AIR TRANSPORT AGREEMENT

BETWEEN

THE KINGDOM OF SPAIN

AND

THE ARAB REPUBLIC OF EGYPT

INDEX

PREAMBLE

ART. 1	DEFINITIONS
ART. 2	GRANT OF RIGHTS
ART. 3	DESIGNATION AND AUTHORIZATION OF AIRLINES
ART. 4	REVOCATIONS, SUSPENSION AND LIMITATION OF RIGHTS
ART. 5	CUSTOMS DUTIES
ART. 6	USER CHARGES
ART. 7	TARIFFS
ART. 8	COMMERCIAL ACTIVITIES
ART. 9	TRANSFER OF EARNINGS
ART. 10	INTERMODAL CARGO TRANSPORT
ART. 11	LAWS AND REGULATIONS
ART. 12	CERTIFICATES AND LICENCES
ART. 13	AVIATION SAFETY
ART. 14	SECURITY
ART. 15	CAPACITY
ART. 16	APPROVAL OF TIMETABLES
ART. 17	STATISTICS
ART.18	CONSULTATIONS
ART.19	MODIFICATIONS
ART. 20	SETTLEMENT OF DISPUTES
ART. 21	REGISTRATION
ART. 22	MULTILATERAL CONVENTIONS
ART. 23	TERMINATION
ΔRT 24	ENTRY INTO FORCE

PREAMBLE

The Kingdom of Spain and the Arab Republic of Egypthereinafter referred to as the Contracting Parties;

Desiring to promote an international aviation system which offers fair and equal opportunities to their respective airlines for the operation of the services and which allows them to compete in accordance with the laws and regulations of each Contracting Party;

Desiring to facilitate the expansion of international air transport opportunities;

Desiring to ensure the highest degree of safety and security in international air transport and reaffirming their grave concern about acts or threats against the security of aircraft, which jeopardize the safety of persons or property; and

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

Have agreed as follows:

ARTICLE 1

DEFINITIONS

For the purpose of the interpretation and application of this Agreement, except as otherwise provided herein:

- a) the term **Convention** means the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December, 1944, and includes any Annex adopted under Article 90 of that Convention, any amendment of the Annexes or the Convention under Article 90 and 94 thereof so far as those Annexes and amendments have become effective for or have been ratified by both Contracting Parties;
- b) the term **Aeronautical Authorities** means in the case of the Kingdom of Spain, on the civil level, the Ministry of Fomento (General Directorate of Civil Aviation), and in the case of the Arab Republic of Egypt, the Minister of Civil Aviation or, in both cases, any person or body duly authorized to perform any function related to this Agreement exercised by the said Authorities;
- c) the term designated airline means the airline providing international air services that each Contracting Party has designated to operate the agreed services on the specified routes as established in the Annex to this Agreement and in accordance with Article 3 of this Agreement;
- d) the terms **territory**, **international air service**, and **stop for non traffic purposes** have the meanings specified in Articles 2 and 96 of the Convention;
- e) the term **Agreement** means this Agreement, its Annexes and any amendments thereto;

H.G. 2/20

- f) the term **specified routes** means the routes established or to be established in the Annex to this Agreement;
- g) the term **agreed services** means the international air services which can be operated, according to the provisions of this Agreement, on the specified routes for the transport of passengers, baggage and cargo separately or in combination in accordance with the agreed capacity entitlements;
- h) the term tariff means the prices to be paid for the carriage of passengers, baggage and freight (except mail) including any significant additional benefit granted or provided together with the said transport as well as the commission to be paid in connection with the sale of tickets and with the corresponding transactions for the carriage of goods. It also includes the conditions for the application of the transport price and the payment of the appropriate commission;
- i) the term **nationals**, in the case of Spain, shall be understood as referring to nationals of European Union Member States; In the case of the Arab Republic of Egypt shall be understood as referring to nationals of the Arab Republic of Egypt.
- j) the term **EU Treaties** shall be understood as referring to the Treaty on European Union and the Treaty on the Functioning of the European Union.
- the term **capacity** is the amount(s) of services provided under the agreement, usually measured in the number of flights (frequencies) or seats or tons of cargo offered in a market (city pair, or country-to-country) or on a route during a specific period, such as daily, weekly, seasonally or annually.
- the term Annex shall mean the Route Schedule and the Code Share Clause attached to the present Agreement and any clauses or notes appearing in such Annex, and any modification made thereto.
- m) the term **all cargo air services** means an international air service performed by aircraft on which cargo or mail(with ancillary attendance) is carried separately or in combination, but on which revenue passengers are not carried.
- n) the term **user charges** means a charge made to airlines by the competent Authorities, or permitted by them to be made, for the provision of airport property or facilities or of air navigation facilities, or aviation security facilities or services, including related services and facilities, for aircraft, their crews, passengers and cargo.

GRANT OF RIGHTS

- 1. Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement, for the purpose of establishing scheduled international air services on the routes specified in the Annex hereto.
- 2. The airlines designated by each Contracting Party, shall enjoy, while operating an agreed service on a specified route, the following rights:

- a) to fly over the territory of the other Contracting Party without landing;
- b) to make stops in the said territory for non-traffic purposes;
- c) to make stops in the said territory at points specified in the Annex, for the purpose of taking on board and discharging passengers, baggage, cargo and mail coming from or destined for points in the territory of the other contracting party, on the specified routes while operating an agreed service.
- 3. Airlines of either Contracting Party other than the designated airlines shall be ensured the rights specified in paragraphs 2 a) and 2 b) above.
- 4. Nothing in this Agreement shall be deemed to confer on the designated airlines of one Contracting Party rights of taking up, in the territory of the other Contracting Party, passengers, baggage cargo and mail carried for remuneration or hire and destined for another point in the territory of that other Contracting Party
- 5. If because of armed conflict, political disturbances or developments or special and unusual circumstances a designated airline of one Contracting Party is unable to operate the agreed services on its normal routing, the other Contracting Party shall use its best efforts to facilitate the continued operation of such agreed service through appropriate temporary rearrangement of routes as is mutually decided by the Contracting Parties.

DESIGNATION AND AUTHORIZATION OF AIRLINES

- 1. Each Contracting Party shall have the right to designate by written notification through diplomatic channels to the other Contracting Party as many airlines as it wishes for the purpose of operating the agreed services on the specified routes and to substitute another airline for an airline previously designated.
- 2. On receipt of such designation, and on application from the designated airline, in the form and manner prescribed, the other Contracting Party shall grant without delay the appropriate operating authorizations and permissions, subject to the provisions of paragraphs 3 and 4 of this Article.
- 3. The Aeronautical Authorities of one Contracting Party may require any airline designated by the other Contracting Party to satisfy them that it is qualified to fulfil the conditions prescribed under the laws and regulations normally and reasonably applied to the operation of international air services by such authorities in conformity with the provisions of the Convention.
- 4. The granting of the operating authorizations referred to in paragraph 2 of this Article shall require airlines to satisfy the Contracting Party that:
- a) in the case of an airline(s) designated by the Kingdom of Spain:
 - I. it is established in the territory of the Kingdom of Spain under the EU Treaties and has a valid Operating Licence in accordance with European Union law; and

- II. effective regulatory control of the airline is exercised and maintained by the European Union Member State responsible for issuing its Air Operator Certificate and the relevant Aeronautical Authority is clearly identified in the designation; and
- III. the airline is owned, directly or through majority ownership, and it is effectively controlled by Member States of the European Union and/or nationals of EU Member States, and or by other States listed in Annex II and/or by nationals of such other States.
- b) in the case of an airline(s) designated by the Arab Republic of Egypt:
 - I. it is established in the territory of the Arab Republic of Egypt and has a valid Air Operator's Certificate (AOC) in accordance with the applicable law of the Arab Republic of Egypt; and
 - II. effective regulatory control of the airline is exercised and maintained by the Arab Republic of Egypt; and
 - III. the airline is owned, directly or through majority ownership, and it is effectively controlled by the Arab Republic of Egypt and/or by its nationals.
- 5. When an airline has been so designated and authorized, it may begin at any time to operate the agreed services in accordance with the provisions established in this Agreement

REVOCATIONS, SUSPENSION AND LIMITATION OF RIGHTS

- 1. Each Contracting Party shall have the right to revoke the operating authorizations or technical permissions or to suspend the exercise of the rights specified in Article 2 of this Agreement given to an airline designated by the other Contracting Party, or to impose such conditions as it may deem necessary for the exercise of these rights:
- a) in the case of an airline designated by:
 - 1. the Kingdom of Spain:
 - it is not established in the territory of the Kingdom of Spain under the EU Treaties or does not have a valid Operating Licence in accordance with European Union law; or
 - ii) effective regulatory control of theairline is not exercised or not maintained by the European Union Member State responsible for issuing its Air Operator Certificate or the relevant Aeronautical Authority is not clearly identified in the designation; or
 - 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 nationals of EU Member States, and/or by other States listed in Annex II and/or by nationals of such other States; or
 - iv) the airline holds an Air Operator Certificate issued by a European

M.G. - 5/20



Union Member State and there is no Bilateral Air Service Agreement between the Arab Republic of Egypt and that European Union Member State, and traffic rights to that European Union Member State have been denied to the airline designated by the Arab Republic of Egypt.

2. The Arab Republic of Egypt:

- it is not established in the territory of the Arab Republic of Egypt or does not have a valid Air Operator's Certificate (AOC) in accordance with the applicable law of the Arab Republic of Egypt; or
- ii) The Arab Republic of Egypt is not exercising or not maintaining effective regulatory control of the airline; or
- iii) the airline is not owned, directly or through majority ownership, or it is not effectively controlled by the Arab Republic of Egypt and/or by its nationals.
- b) in the case of failure by that airline to comply with the laws and regulations of the Contracting Party granting these rights; or
- c) in any case in which that airline otherwise fails to operate the agreed services in accordance with the conditions prescribed under this Agreement; or
- d) in the case of failure by the other Contracting Party to comply with or apply the Safety and Security standards in accordance with Articles 13 and 14 of this Agreement.
- 2. Without prejudice to the provisions under Articles 13 and 14 and unless immediate revocation, suspension or imposition of the conditions mentioned in paragraph 1 of this Article are essential to prevent further infringement of the laws and regulations, such a right shall be exercised only after consultations with the other Contracting Party. The consultation shall take place within a period of thirty (30) days of the consultation being proposed, unless otherwise agreed.

ARTICLE 5

CUSTOMS DUTIES

- 1. Aircraft operated in international air services by the designated airlines of either Contracting Party, as well as their regular equipment, supplies of fuels and lubricants, and aircraft stores (including food, beverages and tobacco) which are on board such aircraft shall be exempt, on a reciprocal basis and in accordance with the applicable legislation, from all limitations on imports, taxes on property and capital, customs duties, special taxes and fees or similar charges and other duties or taxes levied in the territory of the other Contracting Party, provided that such equipment and supplies remain on board the aircraft up to such time as they are re-exported.
- 2. There shall also be exempt from the same duties and taxes, with the exception of those payments corresponding to the service performed:
- a) aircraft stores taken on board in the territory of either Contracting Party, within the limits fixed by the Authorities of the said Contracting Party, and for use on board

- the aircraft engaged in international air services of the other Contracting Party;
- b) spare parts, brought into the territory of either Contracting Party for the maintenance or repair of aircraft used on international air services by the designated airlines of the other Contracting Party;
- c) fuels and lubricants destined to supply aircraft operated on international air services by the designated airlines of the other Contracting Party, even when these supplies are to be used on the part of the journey performed over the territory of the Contracting Party in which they are taken on board;
- printed tickets, airway bills, any printed material which bears the insignia of the company printed thereon and usual publicity material distributed without charge by the designated airlines;
- 3. Regular airborne equipment, as well as materials and supplies on board the aircraft of either Contracting Party may be unloaded in the territory of the other Contracting Party only with the approval of the Customs Authorities of such territory. In such case, they may be placed under the supervision of the said Authorities up to such time as they are re-exported or otherwise disposed of in accordance with the Customs regulations.
- 4. The exemptions provided for by this Article shall also be available in situations where the designated airlines of either Contracting Party have entered into arrangements with other airlines, for the loan or transfer in the territory of the other Contracting Party, of the regular equipment and the other items referred to in this Article provided that the other airline or airlines enjoy the same exemptions from that other Contracting Party.
- 5. Passengers in transit across the territory of either Contracting Party as well as their baggage shall be subject to no more than a simplified control established under the applicable Customs regulations except in respect of security measures against violence, air piracy and narcotics. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes levied on imports.
- 6. The exemptions provided for in this Article shall be granted in accordance with the procedures established in the Customs regulations.

USER CHARGES

- 1. The charges for the use of each airport including its installations, technical and other facilities and services as well as any charges for the use of air navigation facilities, communication facilities and services shall be made in accordance with the tariffs established by each Contracting Party on the territory of its State, in accordance with Article 15 of the Convention provided that they may not exceed the ones set for its own national aircraft used on similar international services for the use of the said airport and services.
- 2. Each Contracting Party shall ensure that the user charges imposed or permitted

M-G.

7/20

to be imposed by its competent charging bodies on the designated airline or airlines of the other Contracting Party are just and shall not be higher than those paid by other airlines for such services.

ARTICLE 7

TARIFFS

- 1. The tariffs to be charged by the designated airlines of each Contracting Party for the international carriage in the services provided under this Agreement shall be freely established at reasonable levels, due regard being paid to all relevant factors, including the cost of operation, characteristics of the service, interests of users, a reasonable profit and other market considerations.
- 2. Tariffs for international air transport operated pursuant to this Agreement may be required to be filed with the aeronautical authorities of either Contracting Party.
- 3. Intervention by the Contracting Parties shall be limited to:
- a) prevention of unreasonably discriminatory prices or practices;
- b) protection of consumers from prices that are unreasonably high or restrictive due to abuse of a dominant position;
- c) protection of airlines from prices that are artificially low due to direct or indirect subsidy or support;
- d) protection of airlines from prices that are artificially low, where evidence exists as to an intent to eliminate competition.
- 4. Where the Aeronautical Authorities find that a certain tariff falls within the categories set forth in paragraph 3.a, 3.b, 3.c and 3.d they shall send reasoned notification of their dissatisfaction to the Aeronautical Authorities of the other Contracting Party and to the airline involved as soon as possible; and they may request consultations in accordance with the procedures established under paragraph 5 of this Article.
- 5. The Aeronautical Authorities of each Contracting Party may request theAeronautical Authorities of the other Contracting Party consultations on any tariff charged by an airline of the other Contracting Party for the international carriageto or from the territory of the first Contracting Party, including those tariffs for which a notice of dissatisfaction has been given. These consultations shall be held not later than thirty (30) days after receipt of the request. The Contracting Parties shall cooperate in securing the necessary information for a reasoned resolution of the issue. If an agreement is reached with respect to a tariff for which a notice of dissatisfaction has been given, the Aeronautical Authorities of each Contracting Party shall use their best efforts to put that agreement into effect. If such a mutual agreement is not reached, the previously applied tariff shall continue into effect.
- 6. A tariff established in accordance with the provisions of this Article shall remain in effect unless subsequently disapproved in accordance with the provisions of paragraphs 4 and 5 above.

COMMERCIAL ACTIVITIES

- 1. The designated airlines of each Contracting Party shall be allowed, on the basis of reciprocity, to maintain in the territory of the other Contracting Party, their own offices for the purpose of provision and sale of air services as well as other matters in relation to the provision of air transportation; and to maintain their representatives, as well as their managerial, commercial, operational, sales and technical staff as required in connection with the operation of the agreed services.
- 2. The representatives and staff may, at the option of the designated airlines of each Contracting Party, be satisfied either by their own personnel or by using the services of any other organization, company or airlines operating in the territory of the other Contracting Party, and authorized to perform such services in the territory of that Contracting Party.
- 3. The representatives and staff shall be subject to the laws and regulations in force of the other Contracting Party, and, according to such laws and regulations, each Contracting Party shall process, on the basis of reciprocity and with the minimum delay, the residency and employment authorizations, visas, where applicable, or other similar documents to the representatives and staff referred to in paragraph 1 of this Article.
- 4. Should special circumstances require the entry or permanence of staff on an emergency and temporary basis, the authorizations, visas and any other documents required by the laws and regulations of each Contracting Party shall beprocessed promptly so as not to delay the entry of such personnel into the state concerned.
- 5. Each designated airline shall have the right on reciprocal basis to provide their own ground-handling services in the territory of the other Contracting Party or otherwise to contract these services out, in full or in part, at its option, with any of the suppliers authorized for the provision of such services. Where or as long as the lawsand regulations applicable to groundhandling in the territory of one Contracting Party prevent or limit either the freedom to contract these services out or self-handling, 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.
- 6. On a reciprocal and non discriminatory basis with respect to any other airline operating in international traffic, the airlines designated by the Contracting Parties shall be free to sell air transport services in the territories of both Contracting Parties, either directly or through an agent. Each designated airline shall have the right to use for this purpose its own transportation documents. In accordance with the laws in force in each Contracting Party the designated airlines of each Contracting Party shall have the right to sell, and any person shall be free to purchase, such transportation in local currency or in any freely convertible other currency. The designated airline or airlines of one Contracting Party shall have the right to pay for local expenses in the territory of the other Contracting Party in local currency or, provided these accord with local regulations, in freely convertible currencies.

TRANSFER OF EARNINGS

- 1. The airlines of each Contracting Party shall be free to transfer from the territory of sale to their home territory the excess of receipts over expenditure earned by such airline or airlines in the territory of the other Contracting Party. Included in such net transfer shall be revenues from sales, made directly or through an agent of air transport services, and ancillary or supplementary services, and normal commercial interest earned on such revenues while on deposit awaiting transfer.
- 2. Such remittances shall be made without prejudice to any fiscal obligations in force in the territory of either Contracting Party.
- 3. The airlines designated by the Contracting Parties shall be granted the appropriate authorization to make such remittances on the due dates in freely convertible currency at the official rate of exchange in force at the time of the request.

ARTICLE 10

INTERMODAL CARGO TRANSPORT

Notwithstanding any other provision of this Agreement, designated airlines and indirect providers of air cargo transportation of both Contracting Parties shall be permitted, subject to laws and regulations in force in each Contracting Party, to employ any surface transportation for air cargo to or from points the territories of the Contracting Parties or in third countries including transport to and from all airports with customs facilities, and including, where applicable, the right to transport air cargo in bond under applicable laws and regulations. Such air cargo, whether moving by surface or by air, shall have access to airport customs and processing facilities. Airlines may elect to perform their own surface transportation or to provide it through arrangements with other surface carriers, including surface transportation operated by other airlines and indirect providers of air cargo transportation. Such intermodal cargo services may be offered at a single through price for the air and surface transportation combined, provided that shippers are informed as to the providers of the transport involved.

ARTICLE 11

LAWS AND REGULATIONS

- 1. The laws, regulations and procedures of the state of one Contracting Party governing entry into, overfly, movement, stay and departure from its territory of aircraft engaged in international air navigation shall be complied with by the designated airlines of the other Contracting Party.
- 2. The laws, regulations and administrative requirements of the state of one Contracting Party governing entry into, movement, stay and departure from its territory of passengers, crew, baggage, cargo or mail, such as laws and regulations regarding entry, exit, aviation security emigration and immigration, as well as customs and sanitary measures shall apply to passengers, crew, baggage, cargo or mail carried by the aircraft of the designated airline of the other Contracting Party while they are within the said territory.

3. Neither Contracting Party may grant any preference to its own airline with regard to the designated airline of the other Contracting Party in the application of the laws and regulations provided for in this Article.

ARTICLE 12

CERTIFICATES AND LICENCES

- 1. Certificates of airworthiness, certificates of competency and licences issued or validated in accordance with the laws and regulations of one Contracting Partyand still in force shall be recognized as valid by the other Contracting Party for the purpose of operating the agreed services on the specified routes in the Annex to this Agreement, provided always that the requirements under which such certificates and licences were issued or validated are equal or above the minimum standards established under the Convention.
- 2. Each Contracting Party reserves the right, however, of refusing to recognize the validity of the certificates of competency and the licences granted to its own nationals by the other Contracting Party, for the purpose of overflying and/or landing in its own territory.

ARTICLE 13

AVIATION SAFETY

- 1. Each Contracting Party may request consultations at any time concerning safety standards in any area relating to aircrew, aircraft or their operation adopted by the other Contracting Party. Such consultations shall take place within thirty (30) days of that request.
- 2. If, following such consultations, one Contracting Party finds that the other Contracting Party does not effectively maintain and administer safety standards in any such area that are at least equal to the minimum standards established at that time pursuant to the Convention, the first Contracting Party shall notify the other Contracting Party of those findings and the steps considered necessary to conform with those minimum standards, and that other Contracting Party shall take appropriate corrective action. Failure by the other Contracting Party to take appropriate action within fifteen (15) days or such longer period as may be agreed, shall be grounds for the application of Article 4 of this Agreement (Revocations, suspension and limitation of rights).
- 3. In accordance with the obligations established in Article 16 of the Convention, it is agreed that any aircraft operated by the airline or airlines of one Contracting Party on services to or from the territory of the other Contracting Party may, while within the territory of the other Contracting Party, be made the subject of an examination, in this Article called "ramp inspection", provided this does not lead to unreasonable delay. Notwithstanding the obligations established in Article 33 of the Convention, such inspection shall be performed, by the authorized representatives of the other Contracting Party, on board and around the aircraft to check both the validity of the aircraft documents and those of its crew and the apparent condition of the aircraft and

11/20

its equipment.

- 4. If any such ramp inspection or series of ramp inspections gives rise to:
- 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 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.

- 5. In the event that access for the purpose of undertaking a ramp inspection of an aircraft operated by the airline or airlines of one Contracting Party in accordance with paragraph 3 above is denied by the representative of that airline or airlines, 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.
- 6. Each Contracting Party reserves the right to suspend or vary the operating authorization of an airline or airlines of the other Contracting Party immediately in the event the first Contracting Party concludes, whether as a result of a ramp inspection, a series of ramp inspections, a denial of access for ramp inspection, consultation or otherwise, that immediate action is essential to the safety of an airline operation.
- 7. Any action by 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.
- 8. Where the Kingdom of Spain has designated an airline whose regulatory control is exercised and maintained by another European Union Member State, the rights of the other Contracting Party under this Article shall apply equally in respect of the adoption, exercise or maintenance of safety standards by that other European Union Member State and in respect of the operating authorization of that airline.

ARTICLE 14

SECURITY

1. Consistent with their rights and obligations under international law, the Contracting Parties reaffirm that their obligation to each other to protect the security of civil aviation against acts of unlawful interference forms an integral part of 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 Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14th September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16th December 1970, the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23rd September 1971, the Protocol for the Suppression of Unlawful Acts of Violence

12/20



- at Airports Serving International Civil Aviation, signed at Montreal on 24th February 1988 which is supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, done at Montreal on 23rd September 1971, and the Convention on the Marking of Plastic Explosives for the Purpose of Detection, signed at Montreal on 1st March 1991.
- 2. The Contracting Parties shall provide upon request all necessary assistance to each other to prevent acts of unlawful seizure of 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. The Contracting Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by the International Civil Aviation Organization and designated as Annexes to the Convention to the extent that such security provisions are applicable to the Contracting Parties; they shall require that operators of aircraft of their registry or operators of aircraft who have their principal place of business or head officein the territory of the Contracting Parties or, in the case of the Kingdom of Spain, operators of aircraft which are established in its territory under the EU Treaties and have valid Operating Licences in accordance with European Union law, and the operators of airports in their territory act in conformity with such aviation security provisions.
- 4. Each Contracting Party agrees that its operators of aircraft shall be required to observe the aviation security provisions referred to in the paragraph above required by the other Contracting Party for entry into, departure from, or while within the territory of that Contracting Party. For departure from, or while within, the territory of the Arab Republic of Egypt, operators of aircraft shall be required to observe aviation security provisions in conformity with the law in force in that country. For departure from, or while within, the territory of the Kingdom of Spain, operators of aircraft shall be required to observe aviation security provisions in conformity with European Union law and with the Spanish current regulations on that matter. Each Contracting Party shall ensure that adequate 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. 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.
- 5. 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 occur, 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.
- 6. When a Contracting Party has reasonable grounds to believe that the other Contracting Party has departed from the aviation security provisions of this Article, that Contracting Party may request immediate consultations with the other Contracting Party.
- 7. Without prejudice to Article 4 (Revocations, Suspension and Limitation of Rights) of this Agreement, failure to reach a satisfactory agreement within fifteen (15) days from

the date of such request will constitute grounds to withhold, revoke, limit or impose conditions on the operating authorization or technical permission of the airlines of both Contracting Parties.

- 8. When required by an immediate and extraordinary threat, a Contracting Party may take interim action prior to the expiry of fifteen (15) days.
- 9. Any action taken in accordance with the paragraph 7 above shall be discontinued upon compliance by the other Contracting Party with the provisions of this Article.

ARTICLE 15

CAPACITY

- 1. There shall be a fair and equal opportunity for the designated airlines of the Contracting Parties to operate the agreed services on the routes specified in this Agreement.
- 2. In operating the agreed services, the Aeronautical Authorities of both Contracting Parties shall establish jointly the capacity and traffic rights to be offered by the designated airlines of either Contracting Party.in accordance with the following principles:
 - a) There shall be fair and equal opportunity for the designated airline or airlines of both Contracting Parties to operate the agreed services on the specified routes.
 - b) The agreed services provided by the designated airlines of the Contracting Parties shall bear a close relationship to the requirements of the public for transportation on the specified routes and shall have as their primary objective the provision at a reasonable load factor of capacity adequate to carry the current anticipated requirements for the carriage of passengers, cargo and mail coming from or destined for the territory of the Contracting Party which has designated the airline or airlines.

ARTICLE16

APPROVAL OF TIMETABLES

- 1. The designated airline or airlines of each Contracting Party shall submit for approval to the Aeronautical Authority of the other Contracting Party not later than thirty (30) days prior to the commencement of the agreed services on the specified routes, the timetable of intended services, specifying the frequency, the type of aircraft and the nature of the service. This shall likewise apply to later changes. In special cases, this time limit may be reduced subject to the consent of the said authority.
- 2. In instances where any of the Contracting Parties considers that the services provided by one or more airlines of the other Contracting Party do not comply with the requirements and principles provided by this Article, it may ask for consultations in accordance with Article 18 of this Agreement in order to examine the operations in question and determine on a mutual basis any action which may be deemed necessary.

STATISTICS

The Aeronautical Authorities of either Contracting Party shall supply to the Aeronautical Authorities of the other Contracting Party, at their request, the information and statistics related to the traffic carried by the airlines designated by each Contracting Party on the agreed services to or from the territory of the other Contracting Party in the same form as they have been prepared and submitted by the designated airlines to their national Aeronautical Authorities. Any additional statistical data related to traffic which the Aeronautical Authorities of one Contracting Party may request from the Aeronautical Authorities of the other Contracting Party shall be subject to discussions between the Aeronautical Authorities of both Contracting parties, at the request of either Contracting Party.

ARTICLE 18

CONSULTATIONS

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

ARTICLE 19

MODIFICATIONS

- 1. If either Contracting Party considers it desirable to modify any of the provisions of this Agreement, it may request consultation with the other Contracting Party. Such consultation may be between the Aeronautical Authorities and may be conducted by discussion or correspondence and shall begin within a period of sixty (60) days from the date of the request. Any modifications so agreed shall come into force in accordance with Article 24 (Entry into Force).
- 2. Modifications to the Annex to this Agreement may be made by direct agreement between the competent Aeronautical Authorities of the Contracting Parties and confirmed by exchange of diplomatic notes. Consultations to this effect may be conducted by discussion or correspondence and shall begin within a period of sixty (60) days from the date of the request.

SETTLEMENT OF DISPUTES

- 1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall, in the first place, endeavour to settle it by direct negotiation.
- If the Contracting Parties fail to reach a settlement by negotiation the dispute may, at the request of either Contracting Party, be submitted for decision to a tribunal of three arbitrators, one to be nominated by each Contracting Party and a third to be appointed by the two so nominated. Each Contracting Party shall nominate an arbitrator within a period of sixty (60) days from the date of receipt by either Contracting Party from the other of a notice through diplomatic channels requesting arbitration on the dispute. The third arbitrator shall be appointed within a further period of sixty (60) days as from the designation of the second arbitrator. This third arbitrator shall be a national of another State, shall act as the President of the Tribunal and shall determine the venue where the Arbitration shall be held. If either of the Contracting Parties fails to nominate an arbitrator within the period specified, the President of the Council of the International Civil Aviation Organization may be requested by either Contracting Party to appoint an arbitrator or arbitrators, as the case requires. If the President is of the same nationality as one of the Contracting Parties, the most senior vice-president who is not disqualified on that ground, shall make the appointment. In such a case, the third arbitrator shall be a national of a third State and shall act as the President of the Tribunal.
- 3. The Contracting Parties undertake to comply with any decision made by the President of the Tribunal under paragraph 2 of this Article.
- 4. Each Contracting Party shall bear the expenses and remuneration necessary for its arbitrator; the fee for the third arbitrator and the expenses necessary for this one as well as those due to the activity of the arbitration shall be equally shared by the Contracting Parties.
- 5. If and as long as either Contracting Party fails to comply with any decision given under paragraph 2 of this Article the other Contracting Party may limit, withhold or revoke any rights or privileges which it has granted by virtue of this Agreement to the Contracting Party in default or to the designated airline in default.

ARTICLE 21

REGISTRATION

The Agreement, including any amendments thereto, shall be registered with the International Civil Aviation Organization.

MULTILATERAL CONVENTIONS

In the event of the conclusion by both Contracting Parties of a Multilateral Convention or Agreement concerning matters regulated by this Agreement after the latter has come into force, the said Contracting Parties shall hold consultations in order to determine the advisability of revising the Agreement to conform to the provisions of such Multilateral Convention or Agreement.

ARTICLE 23

TERMINATION

Either Contracting Party may at any time give notice to the other Contracting Party of its decision to terminate this Agreement. Such notice shall be simultaneously communicated to the International Civil Aviation Organization. In such a case, the Agreement shall terminate twelve (12) months after the date of receipt of the notice by the other Contracting Party, unless the notice of termination is withdrawn by mutual agreement before the expiry of this period.

In the absence of acknowledgement of receipt by the other Contracting Party, the notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization.

ARTICLE 24

ENTRY INTO FORCE

This Agreement shall be approved pursuant to the national legislation of the State of each Contracting Party which shall be confirmed by exchange of diplomatic notes.

This Agreement shall come into force one month after the date of the later note in an exchange of diplomatic notes between the Contracting Parties confirming that the Contracting Parties have completed procedures required for the entry into force of this Agreement.

This Agreement is drawn in two originals in the Arabic, Spanish and English Languages, all texts being equally authentic.

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

17/20

Done at	on this	dav	ofir	า the	vear.	

FOR THE KINGDOM OF SPAIN

FOR THE ARAB REPUBLIC OF EGYPT

<

ANNEX I

To the Air Transport Agreement between the Kingdom of Spain andthe Arab Republic of Egypt

SECTION I

ROUTE SCHEDULE

1. Route which may be operated in both directions by the airlines designated by the Kingdom of Spain:

Points in the Kingdom of Spain – any intermediate points – points in the Arab Republic of Egypt– any points beyond.

2. Route which may be operated in both directions by the airlines designated by the Arab Republic of Egypt:

Points in the Arab Republic of Egypt— any intermediate points — points in the Kingdom of Spain — any points beyond.

GENERAL NOTES

- 1. The designated airlines may change the order or omit one or more points on the routes indicated in paragraphs 1 and 2 of section I of this Annex, in whole or part of their services, provided that the departure point on the route is located in the territory of the Contracting Party which has designated such airlines.
- 2. The intermediate and beyond points on the above routes to be operated with fifth freedom traffic rights by the designated airlines, shall be agreed upon between the Aeronautical Authorities of both Contracting Parties.
- 3. The points in the territory of the Arab Republic of Egypt and the points in the territory of the Kingdom of Spain indicated in paragraphs 1 and 2 of section I and the intermediate points and points beyond established on both routes to be operated without fifth freedom traffic rights, shall be freely selected by the designated airlines of each Contracting Party and will be notified to the Aeronautical Authorities of both Contracting Party thirty (30) days before the commencement of the services. Likewise, the points initially selected may be replaced.

SECTION II

CODE-SHARE CLAUSE

- 1. In operating or holding out the agreed services on the specified routes, or on any sector of the routes, the designated airlines of each Contracting Party may enter into co-operative marketing arrangements such as blocked space or code sharing with airlines of the other Contracting Party or with third country airlines holding the appropriate rights. In the event of third country airlines, the concerned third country shall authorize or allow comparable arrangements between the airlines of the other Contracting party and other airlines on services to, from and via such a third country.
- 2. The entitlements set out in paragraph (1) above may be exercised only where:
 - A) Such carriers hold the appropriate authority to operate on the routes and segments concerned, and meet the requirements normally applied to such arrangements.
 - B) In respect of any ticket sold, the airline involved makes it clear to the purchaser at the point of sale which airline will actually operate each sector of the service and with which airline or airlines the purchaser is entering into a contractual relationship.
- Where a designated airline operates services under code-share arrangements, as the operating airline, the operated capacity shall be counted against the capacity entitlements of the Contracting Party designating the said airline.
- 4 Capacity offered by a designated airline acting as the marketing airline on the services operated by other airlines shall not be counted against the capacity entitlements of the Contracting Party designating the said airline.
- 5 No fifth freedom traffic rights or stopover rights shall be exercised by the marketing airlines on the services provided under code-share arrangements.
- The designated airlines of any one of the Parties, acting as Marketing Airline, may transfer traffic to/from the aircraft involved in code share operations, without restrictions on the number, size or type of aircraft, provided that the service is scheduled as a direct connection flight.
- 7 Code-share services shall meet the regulatory requirements normally applied to such operations by the Contracting Parties, such as protection of and information to passengers, security, liability and any other requirements generally applied to other airlines operating international traffic.
- The designated airlines of either Contracting Party shall submit the programs and schedules of the services concerned for consideration and, where appropriate, approval by the Aeronautical Authorities of the other Contracting Party, at least thirty (30) days before the date proposed for the start of the operations.

ANNEX II

To the Air Transport Agreement between the Kingdom of Spain and the Arab Republic of Egypt

LIST OF OTHER STATES REFERRED TO IN ARTICLES 3 AND 4 OF THIS AGREEMENT

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