/or nationals of Member States, and/or by other states listed in Annex 3 and/or nationals of such other states; or
- iv. the air carrier does not have its principal place of business in the territory of the Member State which granted its valid Operating Licence; or
- v. the air carrier is already authorised to operate under a bilateral agreement between the Islamic Republic of Pakistan and another Member State and that, by exercising traffic rights under this Agreement on a route that includes a point in that other Member State, it would be circumventing restrictions on the traffic rights imposed by that other agreement; or
- vi. the air carrier designated holds an Air Operators Certificate and Operating Licence issued by a Member State with which the Islamic Republic of Pakistan does not have a bilateral air services agreement and that Member State has denied traffic rights or related commercial opportunities to a carrier licensed by the Islamic Republic of Pakistan.

4. In exercising its right under this paragraph, the Islamic Republic of Pakistan shall not discriminate between Community air carriers on the grounds of nationality provided that it meets the above requirements.

ARTICLE 3

Safety

1. The provisions in paragraph 2 of this Article shall complement the corresponding provisions in the articles listed in Annex 2 (c).
2. Where a Member State has designated an air carrier whose regulatory control is exercised and maintained by another Member State, the rights of the Islamic Republic of Pakistan under the safety provisions of the agreement between the Member State that has designated the air carrier and the Islamic Republic of Pakistan shall apply equally in respect of the adoption, exercise or maintenance of safety standards by that other Member State and in respect of the operating authorisation of that air carrier.

ARTICLE 4

Tariffs for carriage within the European Community

1. The provisions in paragraph 2 of this Article shall complement the corresponding provisions in the articles listed in Annex 2 (d).
2. The tariffs to be charged by the air carrier(s) designated by the Islamic Republic of Pakistan under an agreement listed in Annex 1 containing a provision listed in Annex 2 (d) for carriage wholly within the European Community shall be subject to European Community law. European Community law is applied on a non-discriminatory basis.

ARTICLE 5

Compatibility with competition rules

1. Notwithstanding any other provision to the contrary, nothing in each of the agreements listed in Annex 1 shall (i) favour the adoption of agreements between undertakings, decisions by associations of undertakings or concerted practices that prevent, distort or restrict competition; (ii) reinforce the effects of any such agreement, decision or concerted practice; or (iii) delegate to private economic operators the responsibility for taking measures that prevent, distort or restrict competition.
2. The provisions contained in the agreements listed in Annex 1 that are incompatible with paragraph 1 of this Article shall not be applied.

ARTICLE 6

Annexes to the Agreement

The Annexes to this Agreement shall form an integral part thereof.

ARTICLE 7

Revision or amendment

The Parties may, at any time, revise or amend this Agreement by mutual consent. Each of the Parties may, at any time, request consultations with a view to revise or amend this Agreement by mutual consent and the other party shall respond to such request not later than 60 (sixty) days after the request for consultations was made.

ARTICLE 8

Entry into force and provisional application

1. This Agreement shall enter into force when the Parties have notified each other in writing that their respective internal procedures necessary for its entry into force have been completed.
2. Notwithstanding paragraph 1, the Parties agree to provisionally apply this Agreement from the first day of the month following the date on which the Parties have notified each other of the completion of the procedures necessary for this purpose.
3. Agreements and other arrangements between Member States and the Islamic Republic of Pakistan which, at the date of signature of this Agreement, have not yet entered into force and are not being applied provisionally are listed in Annex 1 (b). This Agreement shall apply to all such Agreements and arrangements upon their entry into force or provisional application.

ARTICLE 9

Termination

1. In the event that an agreement listed in Annex 1 is terminated, all provisions of this Agreement that relate to the agreement listed in Annex 1 concerned shall terminate at the same time.
2. In the event that all agreements listed in Annex 1 are terminated, this Agreement shall terminate at the same time.

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

Done at [...] in duplicate, on this [...] day of [..., ...] in the Bulgarian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovene, Spanish and Swedish languages.

FOR THE EUROPEAN COMMUNITY:

FOR THE ISLAMIC REPUBLIC OF
PAKISTAN:

ANNEX 1

Provisional list of agreements referred to in Article 1 of this Agreement

- (a) **Air service agreements between the Islamic Republic of Pakistan and Member States of the European Community which, at the date of signature of this Agreement, have been concluded, signed and/or are being applied provisionally**
- Agreement between **the Austrian Federal Government and the Government of the Islamic Republic of Pakistan** relating to air services done at Rawalpindi on 28 May 1971, hereinafter referred to as "Pakistan-Austria Agreement" in Annex 2;

Last modified by the Memorandum of Understanding done at Islamabad on 27 September 2006, hereinafter referred to as "Pakistan-Austria Memorandum of Understanding" in Annex 2
 - Agreement between **the Government of the People's republic of Bulgaria and the Government of the Islamic Republic of Pakistan** relating to air services done at Islamabad on 22 October 1969, hereinafter referred to as "Pakistan-Bulgaria Agreement" in Annex 2;
 - Agreement between **the Government of the Czechoslovak Socialist Republic and the Government of the Islamic Republic of Pakistan** relating to air services done in Prague on 2 September 1969, hereinafter referred to as "Pakistan-Czech Republic Agreement" in Annex 2.
 - Agreement between the **Government of the Republic of France and the Government of Pakistan** relating to air services done at Karachi on 31 July 1950, hereinafter referred to as "Pakistan-France Agreement" in Annex 2;

Modified by exchange of notes dated 29 August and 20 and 31 October 1960;

Modified by exchange of notes dated 2 and 9 July 1974;
 - Air Transport Agreement between **the Federal Republic of Germany and Pakistan** done at Bonn on 20 July 1960 hereinafter referred to as "Pakistan-Germany Agreement" in Annex 2;

To be read together with the Agreed Minutes done at Bonn on 12 November 1998;
 - Air Service Agreement between the **Government of the Hellenic Republic and the Government of the Islamic Republic of Pakistan** done at Athens on 15 November 2005, hereinafter referred to as "Pakistan-Greece Agreement" in Annex 2;
 - Agreement between **the Government of the Hungarian People's Republic and the Government of the Islamic Republic of Pakistan** relating to air services done at Budapest on 11 May 1977, hereinafter referred to as "Pakistan-Hungary Agreement" in Annex 2;
 - Agreement between **the Government of the Republic of Italy and the Government of the Islamic Republic of Pakistan** relating to air services done at

Rome on 5 October 1957, hereinafter referred to as “Pakistan-Italy Agreement” in Annex 2;

Modified by Memorandum of Understanding done at Rome on 16 January 1974.

Last modified by Memorandum of Understanding done at Rome on 24 March 2004.

- Agreement between the **Government of the Republic of Malta and the Government of Islamic Republic of Pakistan** relating to air services done at Valetta on 25 April 1975, hereinafter referred to as “Pakistan-Malta Agreement” in Annex 2;
- Agreement between **the Government of the Kingdom of the Netherlands and the Government of Pakistan** relating to air services done at Karachi on 17 July 1952; hereinafter referred to as “Pakistan-The Netherlands Agreement” in Annex 2;

Modified by Agreed Minutes done at The Hague on 27 April 1995;

Modified by Agreed Minutes done at The Hague on 28 June 1995;

Modified by Memorandum of Understanding done at Bhurban on 16 November 1995;

Modified by Agreed Minutes done at The Hague on 25 March 1997;

Last modified by Confidential Memorandum of Understanding done at Karachi on 28 November 1998;

- Agreement between **the Government of the People’s Republic of Poland and the Government of the Islamic Republic of Pakistan** relating to air services done at Rawalpindi on 30 October 1970 hereinafter referred to as “Pakistan-Poland Agreement” in Annex 2;
- Agreement between **the Government of the Islamic Republic of Pakistan and the Government of Portugal** relating to air services done at Karachi on 7 June 1958 hereinafter referred to as “Pakistan-Portugal Agreement” in Annex 2;
- Air Transport Agreement between **the Government of the Islamic Republic of Pakistan and the Government of the Kingdom of Spain** done at Madrid on 19 June 1979 hereinafter referred to as “Pakistan-Spain Agreement” in Annex 2;

Modified by exchange of notes dated 20 July and 29 July 1988;

- Agreement between **the Government of the Socialist Republic of Romania and the Government of the Islamic republic of Pakistan** relating to Air Services done at Rawalpindi on 9 January 1973 hereinafter referred to as "Pakistan-Romania Agreement" in Annex 2;
- Agreement between **the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Islamic Republic of Pakistan** concerning Air Services done in Karachi on 14 September 1999, hereinafter referred to as "Pakistan-UK Agreement" in Annex 2;

Modified by Memorandum of Understanding done at London on 9 February 2000.

(b) Air service agreements and other arrangements initialled or signed between the Islamic Republic of Pakistan and Member States of the European Community which, at the date of signature of this Agreement, have not yet entered into force and are not being applied provisionally

- Agreement between **the Government of the Kingdom of Denmark and the Government of the Islamic Republic of Pakistan** relating to Air Services done at Oslo on 23 March 1999 hereinafter referred to as “Pakistan-Denmark Agreement” in Annex 2;

Supplemented by Memorandum of Understanding between the Scandinavian countries and Pakistan done at Oslo 23 March 1999.

- Agreement between **the Government of the Islamic Republic of Pakistan and the Government of the Grand Duchy of Luxembourg** on air services initialled at Karachi on 14 October 1997 hereinafter referred to as “Pakistan-Luxembourg Agreement” in Annex 2.

Supplemented by Memorandum of Understanding signed at Karachi on 14 October 1997.

- Air Services Agreement between **the Government of the Kingdom of Sweden and the Government of the Islamic Republic of Pakistan** done at Oslo on 23 March 1999, hereinafter referred to as “Pakistan-Sweden Agreement” in Annex 2;

Supplemented by Memorandum of Understanding between the Scandinavian countries and Pakistan done at Oslo 23 March 1999.

ANNEX 2

Provisional list of articles in the agreements listed in Annex 1 and referred to in Articles 2 to 4 of this Agreement

(a) Designation by a Member State:

- Article 3 of the Pakistan-Austria Agreement and 2a of the Pakistan-Austria Memorandum of Understanding done at Islamabad on 27 September 2006;
- Article III of the Pakistan-Bulgaria Agreement;
- Article III of the Pakistan-Czech Republic Agreement;
- Article 3 of the Pakistan-Denmark Agreement;
- Article 2 of the Pakistan-France Agreement;
- Article 3 of the Pakistan-Germany Agreement;
- Article 3 of the Pakistan-Greece Agreement;
- Article 3 of the Pakistan-Hungary Agreement;
- Article II of the Pakistan-Italy Agreement;
- Article 3 of the Pakistan-Malta Agreement;
- Article III of the Pakistan-Poland Agreement;
- Article II of the Pakistan-Portugal Agreement;
- Article III of the Pakistan-Romania Agreement;
- Article 3 of the Pakistan-Spain Agreement;
- Article 3 of the Pakistan-Sweden Agreement;
- Article 4 of the Pakistan-United Kingdom Agreement.

(b) Refusal, revocation, suspension or limitation of authorisations or permissions:

- Article 4 of the Pakistan-Austria Agreement and 2b of the Pakistan-Austria Memorandum of Understanding;
- Article IV of the Pakistan-Bulgaria Agreement;
- Article IV of the Pakistan-Czech Republic Agreement;
- Article 4 of the Pakistan-Denmark Agreement;
- Article 2 of the Pakistan-France Agreement;

- Article 4 of the Pakistan-Germany Agreement;
- Article 4 of the Pakistan-Greece Agreement;
- Article 4 of the Pakistan-Hungary Agreement;
- Article VIII of the Pakistan-Italy Agreement;
- Article 4 of the Pakistan-Luxembourg Agreement;
- Article 4 of the Pakistan-Malta Agreement;
- Article VIII of the Pakistan-The Netherlands Agreement;
- Article IV of the Pakistan-Poland Agreement;
- Article VIII of the Pakistan-Portugal Agreement;
- Article IV of the Pakistan-Romania Agreement;
- Article 4 of the Pakistan-Spain Agreement;
- Article 4 of the Pakistan-Sweden Agreement;
- Article 5 of the Pakistan-United Kingdom Agreement.

(c) Safety:

- Attachment D of the Pakistan-Austria Memorandum of Understanding;
- Article V of the Pakistan-Bulgaria Agreement;
- Article V of the Pakistan-Czech Republic Agreement;
- Article 16 of the Pakistan-Denmark Agreement;
- Article 8 of the Pakistan-Greece Agreement;
- Article 5 of the Pakistan-Hungary Agreement;
- Article II of the Pakistan-Italy Agreement;
- Article 6 of the Pakistan-Luxembourg Agreement;
- Article 5 of the Pakistan-Malta Agreement;
- Appendix II to the Pakistan-The Netherlands Agreed Minutes of 25 March 1997;
- Article V of the Pakistan-Romania Agreement;
- Article 5 of the Pakistan-Spain Agreement;
- Article 16 of the Pakistan-Sweden Agreement.

(d) Tariffs for Carriage within the European Community:

- Article 9 of the Pakistan-Austria Agreement;
- Article VIII of the Pakistan-Bulgaria Agreement;
- Article VIII of the Pakistan-Czech Republic Agreement;
- Article 11 of the Pakistan-Denmark Agreement;
- Article 6 of the Pakistan-France Agreement;
- Annex 4 of the Agreed Minutes done at Bonn 12 November 1998 – as applied provisionally in the framework of the Pakistan-Germany Agreement;
- Article 13 of the Pakistan-Greece Agreement;
- Article 9 of the Pakistan-Hungary Agreement;
- Article VI of the Pakistan-Italy Agreement;
- Article 10 of the Pakistan-Luxembourg Agreement;
- Article 9 of the Pakistan-Malta Agreement;
- Article VI of the Pakistan-The Netherlands Agreement;
- Article VIII of the Pakistan-Poland Agreement;
- Article VI of the Pakistan-Portugal Agreement;
- Article IX of the Pakistan-Romania Agreement;
- Article 9 of the Pakistan-Spain Agreement;
- Article 11 of the Pakistan-Sweden Agreement;
- Article 7 of the Pakistan-United Kingdom Agreement.

ANNEX 3

List of other states referred to in Article 2 of this Agreement

- (a) **The Republic of Iceland** (under the Agreement on the European Economic Area);
- (b) **The Principality of Liechtenstein** (under the Agreement on the European Economic Area);
- (c) **The Kingdom of Norway** (under the Agreement on the European Economic Area);
- (d) **The Swiss Confederation** (under the Agreement between the European Community and the Swiss Confederation on Air Transport)