

International aviation agreements

To tackle international air transport challenges in the European Union, particularly increased competition from third countries, the European Commission adopted a new aviation strategy for Europe in December 2015, placing strong emphasis on international aviation agreements. After obtaining negotiating mandates from Council, a number of EU-level comprehensive agreements are coming to fruition, with some now awaiting signature or ratification.

Background

The Commission's [aviation strategy](#) underlined that 'Europe must be a leading player in international aviation' and one of its key priorities is 'tapping into growth markets, by improving services, market access and investment opportunities with third countries, whilst guaranteeing a level playing field'. While there is no limitation on traffic rights for EU airlines in Europe, provided they have been granted an EU operating licence, the strategy notes that there are still many obstacles and restrictions when it comes to [international](#) services with third countries. To overcome these difficulties, the strategy advocates the negotiation of comprehensive agreements to improve market access and investment opportunities, to increase Europe's international connectivity and to ensure fair and transparent market conditions for EU airlines. It also highlighted that the EU should expand bilateral aviation safety agreements aiming to achieve mutual recognition of safety certification standards, to promote worldwide trade in aircraft and related products.

State of play

In its strategy, the Commission specifically proposes that the Council authorise it to negotiate comprehensive EU-level air transport agreements with China, the Association of South-east Asian Nations (ASEAN), Turkey, Saudi Arabia, Bahrain, the United Arab Emirates (UAE), Kuwait, Qatar, Oman, Mexico and Armenia. It also proposes that the EU negotiate further bilateral aviation safety agreements with important aeronautical manufacturing countries such as China and Japan. Concerning CO₂ emissions from international aviation, the strategy states that the EU will continue to push for a global solution within the International Civil Aviation Organization (ICAO).

In [March 2016](#), the Council authorised the Commission to open negotiations with China and Japan to conclude Bilateral Air Safety Agreements (BASA) and in [June 2016](#), to start negotiations for EU-level aviation agreements with ASEAN, Turkey, Qatar and the UAE. The Commission [communication](#) of 8 June 2017 on 'Aviation: Open and Connected Europe', urged the Council to allow the opening of negotiations for further EU comprehensive aviation agreements (Bahrain, China, Kuwait, Mexico, Oman and Saudi Arabia), and to decide swiftly on the signature of the EU Comprehensive Aviation Agreement with Ukraine.

Since the publication of the strategy in December 2015, the EU has moved forward in delivering some of the actions contemplated in the external field, in particular in the negotiation of such agreements.

In October 2016, ICAO members reached an [agreement](#), the key component of which is the establishment of a global market-based measure to offset CO₂ emissions from international aviation. In [June 2018](#) and [March 2019](#), ICAO bodies adopted rules to operationalise the agreement. The EU continues to push its international partners to join the scheme and start offsetting emissions when the voluntary phase begins in 2021.

By the end of 2017, the EU had concluded the negotiations for a new aviation agreement with [Armenia](#) which was [initialled](#) on 24 November 2017, and with [Tunisia](#), [initialled](#) on 11 December 2017. Both agreements should improve market access and connectivity, bring about greater choice and lower fares and establish a common regulatory framework, notably in the area of safety and security.

In March 2019, the European Commission and [Qatar](#) initialled an aviation agreement – the first of its type between the EU and a Gulf country. The agreement goes beyond traffic rights to provide a single set of

rules; high standards; and a platform for future cooperation on issues such as safety, security or air traffic management. It also commits both parties to improve social and labour policies.

More specifically, the agreement includes:

- Progressive market opening over a period of five years to Member States without fully liberalised direct connections for passengers (i.e. Belgium, Germany, France, Italy and the Netherlands).
- Provisions on fair competition, with enforcement mechanisms to avoid distortions of competition and abuses that negatively affect the operations of EU airlines in the EU or in third countries.
- Transparency provisions in line with international reporting and accounting standards.
- A forum for meetings to address all issues, plus mechanisms to resolve any disputes quickly.
- Provisions facilitating business transactions, including the removal of existing obligations for EU airlines to work through a local sponsor.

In May 2019, the EU and [China](#) signed a BASA and a horizontal aviation agreement. The main objective of the former is to boost worldwide trade in aircraft and related products by removing unnecessary duplication of evaluation and certification activities for aeronautical products. The BASA will also support the two parties' cooperation in terms of a high level of civil aviation safety and environmental compatibility.

The horizontal agreement implies China's recognition of the principle of EU designation and that all EU airlines will be able to fly to China from any EU Member State with a bilateral air services agreement with China, under which unused traffic rights are available. To conclude the agreement, both parties must now proceed with their respective internal procedures. In July 2019, the EU also reached an agreement with [Japan](#) on civil aviation safety.

As of [September](#) 2019, negotiations on comprehensive agreements were ongoing with the Association of Southeast Asian Nations (ASEAN), Azerbaijan, Oman, Turkey (although in this latter case, negotiations were suspended by the Council in July 2019), while signature of agreements with Armenia, Qatar, Tunisia and Ukraine was pending. In parallel, the EU adopted a new [Regulation](#), repealing Regulation 868/2004, endowing the EU with an effective [tool](#) to address unfair practices and competition from non-EU carriers, and that entered into force on 30 May 2019.

European Parliament views

In line with [Article 218](#) of the Treaty on the Functioning of the European Union (TFEU), Parliament's consent is required for the conclusion of international agreements covering fields where the ordinary legislative procedure applies. In its June 2011 [resolution](#) on international air agreements under the Lisbon Treaty, Parliament underlined both the criteria and the procedure to follow for its consent. It pointed out that, when assessing comprehensive agreements, it would focus on the extent to which restrictions on market access and investment opportunities are relaxed in a balanced manner. It would also ascertain whether incentives are provided to maintain and enhance social and environmental standards, and safeguards provided for data protection and privacy. Parliament would also focus on whether mutual recognition of safety and security standards are included and a high level of passenger rights ensured. Regarding the procedure, Parliament stressed that it needs to follow the process from the beginning.

In a [resolution](#) of 11 November 2015 on aviation, Parliament underlined the strategic importance of negotiating comprehensive aviation agreements with the EU's major trading partners, and urged 'the Commission to seek comprehensive mandates from the Member States as soon as possible, giving priority to the Gulf Cooperation Council countries'. It also recommended global environmental solutions to reduce CO₂ emissions from international aviation.

Parliament also welcomed, in a [resolution](#) of 16 February 2017, the initiative to negotiate air transport agreements and bilateral aviation safety agreements with third countries at EU level, recalling that new agreements should be correctly implemented and enforced by all parties and should include a fair competition clause on the basis of international standards (ICAO, International Labour Organization).

This is an updated and expanded edition of an ['at a glance' note](#) from November 2016.

