Basic information

2004/0289(CNS) CNS - Consultation procedure Decision	Procedure completed
EC/Chile agreement: air services, replacing the bilateral agreements by a Community agreement **Subject** 3.20.15.02 Air transport agreements and cooperation **Geographical area** Chile	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	TRAN Transport and Tourism	COSTA Paolo (ALDE)	02/02/2005
Council of the European Union	**Council configuration**	**Meetings**	**Date**
	Transport, Telecommunications and Energy	2671	2005-06-27
European Commission	**Commission DG**	**Commissioner**	
	Energy and Transport	BARROT Jacques	

Key events

Date	Event	Reference	Summary
23/12/2004	Legislative proposal published	COM(2004)0829	Summary
26/01/2005	Committee referral announced in Parliament		
19/04/2005	Vote in committee		Summary
25/04/2005	Committee report tabled for plenary, 1st reading/single reading	A6-0100/2005	
26/05/2005	Decision by Parliament	T6-0190/2005	Summary
26/05/2005	Results of vote in Parliament		
27/06/2005	Act adopted by Council after consultation of Parliament		
27/06/2005	End of procedure in Parliament		
31/10/2006	Final act published in Official Journal		

Technical information	
Procedure reference	2004/0289(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	International agreement
Legislative instrument	Decision
Legal basis	EC Treaty (after Amsterdam) EC 300-p2/3-a1 EC Treaty (after Amsterdam) EC 080-p2
Stage reached in procedure	Procedure completed
Committee dossier	TRAN/6/25771

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, 1st reading/single reading		A6-0100/2005	25/04/2005	
Text adopted by Parliament, 1st reading/single reading		T6-0190/2005 OJ C 117 18.05.2006, p. 0020-0119 E	26/05/2005	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2004)0829	23/12/2004	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Decision 2006/0735
OJ L 300 31.10.2006, p. 0053-0053 Summary

EC/Chile agreement: air services, replacing the bilateral agreements by a Community agreement

2004/0289(CNS) - 26/05/2005 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution drafted by Paolo COSTA (ALDE, IT) and approved the conclusion of the Agreement.

EC/Chile agreement: air services, replacing the bilateral agreements by a Community agreement

2004/0289(CNS) - 27/06/2005 - Final act

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

LEGISLATIVE ACT : Council Decision 2006/735/EC concerning the conclusion of the Agreement between the European Community and the Republic of Chile on certain aspects of air services.

CONTENT : to recall, international aviation relations between Member States and third countries have been traditionally governed by bilateral air services agreements. Following the judgements of the Court of Justice of the European Communities in the cases C-466/98, C-467/98, C-468/98, C-471/98, C-472/98, C-475/98 and C-476/98, the Community has exclusive competence with respect to various aspects of external aviation.

In addition, the Court of Justice clarified the right of Community air carriers to benefit from the right of establishment within the Community, including the right to non-discriminatory market access. Traditional designation clauses in Member States' bilateral air services agreements infringed Community law. They allowed a third country to reject, withdraw or suspend the permissions or authorisations of an air carrier that had been designated by a Member State but that was not substantially owned and effectively controlled by that Member State or its nationals. This was 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 was 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 .

Following the Court of Justice judgements, the Council authorised the Commission in 2003 to open negotiations with third countries on the replacement of certain provisions in existing bilateral agreements with a Community agreement. The Commission negotiated an agreement with the Republic of Chile that replaces certain provisions in the existing bilateral air services agreements between Member States and Chile.

Part of this Agreement replaces the traditional designation clauses with a Community designation clause, permitting all Community carriers to benefit from the right of establishment. The Agreement also aims to resolve legal irregularities stemming from the infringement of Community competence.

As regards the taxation of aviation fuel, the Agreement resolves conflicts between the existing bilateral air services agreements and Council Directive 2003/96/EC restructuring the Community framework for the taxation of energy products and electricity.

On the issue of pricing, the Agreement aims to resolve conflicts between the existing bilateral air services agreements and Council Regulation 2409/92 on fares and rates for air services which prohibit third country carriers from being price leaders on air services for carriage wholly within the Community.

This Decision provides that the Agreement between the European Community and the Republic of Chile on certain aspects of air services is approved on behalf of the Community.

EC/Chile agreement: air services, replacing the bilateral agreements by a Community agreement

2004/0289(CNS) - 23/12/2004 - Legislative proposal

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

PROPOSED ACT : Council Decision.

CONTENT : to recall, international aviation relations between Member States and third countries have been traditionally governed by bilateral air services agreements. Following the judgements of the Court of Justice of the European Communities in the cases C-466/98, C-467/98, C-468/98, C-471/98, C-472/98, C-475/98 and C-476/98, the Community has exclusive competence with respect to various aspects of external aviation.

In addition, the Court of Justice clarified the right of Community air carriers to benefit from the right of establishment within the Community, including the right to non-discriminatory market access. 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.

Following the Court of Justice judgements, the Council authorised the Commission in 2003 to open negotiations with third countries on the replacement of certain provisions in existing bilateral agreements with a Community agreement. The Commission has negotiated an agreement with the Republic of Chile that replaces certain provisions in the existing bilateral air services agreements between Member States and Chile.

Part of this Agreement replaces the traditional designation clauses with a Community designation clause, permitting all Community carriers to benefit from the right of establishment. The Agreement also aims to resolve legal irregularities stemming from the infringement of Community competence.

As regards the taxation of aviation fuel, the Agreement shall resolve conflicts between the existing bilateral air services agreements and Council Directive 2003/96/EC restructuring the Community framework for the taxation of energy products and electricity.

On the issue of pricing, the Agreement aims to resolve conflicts between the existing bilateral air services agreements and Council Regulation 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.

Moreover, the proposal states that subject to its subsequent conclusion at a later date, the President of the Council is hereby authorised to designate the person or persons empowered to sign on behalf of the

Community the agreement between the European Community and Chile on certain aspects of air services. 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.