

AGREED MINUTES

1. A delegation representing the National Civil Aviation Authority "Turkmenkhovayollary" and a delegation representing jointly the Governments of the Kingdoms of Norway, Denmark and Sweden met in Oslo on 3 November 1997 to discuss bilateral Air Services Agreements between their respective countries.

Lists of the delegations are attached as Appendix I and II.

The discussions were held in a very friendly and cordial atmosphere.

2. The delegations agreed upon and initialled the texts of bilateral Air Services Agreements between the respective Governments of Turkmenistan and Norway, Denmark and Sweden. The texts are attached as Appendix III.

3. The delegations agreed to give further consideration to Article 6, paragraph 2 (d), and to resolve this issue by correspondance.

4. The delegations also initialled a Memorandum of Understanding between the respective parties relative to the draft bilateral Air Services Agreements regarding the construction and co-operation within the Scandinavian Airlines System (SAS). This Memorandum is attached as Appendix IV.

THE TURKMEN DELEGATION

Mr. Barkhudarov, Arthur

Head of Delegation,
Acting Deputy Chief Executive,
NCAA "Turkmenkhovayollary"

Mr. Charyev, Batyr

Senior Specialist,
NCAA "Turkmenkhovayollary"

Mrs. Saryeva, Tavus

Legal Adviser,
NCAA "Turkmenkhovayollary"

Mrs. Zubkova, Tatyana

Interpreter,
NCAA "Turkmenkhovayollary"

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(Norway)

Air Services Agreement

between

the Government of the Kingdom of Norway

and

the Government of Turkmenistan

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(Sweden)

Air Services Agreement

between

the Government of the Kingdom of Sweden

and

the Government of Turkmenistan

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A handwritten signature in black ink, consisting of a stylized, cursive script.

(Denmark)

The Government of the Kingdom of Denmark and the Government of Turkmenistan, hereinafter referred to as the "Contracting Parties",

Being parties to the Convention on International Civil opened for signature at Chicago on the seventh day of December 1944, and

Desiring to conclude an Agreement, in conformity with the said Convention, for the main purpose of establishing scheduled air services between their respective territories:

Have agreed as follows:

A handwritten signature in dark ink, appearing to be a stylized 'B' or 'B' with a flourish.

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(Norway)

Article 1
Definitions

For the purpose of this Agreement:

- (a) "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 and any amendment of the Annexes or of the Convention under Articles 90 and 94 thereof so far as those Annexes and amendments have been adopted by both Contracting Parties;
- (b) "aeronautical authorities" means, in the case of the Kingdom of Norway, the Ministry of Transport and Communications; and in the case of Turkmenistan, the National Civil Aviation Authority; or in either case any person or body authorized to perform any particular function to which this Agreement relates;
- (c) "designated airline", means an airline which has been designated in accordance with Article 3 of this Agreement;
- (d) "territory", "air service", "international air service", "airline" and "stop for non-traffic purposes" have the meaning laid down in Articles 2 and 96 of the Convention;

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(Sweden)

Article 1
Definitions

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- (a) "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 and any amendment of the Annexes or of the Convention under Articles 90 and 94 thereof so far as those Annexes and amendments have been adopted by both Contracting Parties;
- (b) "aeronautical authorities" means, in the case of the Kingdom of Sweden, the Civil Aviation Administration; and in the case of Turkmenistan, the National Civil Aviation Authority; or in either case any person or body authorized to perform any particular function to which this Agreement relates;
- (c) "designated airline", means an airline which has been designated in accordance with Article 3 of this Agreement;
- (d) "territory", "air service", "international air service", "airline" and "stop for non-traffic purposes" have the meaning laid down in Articles 2 and 96 of the Convention;

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Article 2

Traffic Rights

1. Each Contracting Party grants to the other Contracting Party the following rights for the conduct of international air services by airlines designated by the other Contracting Party:

- (a) to fly across its territory without landing,
- (b) to make stops in its territory for non-traffic purposes,
- (c) to make stops in the said territory at the points specified in the Annexes to this Agreement for the purpose of taking on board and discharging - in international traffic - passengers, cargo and mail, separately or in combination.

2. Nothing in paragraph 1 of this Article shall be deemed to confer on a designated airline of one Contracting Party the right of taking on board - in the territory of the other Contracting Party - passengers, cargo, and mail carried for remuneration or hire and destined for another point in the territory of that Contracting Party.

3. The airlines of each Contracting Party, other than those designated under Article 3, shall also enjoy the rights specified in paragraph 1 (a) and (b) of this Article.

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5. When an airline has been so designated and authorized, it may begin to operate air services on the routes specified in the Annexes provided that the airline complies with all applicable provisions of this Agreement.

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Such consultations shall be held within thirty (30) days from the date the other Contracting Party receives such request in writing.

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Article 6
Customs Duties

1. Aircraft operated on international air services by a designated airline of either Contracting Party, as well as its regular equipment, supplies of fuel and lubricants and aircraft stores (including food, beverages, tobacco and advertising materials) on board such aircraft shall be exempt from all customs duties, inspection fees and other duties or taxes on arriving in the territory of the other Contracting Party, provided such equipment, supplies and stores remain on board the aircraft up to such time as they are re-exported.

2. With the exception of charges based on the cost of the service provided, the following items shall also be exempt from duties, fees and charges referred to in paragraph 1 of this Article:

- (a) aircraft stores, introduced into or supplied in the territory of a Contracting Party, and taken on board, within reasonable limits, for use on outbound aircraft engaged in an international air service of a designated airline of the other Contracting Party;
- (b) spare parts, including engines, introduced into the territory of a Contracting Party for the maintenance or repair of aircraft used in an international air service of a designated airline of the other Contracting Party; and

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Article 7
Storage of Airborne Equipment
and Supplies

The regular airborne equipment, as well as the materials and supplies retained 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. Such items 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 customs regulations.

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Article 9
Capacity Provisions

1. There shall be fair and equal opportunity for the designated airlines of each Contracting Party to operate air services on any route specified in the Annex to this Agreement.
2. In the operation of the air services on the routes specified in the Annex to this Agreement the designated airlines of each Contracting Party shall take into account the interests of the designated airlines of the other Contracting Party so as not to affect unduly the air services which the latter airlines operate.
3. The air services provided by a designated airline shall retain as their primary objective the provision of capacity adequate to current and reasonably anticipated requirements for the carriage of passengers, mail and freight, coming from or destined for the territory of the Contracting Party designating the airline.

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Article 11

Tariffs

1. Tariffs shall be established at reasonable levels, due regard being paid to all relevant factors including costs of operation, reasonable return on investment, characteristics of service, the interests of users and the tariffs of other airlines.
2. Neither of the aeronautical authorities will require their designated airlines to consult other airlines before filing tariffs for approval, nor will they prevent such consultations.
3. Any tariff filed in accordance with the provisions of this Article may be approved at any time by the aeronautical authorities of the Contracting Party from whose territory the tariff is to be applied (country of origin principle). Such filing is to be received by the aeronautical authorities at least thirty (30) days before the tariff's proposed date of effectiveness. This time limit may be reduced, subject to the consent of the said authorities.
4. The designated airlines are required to file a proposed tariff for carriage between the territories of the Contracting Parties with the aeronautical authorities from whose territory the tariff is to be applied in such a form as those aeronautical authorities may require. When a designated airline of one Contracting Party has filed a tariff with the aeronautical authorities of the other Contracting Party, from whose territory the tariff is to be applied, such tariff will be treated as having been approved, unless within thirty (30) days after the date

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Article 12
Transfer of Earnings

Each designated airline shall have the right to convert and remit to its country on demand local revenues in excess of sums locally disbursed. Conversion and remittance shall be permitted without restrictions at the rate of exchange applicable to current transactions which is in effect at the time such revenues are presented for conversion and remittance, and shall not be subject to any charges except those normally made by banks for carrying out such conversion and remittance.

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Article 14

Approval of Flight Schedules

1. Airlines designated by a Contracting Party shall submit their traffic programmes for approval to the aeronautical authorities of the other Contracting Party at least thirty (30) days prior to the beginning of the operation. The programme shall include in particular the timetables, the frequency of the services and the types of aircraft to be used.
2. Any alteration made in an approved air traffic programme at a later date shall also be submitted for approval.

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equipment (in this Article called "ramp inspection"), provided this does not lead to unreasonable delay.

4. If any such ramp inspection or series of ramp inspections gives rise to:
- (a) 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, for the purposes of Article 33 of the Convention, be free to conclude that the requirements under which the certificate or licenses 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.

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Article 16
Aviation Security

1. Each Contracting Party reaffirms that its obligation to the other Contracting Party to protect the security of civil aviation against unlawful interference forms an integral part of this Agreement. Each Contracting Party shall in particular act in conformity with the aviation security provisions of the *Convention on Offences and Certain Other Acts Committed on Board Aircraft*, signed at Tokyo on 14 September 1963, the *Convention for the Suppression of Unlawful Seizure of Aircraft*, signed at the Hague on 16 December 1970, the *Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation*, signed at Montreal on 23 September 1971, and *Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, Supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, done at Montreal on 23 September 1971*, signed at Montreal on 24 February 1988, and any other multilateral agreement governing civil aviation security binding upon both Contracting Parties.

2. Each Contracting Party shall be provided at its request with all necessary assistance by the other Contracting Party to prevent acts of unlawful seizure of civil 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 applicable aviation security provisions established by the International

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the ground unless its departure is necessitated by the overriding duty to protect the lives of its crew and passengers. Wherever practicable, such measures shall be taken on the basis of mutual consultations.

7. Should a Contracting Party depart from the aviation security provisions of this Article, the aeronautical authorities of the other Contracting Party may request immediate consultations with the aeronautical authorities of the former Contracting Party. Failure to reach a satisfactory agreement within one month of the date of such request shall constitute grounds for withholding, revoking, limiting or imposing conditions on the operating authorization of an airline or airlines of the former Contracting Party. If required by a serious emergency, either Contracting Party may take interim action prior to the expiry of the month.

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Article 18
Amendments

1. Any amendments to this Agreement agreed by the Contracting Parties shall come into force when approved in accordance with the constitutional requirements of both Contracting Parties and as confirmed by an exchange of diplomatic notes.

2. Amendments to the Annexes to this Agreement may be made by direct agreement between the competent aeronautical authorities of the Contracting Parties.

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shall make the appointment. The arbitral tribunal shall reach its decision by a majority of votes.

3. Each Contracting Party shall bear the costs of the arbitrator it has nominated as well as of its representation in the arbitral proceeding. The cost of the president and any other costs shall be born in equal parts by the Contracting Parties.

4. The Contracting Parties undertake to comply with any decision given under paragraph 2 of this Article.

5. If and as long as either Contracting Party fails to comply with any decision 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 a designated airline in default.

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Article 21

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 case the Agreement shall terminate twelve (12) months after the date of receipt of the notice by the other Contracting Party, unless the notice to terminate is withdrawn by agreement before the expiry of this period. In the absence of acknowledgement of receipt by the other Contracting Party, notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization.

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(Denmark)

Article 22
Entry into Force

This Agreement shall enter into force on the date of its signature.

The Agreement between the Government of the Kingdom of Denmark and the Government of the Union of Soviet Socialist Republics concerning Air Services, done at Moscow on 31 March, 1956, together with all subsequent amendments, protocols, memoranda and annexes is not in force between Denmark and Turkmenistan.

In witness whereof, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

Done at _____ on _____
in duplicate in the English language.

FOR THE GOVERNMENT OF
THE KINGDOM OF DENMARK

FOR THE GOVERNMENT OF
TURKMENISTAN

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(Norway)

ANNEX A

1. Routes to be operated in both directions by the designated airline or airlines of the Government of the Kingdom of Norway:

Column 1

Column 2

Points in Norway

Points in Turkmenistan

2. Nothing will prevent a designated airline of either Contracting Party to serve intermediate and/or beyond points, provided that no commercial rights are exercised between those points and the territory of the other Contracting Party.
3. Notwithstanding paragraph 2 above, the designated airlines of Norway may serve any intermediate and/or beyond point with 5th freedom traffic rights.
4. In operating or holding out services on the agreed routes, any designated airline of one Contracting Party may enter into co-operative marketing arrangements such as blocked-space or code sharing arrangements, with
 - a) an airline or airlines of either Contracting Party; or
 - b) an airline or airlines of a third Party. Should such third Party not authorize or allow comparable arrangements between the airlines of the other Contracting Party and other airlines on services to, from and via such third country, the Contracting Parties have the right not to accept such arrangements.

The above provisions are, however, subject to the conditions that all airlines in such arrangements 1) hold the appropriate route rights and 2) meet the requirements applied to such arrangements regarding information to customers and filing procedures.

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(Denmark)

ANNEX A

1. Routes to be operated in both directions by the designated airline or airlines of the Government of the Kingdom of Denmark:

Column 1

Column 2

Points in Denmark

Points in Turkmenistan

2. Nothing will prevent a designated airline of either Contracting Party to serve intermediate and/or beyond points, provided that no commercial rights are exercised between those points and the territory of the other Contracting Party.
3. Notwithstanding paragraph 2 above, the designated airlines of Denmark may serve any intermediate and/or beyond point with 5th freedom traffic rights.
4. In operating or holding out services on the agreed routes, any designated airline of one Contracting Party may enter into co-operative marketing arrangements such as blocked-space or code sharing arrangements, with
 - a) an airline or airlines of either Contracting Party; or
 - b) an airline or airlines of a third Party. Should such third Party not authorize or allow comparable arrangements between the airlines of the other Contracting Party and other airlines on services to, from and via such third country, the Contracting Parties have the right not to accept such arrangements.

The above provisions are, however, subject to the conditions that all airlines in such arrangements 1) hold the appropriate route rights and 2) meet the requirements applied to such arrangements regarding information to customers and filing procedures.

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(Sweden)

ANNEX A

1. Routes to be operated in both directions by the designated airline or airlines of the Government of the Kingdom of Sweden:

Column 1

Column 2

Points in Sweden

Points in Turkmenistan

2. Nothing will prevent a designated airline of either Contracting Party to serve intermediate and/or beyond points, provided that no commercial rights are exercised between those points and the territory of the other Contracting Party.
3. Notwithstanding paragraph 2 above, the designated airlines of Sweden may serve any intermediate and/or beyond point with 5th freedom traffic rights.
4. In operating or holding out services on the agreed routes, any designated airline of one Contracting Party may enter into co-operative marketing arrangements such as blocked-space or code sharing arrangements, with
 - a) an airline or airlines of either Contracting Party; or
 - b) an airline or airlines of a third Party. Should such third Party not authorize or allow comparable arrangements between the airlines of the other Contracting Party and other airlines on services to, from and via such third country, the Contracting Parties have the right not to accept such arrangements.

The above provisions are, however, subject to the conditions that all airlines in such arrangements 1) hold the appropriate route rights and 2) meet the requirements applied to such arrangements regarding information to customers and filing procedures.

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**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE KINGDOM OF DENMARK,
THE KINGDOM OF NORWAY,
THE KINGDOM OF SWEDEN
AND
THE GOVERNMENT OF TURKMENISTAN
ON
THE CO-OPERATION BETWEEN THE SCANDINAVIAN
COUNTRIES
REGARDING SCANDINAVIAN AIRLINES SYSTEM (SAS)**

With reference to Article 3 of the three Air Services Agreements signed today (the Agreements) between the Government of Turkmenistan and the Governments of Denmark, Norway and Sweden regarding the designation of airlines, the Contracting Parties have agreed to the following understanding, should the three parent companies of Scandinavian Airlines System (SAS) be designated by the Kingdom of Denmark, the Kingdom of Norway and the Kingdom of Sweden, respectively:

1. Notwithstanding the provisions of Articles 3 and 4 of the Agreements, the three parent companies *SAS Danmark A/S*, *SAS Norge ASA* and *SAS Sverige AB*, co-operating under the style of *Scandinavian Airlines System (SAS)*, may operate services under the Agreements with aircraft, crew and equipment of any or all of the three parent companies. While services are operated under the style of SAS, services may not be operated by *SAS Danmark A/S*, *SAS Norge ASA* or *SAS Sverige AB* as individual companies.
2. In so far as any of the parent companies employs aircraft, crew and equipment of the other two parent companies participating in *Scandinavian Airlines System (SAS)*, the provisions of the Agreements will apply to such aircraft, crew and equipment, as though they were the aircraft, crew and equipment of

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