EC/Pakistan Agreement: air services

2008/0036(CNS) - 22/06/2009 - Final act

PURPOSE: to approve the Agreement between the EC and Pakistan on certain aspects of air services.

LEGISLATIVE ACT: Council Decision 2009/517/EC on the conclusion of the Agreement between the European Community and the Islamic Republic of Pakistan on certain aspects of air services..

CONTENT: following the judgements of the Court of Justice in the “Open Skies” cases, the Council granted the Commission, in June 2003, a mandate to open negotiations with third countries on the replacement of certain provisions in existing bilateral agreements with a Community agreement (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.

With this Decision, 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.

In summary, the Agreement:

- replaces the traditional designation clauses with a Community designation clause. This permits all Community carriers to benefit from the right of establishment;
- resolves conflicts between the existing bilateral air services agreements and Council Regulation (EC) 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; and

- brings provisions in bilateral agreements which are clearly anti-competitive (obligatory commercial agreements between airlines) in line with EU competition law.