INTERNATIONAL COURT OF JUSTICE

APPLICATION INSTITUTING PROCEEDINGS

filed in the Registry of the Court on 9 October 2023

CASE CONCERNINGTHE SHOOTING DOWN OF CIVILIAN AIRCRAFT AND FINANCIAL BAILOUT OF ITS FLAG CARRIER

(DEMOCRATIC REPUBLIC OF MOCA v. FEDERATED STATES OF AMIGO)

COUR INTERNATIONALE DE JUSTICE

REQUÊTE INTRODUCTIVE D'INSTANCE

enregistrée au Greffe de la Cour le 09 octobre 2023

AFFAIRE ABATTU D'UN AVION CIVIL ET SAUVETAGE FINANCIER D'UN PORTE-DRAPEAU

(RÉPUBLIQUE DÉMOCRATIQUE DU MOCA c. ÉTATS FÉDÉRÉS D'AMIGO)

THE MINISTER FOR FOREIGN AFFAIRS OF THE DEMOCRATIC REPUBLIC OF MOCA TO THE REGISTRAR OF THE INTERNATIONAL COURT OF JUSTICE

09 October 2023

On behalf of the Government of the Democratic Republic of Moca and in accordance with Article 40(1) of the Statute of the International Court of Justice, I have the honour to submit to you an Application instituting proceedings against the Federated States of Amigo concerning a dispute between the Democratic Republic of Moca (Applicant) and the Federated States of Amigo (Respondent) concerning shooting down of civilian aircraft and financial bailout of a flag carrier.

(Signed) His Excellency Mr Ross Foster Ambassador of the Democratic Republic of Moca to the Kingdom of The Netherlands

THE 2024 LEIDEN-SARIN INTERNATIONAL AIR LAW MOOT COURT COMPETITION

COMPROMIS

DEMOCRATIC REPUBLIC OF MOCA (applicant) v. FEDERATED STATES OF AMIGO (respondent)

IN THE MATTER OF THE SHOOTING DOWN OF CIVILIAN AIRCRAFT AND FINANCIAL BAILOUT OF ITS FLAG CARRIER

A. <u>APPLICABLE SOURCES OF INTERNATIONAL LAW</u>

1. The Parties to this case are the Democratic Republic of Moca and the Federated States of Amigo. Both States are parties to the following Conventions and Treaties:

(i) *The Convention on International Civil Aviation*, signed at Chicago on 7 December 1944 (Chicago Convention), all Protocols of amendment to the Convention. Neither of the States has notified any difference between its own legislation and the corresponding Standards and Recommended Practices of ICAO (SARPs);

(ii) The United Nations Charter, signed at San Francisco on 26 June 1945 (U.N. Charter);

(iii) *The Convention on the Law of Treaties*, signed at Vienna on 23 May 1969(Vienna Convention);

(iv) *The Convention for the Suppression of Unlawful Seizure of Aircraft*, signed at The Hague on 16 December 1970 (The Hague Convention);

(v) The Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971 (Montreal Convention); and

(vi) *The Convention on the Suppression of Unlawful Acts relating to International Civil Aviation*, signed at Beijing on 10 September 2010 (Beijing Convention);

(vii) *The Convention on International Interests in Mobile Equipment*, signed at Cape Town on 16 November 2001(Cape Town Convention);

(viii) *The Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment*, signed at Cape Town on 16 November 2001 (Aircraft Protocol).

Additionally, the Federated States of Amigo is a party to:

(ix) The Protocol Supplementary to the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at Beijing on 10 September 2010 (Beijing Protocol);

(x) *The Protocol to Amend the Convention on Offences and Certain Other Acts Committed on Board Aircraft*, signed at Montreal on 4 April 2014 (Montreal Protocol).

B. <u>INTRODUCTION</u>

2. The Democratic Republic of Moca and the Federated States of Amigo are both located in the continent of North Baleno. The northern part of the Federated States of Amigo shares a land border with the southern part of the Democratic Republic of Moca.

3. The Government of the Democratic Republic of Moca is headed by the Prime Minister who is responsible for its federal administration. The Federated States of Amigo attained its independence from the Democratic Republic of Moca three hundred years ago and since then, it has been governed under a presidential form of government.

4. Both the Democratic Republic of Moca and the Federated States of Amigo have established authorities providing Air Traffic Services (ATS) (Mocacontrol and Amigocontrol, respectively) in accordance with Standard 2.1 of Annex 11 to the Chicago Convention. The entities are governmental agencies that provide ATS within the limits of their respective sovereign territorial boundaries.

5. Historically, both States have had a bitter relationship since the Federated States of Amigo gained its independence from the Democratic Republic of Moca after a bitter revolt. Hence, the Democratic Republic of Moca has always been envious of the fact that the Federated States of Amigo could manage to attain independence from it.

6. About 100 years ago, the Democratic Republic of Moca discovered lithium reserves near Magnana, a small town about 50 kilometres away from the capital city of Valentino and bordering the territory of the Federated States of Amigo. The discovery of commercially valuable minerals allowed the economy of Moca to grow, significantly surpassing the economy of the Federated States of Amigo, making it one of the fastest-growing economies in the world.

7. The Island of Archies, of which the sovereignty is disputed by the Democratic Republic of Moca, which is under the control of the Federated States of Amigo, is situated towards the east of the border of the two countries in the Almanic Sea. It is widely known that the island has the heavy presence of a mercenary group by the name of 'Alpha'. The Democratic Republic of Moca believes that Alpha is backed by the Federated States of Amigo's armed forces to periodically attempt to enter Magnana and establish Amigo's control over the lithium reserves in Magnana. It is also reported by the media – from time to time– that Alpha operates retired Air Force aircraft of the Federated States of Amigo off the Island of Archies for surveillance, especially when Alpha attempts to crossover the border and enter Magnana.

C. <u>BACKGROUND</u>

8. The Democratic Republic of Moca and the Federated States of Amigo signed an International Air Services Agreement on 06September 2014 (Annex 1), with the purpose of making it possible for their designated airlines to offer civil passenger and cargo services, and to encourage individual airlines to develop and implement innovative and competitive prices, ensuring at the same time the highest degree of safety and security.

9. In August 2017, the Democratic Republic of Moca passed Act No. 565/2017 which allowed its law enforcement and defence agencies to take armed action on the grounds of self-defence against any threat to its sovereignty. The Act was passed in pursuit of its constitutional objective enshrined in the Preamble which states: *"The Democratic Republic of Moca shall undertake every possible measure to safeguard its borders against acts of aggression."*

10. Both States have designated their respective flag carriers namely Moca Air and AirAmigo to operate scheduled flights as per the International Air Services Agreement between them including the capital cities namely Valentino and Portia (Federated States of Amigo). As of 15February 2021, Moca Air had a registered fleet size of 118 aircraft, while AirAmigo had 62 aircraft. While Moca Air is completely State-owned, AirAmigo is owned 25% by the Government of the Federated States of Amigo and 75% by a conglomerate group named Talgo Industries registered under the laws of the Federated States of Amigo. Two out of seven Directors on the Board of AirAmigo are appointed by the Government of the Federated States of Amigo are appointed by the Government of the Federated States of Amigo are appointed by the Government of the Federated States of Amigo are appointed by the Government of the Federated States of Amigo are appointed by the Government of the Federated States of Amigo are appointed by the Government of the Federated States of Amigo are appointed by the Government of the Federated States of Amigo are appointed by the Government of the Federated States of Amigo while the remaining five Directors including the Chairperson are appointed by Talgo Industries.

11. In May 2021, the Zenith Epidemic spread worldwide and was notified as a global public health emergency by the World Health Organization (WHO). As a result, stringent measures such as lockdowns and closure of airspace for scheduled air transport were imposed by most States including the Democratic Republic of Moca and the Federated States of Amigo. The closure of airspace lasted for about six consecutive months, until 30 December 2021, during which time, airlines were unable to operate their aircraft leading to a massive financial loss.

D. STATEMENT OF FACTS

12. On 01 January 2022, a breaking news piece was broadcast on the Democratic Republic of Moca national television channel:

As per eyewitness reports, two aircraft with a flightpath from the east, purported to be operated by mercenary group Alpha were flying at a low altitude over Moca airspace. The Royal Moca Air Force had to deploy two fighter jets to intercept these aircraft and force them to exit Moca airspace.

13. The next day, on 02 January 2022, AirAmigo Flight AM891, a scheduled international flight from Valentino to Portia, operated by a Panzer 848-400 type aircraft with 313 passengers and crew onboard was shot down while still overflying Moca airspace, minutes after take-off at 8:15AM local time by a surface-to-air (SAM) missile from the ground station of Special Action Group, Moca Army, killing all souls onboard.

14. On the same day at around 6:00PM Amigo Standard Time, the President of the Federated States of Amigo issued a press statement, condemning the incident, accusing the Government of the Democratic Republic of Moca of indulging in the gruesome act of war and terror by shooting down off light AM891. The President further stated that there was evidence of the Mocain Government's involvement as deciphered from, *inter alia*, the recovery of missile debris that had fallen into a border town situated in Amigo.

15. On 03 January 2022, the Prime Minister of the Democratic Republic of Moca issued a press statement, condemning the act of shooting down of flight AM891, and stated that the Civil Aviation Authority of Moca would undertake a detailed accident investigation in accordance with the Annex 13 to the Chicago Convention and submit a comprehensive investigation report within two weeks.

16. On 05 January 2022, the Federated States of Amigo announced a USD 100 Million bailout package to AirAmigo in light of the immense financial losses suffered by the airline on account of the Zenith Epidemic. As part of this bailout package, the stake of the Government would increase to 51% while the balance 49% stake would be owned by Talgo Industries. Subsequently, the Board of AirAmigo is now comprised of four directors including the Chairperson appointed by Federated States of Amigo while the remaining three are appointed by Talgo Industries.

17. On 06 January 2022, the Civil Aviation Minister of Moca gave a live interview at 11:00AM Mocain Standard Time to the national television channel of Moca that such bailout by the Federated States of Amigo was not only anti-competitive as per the International Air Services Agreement but also a countermeasure by the Government of Amigo in response to the alleged shooting down of flight AM891 by the Moca Army. Further, the Minister also added that the

Government of Moca would pursue legal remedies available to it in accordance with the law. At 5:00PM, the Civil Aviation Authority of Moca seized a Galaxy 878-800 aircraft type belonging to AirAmigo that was scheduled to operate from Valentino to Portia, departing at 7:00PM Mocain Standard Time on the ground that the state aid granted by the Government of Amigo to AirAmigo was contrary to the terms of International Air Services Agreement. The said aircraft was registered by the Civil Aviation Authority of Amigo in its aircraft register and was operated by AirAmigo under a dry lease agreement from a third country. The financial interests (ownership, mortgages and the lease) are registered under the Cape Town Convention.

18. The next day, the Foreign Minister of the Federated States of Amigo issued a demarche to the Embassy of the Democratic Republic of Moca at Portia and summoned its Ambassador. Post the diplomatic meeting, a joint press note by the Governments of both States announced that they would engage in diplomatic discussions being led by the Foreign Minister of the Democratic Republic of Moca and the Foreign Minister of the Federated States of Amigo to try and amicably resolve the dispute pertaining to seizure of the AirAmigo aircraft at Valentino, the reservations by the Government of Moca against bailout package announced by the Government of Amigo and the ongoing investigation of flight AM891 incident.

E. FOLLOW UP

19. Political and public pressure mounted on both States regarding their responsibilities and significantly soured their bilateral relations.

20. During the attempt by both States to resolve the disputes amicably, on 10 January 2022, the Civil Aviation Authority of Moca, well ahead of its stipulated two-week deadline, issued a comprehensive investigation report pertaining to flight AM891 accident. The report concluded that the accident was caused by:

- a) identification of flight AM891 by the ground radar systems of the Moca Army as an aircraft of Alpha, the mercenaries from the Island of Archies; and
- b) the flight trajectory, including its altitude and speed, while climbing over Magnana after departure from Valentino, were identical to that of the aircraft operated by Alpha the day prior to the accident and the pilot, due to issues with the radio communication, was unable to hear instructions from Mocacontrol to make corrections in the flight trajectory, including altitude and speed.

21. The investigation report had a negative impact on the ongoing diplomatic dialogue between the countries, resulting in a failure of there being any amicable settlement.

22. The Federated States of Amigo referred the dispute to the United Nations Security Council pursuant to Article 35 of the United Nations Charter.

23. Making use of the dispute settlement mechanism established under Article 84 of the Chicago Convention, the Federated States of Amigo brought the case to the attention of the ICAO Council. The Democratic Republic of Moca opposed the jurisdiction of the ICAO Council, stating that the real issue in this dispute involved matters limited not only to the scope of the Chicago Convention but also general principles of international law, including whether aviation restrictions can be characterised as a countermeasure and whether one State Party of the Chicago Convention could seize the aircraft of another Member State in its territory.

24. The Democratic Republic of Moca decided to appeal against the decision adopted by the ICAO Councilwherein it agreed to hear the matter brought before it by the Federated States of Amigo. In addition, the Democratic Republic of Moca submitted an application to the International Court of Justice pursuant to Article 14 para. 3 of the International Air Services Agreement.

F. <u>RELIEF SOUGHT</u>

The Democratic Republic of Moca requests the Court to rule that:

- (a) The International Court of Justice has jurisdiction to hear the dispute between the parties.
- (b) The seizure of the AirAmigo aircraft by the Democratic Republic of Moca was valid as per international law.
- (c) The bailout package by the Federated States of Amigo is violative of the International Air Services Agreement.
- (d) The Democratic Republic of Moca is not responsible for shooting down flight AM891 under international law.

The Federated States of Amigo requests the Court to rule that:

- (a) The ICAO Council and not the International Court of Justice has jurisdiction to hear the dispute between the parties.
- (b) The seizure of AirAmigo aircraft was not valid as per international law.
- (c) The bailout package is not violative of the International Air Services Agreement.
- (d) The Democratic Republic of Moca is responsible for shooting down AM891 under international law.

<u>Annex 1</u>: AIR SERVICES AGREEMENT BETWEEN THE DEMOCRATIC REPUBLIC OF MOCAAND THE FEDERATED STATES OF AMIGO

Preamble

The Government of the Democratic Republic of Moca and the Government of the Federated States of Amigo hereinafter referred to as the "Parties";

Being parties to the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944;

Desiring to contribute to the progress of international civil aviation;

Desiring to conclude an agreement for the purpose of establishing and operating air services between and beyond their respective territories;

Have agreed as follows:

Article 1 Definitions

For the purposes of this Agreement, unless otherwise stated, the term:

- (a) "air transportation" means the public carriage by aircraft of passengers, baggage, cargo and mail, separately or in combination, for remuneration or hire;
- (b) "aeronautical authorities" means, in the case of the Democratic Republic of Moca; in the case of the Federated States of Amigo; or in both cases any other authority or person empowered to perform the functions now exercised by the said authorities;
- (c) "Agreement" means this Agreement, its Annex, and any amendments thereto;
- (d) "capacity" is the amount of services provided under the Agreement, usually measured in the number of flights (frequencies) or seats or tons of cargo offered in a market (city pair, or country-to-country) or on a route during a specific period, such as daily, weekly, seasonally or annually;
- (e) "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 Convention under Articles 90 and 94, insofar as such Annexes and amendments have become effective for both Parties;
- (f) "designated airline" means an airline which has been designated and authorised by each Party to this Agreement;

- (g) "domestic air transportation" is air transportation in which passengers, baggage, cargo and mail which are taken on board in a States territory are destined to another point in that same State's territory;
- (h) "ICAO" means the International Civil Aviation Organization;
- (i) "Party" is a State which has formally agreed to be bound by this Agreement;
- (j) "territory" in relation to a State [means the land areas and territorial waters adjacent thereto and the airspace above them under the sovereignty of that State] has the meaning assigned to it in Article 2 of the Convention;
- (k) "air service", "international air service", "airline", and "stop for non-traffic purposes", have the means assigned to them in Article 96 of the Convention.

Article 2 Grant of rights

Route schedule

1. Each Party shall permit the air carriers of the other Party to operate on the routes specified hereunder:

(a) for air carriers of the Democratic Republic of Moca:

any points in the Democratic Republic of Moca– any intermediate points – any points in the Federated States of Amigo – any points beyond;

(b) for air carriers of the Federated States of Amigo:

any points in the Federated States of Amigo – any intermediate points – any points in the Democratic Republic of Moca– any points beyond.

<u>Traffic rights</u>

2. Each Party grants to the other Party the following rights for the conduct of international air transport activities by the air carriers of the other Party on a non-discriminatory basis:

(a) the right to fly across its territory without landing;

(b) the right to make stops in its territory for non-traffic purposes;

(c) the right to perform scheduled and non-scheduled international air transport activities for passenger, combination and all-cargo services:

(i) for air carriers of the Democratic Republic of Moca the right to provide international air transport services between any points in the Democratic Republic of Moca and any points in the Federated States of Amigo with:

(A) third and fourth freedom traffic rights without limitation on routes, capacity and/or frequencies; and

(B) fifth freedom traffic rights for all-cargo services between the Democratic Republic of Moca and the Federated States of Amigo, provided that the exercise of fifth freedom traffic rights does not exceed seven weekly frequencies;

(ii) for air carriers of the Federated States of Amigo the right to provide international air transport services between any points in the Federated States of Amigo and any points in the Democratic Republic of Moca with:

(A) third and fourth freedom traffic rights without limitation on routes, capacity and/or frequencies; and

(B) fifth freedom traffic rights for all-cargo services between the Federated States of Amigo and the Democratic Republic of Moca, provided that the exercise of fifth freedom traffic rights does not exceed seven weekly frequencies.

(d) the rights otherwise specified in this Agreement.

Operational flexibility

3. Air carriers of each Party may on any or all flights and at their option on the routes specified in paragraph 1:

(a) operate flights in either or both directions;

(b) combine different flight numbers within one aircraft operation;

(c) serve intermediate and beyond points, and points in the territories of the Parties in any combination and in any order in accordance with paragraph 2;

(d) omit stops at any point or points;

(e) transfer traffic from any of its aircraft to any of its other aircraft at any point (change of gauge);

(f) make stopovers at any points whether within or outside the territory of either Party;

(g) carry transit traffic through the territory of the other Party;

(h) combine traffic on the same aircraft regardless of where such traffic originates; and

(i) serve more than one point, within the Democratic Republic of Moca, or within the Federated States of Amigo, on the same service (co-terminalisation).

4. Each Party shall allow each air carrier of the other Party to determine the frequency and capacity of the international air transport it offers based on commercial considerations in the marketplace. Consistent with this right, neither Party shall unilaterally limit the volume of traffic, frequency or regularity of service, routing, origin or destination of traffic, or the aircraft type or types operated by the air carriers of the other Party, except for customs, technical, operational, air traffic management safety, environmental or health protection reasons or unless otherwise provided for in this Agreement.

Article 3 Operating authorisation

1. On receipt of an application for an operating authorisation from an air carrier of a Party, the competent authorities of the other Party shall grant the appropriate operating authorisations and technical permissions with minimum procedural delay, provided that:

(a) for an air carrier of the Democratic Republic of Moca:

(i) the air carrier has its principal place of business in the Democratic Republic of Moca, and holds a valid operating licence in accordance with the law of the Democratic Republic of Moca;

(ii) effective regulatory control of the air carrier is exercised and maintained by the Democratic Republic of Moca; and

(iii) the air carrier is owned, directly or through majority ownership, and it is effectively controlled by the Democratic Republic of Moca and/or its nationals;

(b) for an air carrier of the Federated States of Amigo:

(i) the air carrier has its principal place of business in the Federated States of Amigo, and holds a valid operating licence in accordance with the law of the Federated States of Amigo;

(ii) effective regulatory control of the air carrier is exercised and maintained by the Federated States of Amigo; and

(iii) the air carrier is owned, directly or through majority ownership, and it is effectively controlled by the Federated States of Amigo and/or its nationals;

(c) Articles 8 and 9 of the Agreement are complied with; and

(d) the air carrier meets the conditions prescribed under the laws and regulations normally applied to the operation of international air transport by the Party considering the application.

2. When granting operating authorisations and technical permissions, each Party shall treat all carriers of the other Party in a non-discriminatory manner.

3. On receipt of an application for an operating authorisation from an air carrier of a Party, the other Party shall recognise any fitness and/or citizenship determination made by the first Party with respect to that air carrier as if such determination had been made by its own competent authorities, and shall not enquire further into such matters. For the avoidance of doubt, this paragraph does not cover recognition of determinations in relation to safety certificates or licences, security arrangements, or insurance coverage.

Article 4 Liberalisation of ownership and control

The Parties recognise the potential benefits of the progressive liberalisation of ownership and control of their respective air carriers. The Parties agree to explore in the Joint Committee, at an opportune juncture, the reciprocal liberalisation of ownership and control of air carriers.

Article 5 Compliance with laws and regulations

1. While entering, within, or leaving the territory of one Party, the laws and regulations of that Party relating to the admission to, operating within, or departure from its territory of aircraft engaged in international air transport shall be complied with by the air carriers of the other Party.

2. While entering, within, or leaving the territory of one Party, the laws and regulations of that Party relating to the admission to, operating within, or departure from its territory of passengers, crew, baggage, cargo and/or mail on aircraft (including regulations relating to entry, clearance, immigration, passports, customs and quarantine, or, in the case of mail, postal regulations) shall be complied with by, or on behalf of, such passengers, crew, baggage, cargo and/or mail of the air carriers of the other Party.

3. The Parties shall permit, in their respective territory, the air carriers of the other Party to take measures to ensure that only persons with the travel documents required for entry into or transit through the territory of the other Party are carried.

Article 6 Fair competition

1. The Parties agree that their air carriers shall enjoy fair and equal opportunities to compete in the provision of air transport services.

2. The Parties shall prohibit, and where they exist, eliminate, within their respective jurisdictions and using their respective internal procedures and processes, any forms of discrimination or unfair practices which would adversely affect the fair and equal opportunity of the air carriers of the other Party to compete in providing air transport services.

3. If a Party, that is, "the acting Party", considers that its carriers' fair and equal opportunities to compete are adversely affected by discrimination or unfair practices prohibited under paragraph 2, it may proceed to submit a written request for consultations to the other Party, accompanied by

a written report with its observations and material evidence, following the procedure of Article 11 of this Agreement.

4. If the acting Party and the other Party fail to reach an agreement on the matter within sixty (60) days from the commencement of the consultations, the acting Party may take measures against the air carriers which have engaged in the contested conduct or which have benefitted from the discrimination or unfair practices in question. The acting Party shall notify the other Party, in writing, of the measures to be taken at least fifteen (15) days before the implementation of any such measure.

5. The measures taken pursuant to the preceding paragraph shall be appropriate, proportionate and restricted in their scope and duration to what is strictly necessary, with a view to mitigating the injury to the carriers of the acting Party and removing the undue advantage gained by the carriers against which they are directed.

6. Any actions and measures taken pursuant to paragraph 6 shall be without prejudice to the right of either Party to refer to the dispute settlement procedure laid down in Article 14 of the Agreement.

Article 7 Fares and rates

1. The Parties shall permit fares and rates to be freely established by the air carriers of the Parties on the basis of free and fair competition.

2. Either Party may require, on a non-discriminatory basis, notification to its competent authorities of fares and rates offered for services originating from its territory by air carriers of both Parties on a simplified basis and for information purposes only. Such notification by the air carriers may be required to be made no earlier than the initial offering of a fare or a rate.

Article 8 Aviation safety

1. The Parties reaffirm the importance of close cooperation in the field of aviation safety. In that context, the Parties shall, as appropriate, engage in further cooperation in relation to accident investigation, regulatory development, the exchange of safety information, the possible participation in each other's oversight activities or conducting joint oversight activities and the development of joint projects and initiatives.

2. Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one Party and still in force shall be recognised as valid by the other Party and its aeronautical authorities for the purpose of operating air services, provided that such certificates or licences were issued or rendered valid pursuant to, and in conformity with, as a minimum, the relevant international standards and recommended practices and procedures for air navigation services established under the Convention.

3. Each Party may request consultations at any time concerning the safety standards and requirements maintained and administered by the other Party in areas relating to aeronautical facilities, flight crew, aircraft and the operation of aircraft. Such consultations shall take place within 30 days of the request.

4. If, following such consultations, the requesting Party finds that the other Party does not effectively maintain and administer safety standards and requirements in the areas referred to in paragraph 3 that, unless otherwise decided, are at least equal to the minimum standards established pursuant to the Convention, the other Party shall be notified of such findings. The other Party shall submit a corrective action plan within 30 days which will include a timeline for implementation. The corrective action plan and the corresponding timeline shall be agreed upon by the Parties before being implemented. Failure by the other Party to take appropriate corrective action within a reasonable period of time shall constitute grounds for the requesting Party to refuse, revoke, suspend, impose conditions on or limit the operating authorisations or technical permissions or to otherwise refuse, revoke, suspend, impose conditions on or limit the other Party.

5. Each Party accepts that any aircraft operated by, or on behalf of, an air carrier of a Party may, while within the territory of the other Party, be the subject of a ramp inspection by the competent authorities of the other Party to verify the validity of the relevant aircraft documents and those of its crew members and the apparent condition of the aircraft and its equipment, provided that such examination does not cause an unreasonable delay in the operation of the aircraft.

6. If a Party, after carrying out a ramp inspection, finds that an aircraft or the operation of an aircraft does not comply with the minimum standards and procedures for air navigation services established pursuant to the Convention, that Party shall notify the aircraft operator of such lack of compliance while requesting corrective action as deemed appropriate. Whenever appropriate, the competent authorities of the other Party that are responsible for the safety oversight of the air carrier operating the aircraft may be requested to give their acceptance of the corrective action taken by the aircraft operator. Notwithstanding this, each Party will allow access to the results of ramp inspections performed on aircraft operators which are under the safety oversight of the other Party.

7. Each Party shall have the right to take immediate action including the right to revoke, suspend or limit the operating authorisations or technical permissions or to otherwise suspend or limit the operations of an air carrier of the other Party, if it concludes that it is necessary in view of an immediate threat to aviation safety. The Party taking such measures shall promptly inform the other Party, providing reasons for its action.

8. Any action by a Party in accordance with paragraphs 4, 6 or 7 shall be necessary and proportionate to address a safety finding and shall be discontinued once the basis for the taking of that action ceases to exist.

Article 9 Aviation security

1. The Parties underline their commitment to achieving the highest levels of aviation security standards and may, as appropriate, engage in further dialogue and cooperation in this field.

2. The Parties reaffirm their obligations to each other to provide for the security of civil aviation against acts of unlawful interference, and in particular their obligations under the Convention, 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, The Convention on the Suppression of Unlawful Acts relating to International Civil Aviation, signed at Beijing on 10 September 2010, insofar as the Parties are parties to these conventions, as well as all other conventions and protocols relating to civil aviation security to which the Parties are parties.

3. The Parties shall provide upon request all necessary assistance to each other to address any threat to the security of civil aviation, including the prevention of acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, of their passengers and crew, airports and air navigation facilities, and any other threat to the security of civil aviation.

4. The Parties shall, in their mutual relations, act in conformity with the international aviation security standards and appropriate recommended practices established by the ICAO. They shall require that operators of aircraft of their registries, operators of aircraft who have their principal place of business or permanent residence in their territory, and the operators of airports in their territory, act, at least, in conformity with such aviation security provisions.

5. Each Party shall ensure that effective measures are taken within its territory to protect civil aviation against acts of unlawful interference, including, but not limited to, screening of passengers and their cabin baggage, screening of hold baggage, screening and security controls for persons other than passengers, including crew, and their items carried, screening and security

controls for cargo, mail, in-flight and airport supplies, and access control to airside and security restricted areas. Those measures shall be adjusted to meet increases in the threat to the security of civil aviation. Each Party agrees that the security provisions required by the other Party relating to the admission to, operating within, or departure from its territory of aircraft must be observed.

6. With full regard and mutual respect for each other's sovereignty, a Party may adopt security measures for entry into its territory, as well as emergency measures, in order to meet a specific security threat, which should be communicated to the other Party without delay. Each Party shall give positive consideration to any request from the other Party for reasonable special security measures, and the first Party shall take into account the security measures already applied by the other Party and any views that the other Party may offer as well as the possible adverse effects on air transport between the Parties. Except where not reasonably possible in case of emergency, each Party will inform the other Party in advance of any special security measures it intends to introduce which could have a significant financial or operational impact on the air transport services provided under this Agreement.

7. Each Party recognises, however, that nothing in this Article limits the ability of a Party to refuse entry into its territory of any flight or flights that it deems to present a threat to its security.

8. When an incident or threat of an incident of unlawful seizure of civil aircraft or other unlawful acts against the safety of aircraft, passengers, crew, airports or air navigation facilities occurs, the Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat.

9. Each Party shall take all measures it finds practicable to ensure that an aircraft subjected to an act of unlawful seizure or other acts of unlawful interference which is on the ground in its territory is detained on the ground unless its departure is necessitated by the overriding duty to protect human life. Where practicable, such measures shall be taken on the basis of mutual consultations.

10. When a Party has reasonable grounds to believe that the other Party has departed from the provisions of this Article, that Party may request immediate consultations with the other Party. Such consultations shall start within 30 days of the date of receipt of such a request or such longer period as may be agreed. Failure to reach a satisfactory agreement within 30 days of the starting date of such consultations, or a longer period as may be agreed, shall constitute grounds for the Party that requested the consultations to take action to refuse, revoke, suspend, impose conditions on or limit the operating authorisation and technical permissions of an air carrier of the other Party to ensure compliance with the provisions of this Article. When required by an

emergency, or to prevent further non-compliance with the provisions of this Article, a Party may take immediate interim action.

11. Any action taken in accordance with this Article shall be necessary and proportionate to address a security threat and shall be discontinued upon compliance by the other Party with the provisions of this Article or when such action is no longer necessary.

Article 10 Air traffic management

1. The Parties shall cooperate on regulatory matters concerning air navigation services, including the oversight of such services. They shall address any policy issues relating to the performance of air traffic management, with a view to optimising overall flight efficiency, reducing costs, minimising environmental impact and enhancing the safety and capacity of the systems.

2. The Parties shall encourage their competent authorities and air navigation service providers to cooperate on interoperability issues to further integrate both Parties' systems where possible, to reduce the environmental impact of aviation, and to share information where appropriate.

3. The Parties shall promote cooperation between their air navigation service providers in order to exchange flight data and coordinate traffic flows to optimise flight efficiency, with a view to improving the use of resources and achieving predictability, punctuality and service continuity.

4. The Parties agree to cooperate on modernisation programmes, including development, deployment and best practices for economic efficiency, air traffic management and relevant aerodrome aspects, and to encourage cross-participation in validation and demonstration activities.

Article 11 Air carrier liability

The Parties reaffirm their obligations under the Convention for the Unification of Certain Rules for International Carriage by Air, done at Montreal on 28 May 1999 (the Montreal Convention).

Article 12 Consumer protection

The Parties shall cooperate to protect the interests of consumers in air transport. The objective of this cooperation shall be to achieve a high level of consumer protection. To this end, the Parties shall consult each other in the Joint Committee on matters of consumer interest, including their

planned measures, with a view to achieving increased regulatory convergence and compatibility to the extent possible.

Article 13 Interpretation and implementation

1. The rights laid down in this Agreement are granted by the Parties to one another. Any reference in this Agreement to rights granted to the air carriers of a Party shall be construed only as a reference to rights granted to that Party. Nothing in this Agreement shall be construed as intended to confer rights or to impose obligations which can be directly invoked by nationals of one Party before the courts or tribunals of the other Party.

2. The Parties shall take all appropriate measures, whether general or particular, to ensure fulfilment of the obligations arising out of this Agreement.

3. In exercising their rights under this Agreement, the Parties shall take measures which are appropriate and proportionate to the objectives of those measures.

4. The Parties shall refrain from any measures which would jeopardise the attainment of the objectives of this Agreement.

5. Each Party shall be responsible, in its own territory, for the proper enforcement of this Agreement.

Article 14 Dispute resolution

1. Where either Party has concerns about possible infringement of this Agreement, it may request consultations and negotiations with the other Party.

2. Any dispute relating to the application or interpretation of this Agreement, may be referred by the Parties to the dispute settlement mechanism provided for in this Article.

3. If a Party has taken action to refuse, revoke, suspend, impose conditions on or limit the operating authorisation or technical permissions of an air carrier of the other Party, the dispute may be immediately referred to the International Court of Justice for decision. Further, a Party having any disagreement pertaining to the interpretation or implementation of the Convention on International Civil Aviation can apply to the International Civil Aviation Organisation Council for settlement of the dispute.

Article 15 Amendments

1. Either Party may at any time request consultation with the other Party for the purpose of amending the present Agreement. Such consultation shall begin within a period of sixty (60) days from the date of receipt of such request.

2. Any amendment shall enter into force when confirmed by an exchange of diplomatic notes.

Article 16 Termination

Either Party may, at any time, give notice in writing, through diplomatic channels, to the other Party of its decision to terminate this Agreement. Such notice shall be sent simultaneously to the ICAO and to the United Nations Secretariat. This Agreement shall terminate at midnight GMT at the end of the International Air Transport Association (IATA) traffic season in effect one year following the date of written notice of termination, unless the notice is withdrawn by agreement of the Parties before the end of this period.

Article 17 Registration of the Agreement

This Agreement and any amendments thereto shall be registered with the ICAO, in accordance with Article 83 of the Convention, and with the United Nations Secretariat, in accordance with Article 102 of the Charter of the United Nations.

Article 18 Entry into force

This Agreement shall enter into force one (1) month after the date of the later note in an exchange of diplomatic notes between the Parties.

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