EC/Nepal agreement: air services

2008/0017(CNS) - 22/06/2009 - Final act

PURPOSE: to conclude an Agreement between the European Community and the Government of Nepal on certain aspects of air services.

LEGISLATIVE ACT: Council Decision 2009/514/EC.

CONTENT: 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.

On behalf of the Community, the Commission negotiated an Agreement between the European Community and the Government of Nepal 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. The Agreement was signed on behalf of the Community on 23 January 2009 subject to its conclusion at a later date.

The Agreement between the European Community and the Government of Nepal 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, permitting all Community carriers to benefit from the right of establishment;
- addresses two types of clause concerning matters of Community competence;
- deals with the taxation of aviation fuel, a matter which has been harmonised by Council Directive 2003/96/EC restructuring the Community framework for the taxation of energy products and electricity, and in particular Article 14 (2) thereof;
- 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;
- brings provisions in bilateral agreements which are clearly anti-competitive (obligatory commercial agreements between airlines) in line with EU competition law.