## MEMORANDUM OF UNDERSTANDING **BETWEEN**

# THE DELEGATION OF THE LEBANESE REPUBLIC

#### AND

#### THE DELEGATION OF THE KINGDOMS OF DENMARK AND SWEDEN

A Delegation representing the Aeronautical Authorities of the Lebanese Republic and a Delegation representing jointly the Aeronautical Authorities of the Kingdoms of Denmark and Sweden, hereinafter referred to as "the Delegations", met to review various aspects of the commercial air services relations between their respective countries.

The list of the two Delegations constitute Annex I and II of this Memorandum of Understanding (MoU).

The negotiations were held in a friendly and cordial atmosphere.

The Delegations reached the following understandings:

#### 1. AIR SERVICES AGREEMENT

The Delegations recognized the need to review and update the existing initialled Air Service Agreement from 2019 between Lebanon and Denmark/Sweden, and agreed that the process of updating the Air Service Agreement will be undertaken progressively. However, pending a comprehensive revision of the Air Services Agreement, the two delegations agreed to amend the existing Article 6 (Exemptions from Customs Duties, including VAT), Article 8 (Entry Clearance Regulations) and Article 21 (Entry into force). The text of these articles as agreed between the two delegations is given in Annex III.

The Delegations undertook to recommend to their respective Governments the commencement of domestic procedures necessary to bring the Agreement into force. Recognizing that the formalization for the entry into force of the Agreement may require some time, the Delegations agreed that they will give immediate practical effect to the initialled Air Services Agreement, including the amended articles in Annex III to this MoU, to the extent possible under the applicable laws in their respective countries.

In line with the principles included in the initialled Air Services Agreement, the aeronautical authorities will apply the following within the scope of their respective national laws and regulations.

#### 2. CAPACITY ENTITLEMENTS

#### **Passengers**

The Aeronautical Authorities of Lebanon (first Party) and Denmark/Sweden (second Party), respectively, confirmed that the designated airlines of the Contracting Parties are entitled to operate passenger services with 3<sup>rd</sup> and 4<sup>th</sup> freedom traffic rights on the agreed routes and that capacity will increase in a step by step approach, and without any restrictions as to aircraft size, according to the following:

- From the IATA summer schedule 2023, 11 weekly frequencies in total for each Party
- From the IATA summer schedule 2024, 12 weekly frequencies in total for each Party
- From the IATA summer schedule 2025, 13 weekly frequencies in total for each Party
- From the IATA summer schedule 2026, 14 weekly frequencies in total for each Party.

The delegations agreed to have further consultations in advance of 2027, if deemed necessary.

#### <u>Cargo</u>

The Aeronautical Authorities of Lebanon and Denmark/Sweden, respectively, agreed that the designated airlines of the respective Contracting Parties are entitled to operate all cargo services with 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> freedom traffic rights on the agreed routes without any restrictions as to aircraft and frequencies.

#### 3. FIFTH FREEDOM TRAFFIC RIGHTS

Requests by the designated airlines for fifth freedom traffic rights for passenger operations of the Contracting Parties will be subject to the mutual acceptance of the respective aeronautical authorities.

#### 4. DESIGNATION AND AUTHORIZATION OF AIRLINES

The Delegations agreed that the designations of Scandinavian Airlines Systems (SAS) and Middle East Airlines Air Liban (MEA) shall continue to apply.



#### 5. WETLEASE

The Delegations agreed to grant each other the right for their air carriers to provide air transport services using aircraft leased with crew from other air carriers of the Parties and, in the case of Denmark/Sweden, air carriers with an Operating Licence issued by a state of the European Economic Area.

#### 6. ADDITONAL SCHEDULED SERVICES AND CHARTER OPERATIONS

Both delegations mutually decided that they would favourably consider applications for additional scheduled flights and charter operations.

#### 7. MOU DATED 15th OF MAY 2019

As of the signature of this MoU, the provisions in the MoU dated 15<sup>th</sup> of May 2019 that have been substituted or superseded by this MoU will no longer be valid with regard to air services between Lebanon and Denmark/Sweden.

The delegations agreed that Norway is invited to sign a corresponding MoU between the Lebanese Republic and the Kingdom of Norway.

This Memorandum of Understanding will come into effect on the date of signature.

Signed in Beirut, Lebanon on 15th of March 2023

For the Lebanese Republic:

For the Kingdom of Sweden:

Head of delegation

Eng. Fadi El Hassan

Head of delegation

Mr. Tomas Brolin

For the Kingdom of Denmark:

Mr. Lars Korsholm

#### **ANNEX I**

## **DELEGATION OF THE REPUBLIC OF LEBANON**

Eng. Fadi EL HASSAN

Head of Delegation

**Director General of Civil Aviation** 

Republic of Lebanon

Dr. Carl RIZK

Head of Air Transport Department

Republic of Lebanon

Mrs. Carla NASSIF

Head of Air Transport Studies Service

Air Transport Department Republic of Lebanon

H.E. Mr. Majdi RAMADAN Director of Economic Affairs

Ministry of Foreign Affairs Republic of Lebanon

### **OBSERVERS**

Mr. Marwan HABER

Head of Commercial

Middle East Airlines Air Liban

Mrs. Fida MUFTI

**Bilateral Air Services Agreements** 

Middle East Airlines Air Liban

#### ANNEX II

### **DELEGATION OF THE KINGDOMS OF DENMARK AND SWEDEN**

Mr. Tomas BROLIN

Head of Delegation

Ministry of Rural Affairs and Infrastructure

Kingdom of Sweden

Mr. Johan HOLMÉR

Senior Advisor

Ministry of Rural Affairs and Infrastructure

Kingdom of Sweden

Mr. Simon POSLUK

Head of Unit

Swedish Transport Agency

Kingdom of Sweden

Ms. Ingrid ALMÉN

Senior Advisor

Swedish Transport Agency

Kingdom of Sweden

Mr. Lars KORSHOLM

Head of Division

Danish Civil Aviation and Railway Authority

Kingdom of Denmark

Mr. Lasse KINDBERG

Senior Advisor

Danish Civil Aviation and Railway Authority

Kingdom of Denmark

Mr. Marcus BJØRN

Head of Section

Danish Civil Aviation and Railway Authority

Kingdom of Denmark

### **OBSERVERS**

Mr. Rikard STEINHOLTZ Head of Public Affairs and Infrastructure

SAS

Walter REIMANN

Board Advisor Public Affairs and Lufthansagroup traffic

rights coordinator

Lufthansagroup, representing Eurowings

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#### ANNEX III

# Article 6 Exemptions from Customs Duties, including VAT

- 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 and tobacco) on board such aircraft shall be exempt, on a reciprocal basis, from all customs duties (including the minimum custom fee), inspection fees and other duties or taxes including VAT (Value Added Tax) 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, on the basis of reciprocity, 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 on condition of re-exporting the unused spare parts and the replaced spare parts to their source or paying the due fees in case they are kept at the airport; and
- (c) Fuel, lubricants and consumable technical supplies introduced into or supplied in the territory of a Contracting Party for use in an aircraft engaged in an international air service of a designated airline of the other Contracting Party, even when these supplies are to be used on a part of the journey performed over the territory of the Contracting Party in which they are taken on board.

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- 3. The items referred to in paragraphs 1 and 2 of this Article may be required to be kept under the supervision or control of the appropriate authorities.
- 4. Nothing in this agreement shall prevent [Denmark/Sweden] from imposing, on a non discriminatory basis, taxes, levies, duties, fees or charges on fuel supplied in its territory for use in an aircraft of a designated air carrier of Lebanon that operates between a point in the territory of [Denmark/Sweden] and another point in the territory of another European Union Member State or EEA EFTA State.

# Article 8 Entry Clearance regulations

- 1. Passengers in transit across the territory of either Contracting Party shall be subject to a very simplified customs and immigration control. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes, but may be subjected to a detailed inspection for reasons related to aviation security, drug control, customs control or special circumstances.
- 2. The laws and regulations of one Contracting Party regarding entry, clearance, transit, immigration, passports, customs and quarantine shall be complied with by the designated airline of the other Contracting Party and by or on behalf of passengers, crew, cargo and mail, upon transit of, admission to, departure from and while within the territory of such a Contracting Party.
- 3. Neither Contracting Party may grant any preference to any airline over a designated airline of the other Contracting Party in the application of the laws and regulations provided for in this Article.

# Article 21 Entry into force

This Agreement shall enter into force ten (10) calendar days after

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the exchange of the ratification instruments between the Parties has been completed.

[Upon entry into force, this Air Services Agreement shall supersede the previous air Services Agreement between the Government of Lebanon and the Government of the Kingdom of [Denmark/Sweden] signed at...... on....., and all amendments thereto.]

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