

# **EC/Maldives agreement: air services, replacing the bilateral agreements by a Community agreement**

2006/0027(CNS) - 03/03/2006 - Legislative proposal

**PURPOSE:** to sign and conclude an Agreement between the Community and the Republic of the Maldives on certain aspects of air services.

**PROPOSED ACT:** Council Decision.

**CONTENT:** following a series of ECJ judgements on the “open sky” cases, the Commission has negotiated an Agreement with the Republic of Maldives that replaces certain provisions in existing bilateral air services Agreements between the Member States and the Republic of Maldives.

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. Articles 4 and 5 of the Agreement address two types of clauses concerning matters relating to Community responsibilities. Article 4 deals with the taxation of aviation fuels (a matter which has been harmonised by Council Directive 2003/93/EC on restructuring the Community framework for the taxation of energy products and electricity). Article 5 (Pricing) resolves conflicts between existing bilateral air services Agreements and Council Regulation 2409/92 on fares and rates for air services prohibiting third country carriers from being price leaders on air services for carriage wholly within the Community.

The Council is asked to approve the twin Decisions firstly, on the signature and provisional application and secondly, on the Conclusion of the Agreement between the European Community and the Republic of Maldives on certain aspects of air services and to designate the persons authorised to sign the Agreement on behalf of the Community.