



# Air Transport Screening for Croatia and Turkey

Brussels, 29 June 2006

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## EU External Aviation Policy





# Three Key Pillars of EU External Aviation Policy

- **Bring existing bilateral agreements between EU Member States and third countries into line with Community law**
- **The creation of a “common aviation area” with neighbouring countries**
- **Conclusion of ambitious global agreements with key partners (US, China, Russia...)**





# Bringing bilateral agreements in line with Community law



The European Court of Justice found on 5 November 2002 that the bilateral air services agreements between EU Member States and the USA were **not in conformity with EC law**.

The nationality clauses in all agreements infringe the **right of establishment** (Art. 43 EC Treaty) as they are discriminating on grounds of nationality.

The agreements infringe the **exclusive external competence of the EU**.  
In areas where EC legislation affects third countries, only the EU can enter into international commitments.



# Regulation (EC) 847/2004

- Regulation on the negotiation and implementation of air service agreements between EC Member States and third countries
- Member States to notify bilateral negotiations to Commission
- Member States to negotiate 'Community standard clauses' with third countries
- Commission to decide if bilateral agreement between MSs and third countries may be concluded/ provisionally applied





# Regulation (EC) 847/2004 cont.

- **Community Standard Clauses:**
  - *Designation and revocation clauses;*
  - *Tariffs on intra EU routes;*
  - *References to nationals or carriers of a MS;*
  - *Ground handling.*
  
- **Horizontal negotiations with the Community: 23 third countries agreed and further negotiations ongoing**





# Agreements with third countries



## Principles of agreements with third countries:

- **Market access**
- **Regulatory convergence**
- **Level playing field for air carriers**
- **Technical co-operation**



# Agreements with third countries cont.



- **Agreements in force:**
  - Agreement on the European Economic Area (Iceland, Norway, Lichtenstein)
  - Agreement between the European Community and the Swiss Confederation on Air Transport
- **Agreements initialled/ signed:**
  - European Common Aviation Area (South-East Europe)
  - Morocco
- **Ongoing negotiations: US, Russia**



# Regulation (EC) 868/2004

- **Regulation concerning protection against subsidisation and unfair pricing practices causing injury to Community air carriers**
  - Aviation is a global industry and fair competition has to be ensured not only in the internal market but externally too
  - Rules on state aid and competition exist inside the EU and Regulation 868/2004 concerns subsidies and unfair pricing practices by third country airlines
  - This anti-dumping instrument may be used if third country airlines benefit from government subsidies or a non-commercial advantage, causing injury to EU airlines

