

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(92) 274 final

Brussels, 22 June 1992

Amendment to the proposal for a
COUNCIL REGULATION (EEC)
on licencing of air carriers

Amendment to the proposal for a
COUNCIL REGULATION (EEC)
on access for air carriers to intra-Community routes

Amendment to the proposal for a
COUNCIL REGULATION (EEC)
on fares and rates for air services

(presented by the Commission pursuant to
Article 149(3) of the EEC Treaty)

Amendment to the proposal for
a Council Regulation (EEC) on licencing
of air carriers

(Presented by the Commission pursuant to
Article 149(3) of the EEC Treaty)

Explanatory Memorandum

- 1) On 18 September 1991⁽¹⁾ the Commission presented its proposal for a Council Regulation (EEC) on licencing of air carriers, on access for air carriers to intra-Community routes and on fares and rates for air services.
- 2) During the Plenary Session of 8 April 1992 the European Parliament approved the Commission's proposal subject to certain amendments.
- (3) The attached modified proposal includes the amendments which are acceptable to the Commission.
- (4) Amendments no. 2, 3, 6, 12, 14 and 17 of the proposal on licencing have, in accordance with the position taken by the Commission during the Plenary, been re-drafted slightly for the sake of clarity without changing the spirit of the modifications as suggested by the Parliament.
- (5) For legal reasons the Commission is not in the position to accept amendment no 1 which would extend the legal base for the Regulation.
Amendment no. 2 is not acceptable since it would in practice necessitate new changes to the Regulation in case of agreements between the Community and third countries. For the same reason the Commission cannot accept amendment no. 10
Amendment no. 13 is not acceptable since it would make the assessment criteria for the financial fitness of applicant air carriers too vague.

(1) COM(91) 275 final du 18.9.1991

Amendment to the proposal for a Council Regulation
(EEC) on licencing of air carriers

Commission text⁽¹⁾

Amendments

Amendment no. 1

Article 2(e)

(e) 'business plan' means a detailed description of the air carrier's intended commercial activities for the period in question, in particular in relation to the market developments and investments to be carried out, including the financial and economic implications of these activities;

(é) 'business plan' means a description of the air carrier's intended commercial activities for the period in question, in particular in relation to the market developments and investments to be carried out, including the financial and economic implications of these activities;

Amendment no. 2

Article 2(f)

(f) 'management account' means a detailed statement of income and costs for the period in question including a breakdown between air transport related and other activities, as well as between pecuniary and non-pecuniary elements.

(f) 'management account' means a statement of income and costs for the period in question including a breakdown between air transport related and other activities, as well as between pecuniary and non-pecuniary elements.

(1) For full text see COM(91) 275 final - O.J. no. C258 of 4.10.1991

Amendment no. 3

Article 2(fb)is) (new)

fb)is "effective control" means a relationship constituted by rights, contracts or any other means which, either separately or jointly and having regard to the considerations of fact or law involved, confer the possibility of exercising decisive influence on an undertaking, in particular by :

- (a) ownership or the right to use all or part of the assets of an undertaking;
- (b) rights or contracts which confer decisive influence on the composition, voting or decisions of the bodies of an undertaking.

Amendment no. 4

Article 4(1)

1. No undertaking shall be granted an operating licence by a Member State unless air transport is its main occupation and the registered office and principal place of business is located in that Member State.

1. No undertaking shall be granted an operating licence by a Member State unless air transport is its main occupation and the registered office and principal place of business is located in that Member State. An operating licence for a subsidiary shall be granted by the Member State where the subsidiary has been set up by the parent company.

Amendment no. 5

Article 4(2)

2. The undertaking must be owned and continue to be owned directly or through a majority shareholding by Member States and/or nationals of Member States. It must at all times be effectively controlled by such states or nationals. The majority of the board must be representatives of such states or nationals.
2. The undertaking and its management must be controlled and continue to be controlled directly or through a majority shareholding by Member States and/or nationals of Member States. It must at all times be effectively and decisively controlled by such states or nationals. The majority of the board of management and/or any other supervisory board must be representatives of such states or nationals.

Amendment no. 6

Article 4(3)

3. Notwithstanding paragraph 2 air carriers which have already been recognised in Annex I to Council Regulations (EEC) nos. 2343/90 and 294/91 retain their rights under this and associated Regulations as long as they meet the other obligations in the present Regulation.
3. Notwithstanding paragraph 2 an air carrier which, at the time of adoption of this Regulation :
- (i) either has its central administration and principal place of business in the Community and has been providing scheduled or non-scheduled air services in the Community during the 12 months prior to adoption of this Regulation;

Amendment no. 6 (continued)

Article 4(3)

(ii) or has been providing scheduled air services between Member States on the basis of third and fourth freedom traffic rights during the 12 months prior to adoption of this Regulation;

(iii) or is an air carrier established subsequently to the adoption of this Regulation;

shall also be granted rights under this and associated Regulations as long as it :

(i) meets the other obligations in this Regulation; and

(ii) continues to have its central administration and principal place of business in the Community; and

(iii) is not controlled, directly or indirectly, by any other non-Community interests!

Amendment no. 7

6. An air carrier must on request at any time be able to demonstrate to the state responsible for the operating licence and the Commission that it meets the requirements of this Article.

6. An air carrier must on request at any time be able to demonstrate to the state responsible for the operating licence that it meets the requirements of this Article.

Amendment no. 8

Article 4(7)

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| 7. Where a Member State is not convinced that an air carrier meets the requirements of this Article it may ask the Commission to verify the situation. | 7. Where a Member State is not convinced that an air carrier meets the requirements of this Article it may ask the Commission to verify the situation. <u>The air carrier shall then be required to demonstrate to the Commission that it meets the requirements of this Article.</u> |
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Amendment no. 9

Article 5(2)(a)

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| (a) An air carrier operating aircraft with less than 20 seats and/or 10 tonnes MTOW shall at all times be able to demonstrate that its net capital is at least ECU 100 000. | (a) An air carrier operating aircraft with less than 20 seats and/or 10 tonnes MTOW shall, <u>pursuant to paragraph 1 (a) of this Article</u> , at all times be able to demonstrate that its net capital is at least ECU 100 000. |
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Amendment no. 10

Article 5(2)(b)

(b) Any other air carrier must at all times and in particular after 12 months of operation be able to demonstrate to the reasonable satisfaction of the licensing authorities that it can meet its actual potential obligations for a period of 12 months.

(b) Any other air carrier must if requested and in particular after 12 months of operation be able to demonstrate to the reasonable satisfaction of the licensing authorities that it can meet its actual potential obligations for a period of 12 months.

Amendment no. 11

Article 5(3), introduction

3. For the purposes of this Article an air carrier shall provide all relevant information and, in particular for the purpose of paragraph 2(b), it shall, at the beginning of each financial year and when substantial changes in operation, such as the operation of a new scheduled service or a non-scheduled service to a new region, have been decided, submit :

3. For the purposes of this Article an air carrier shall provide all relevant information and, in particular for the purpose of paragraph 2(b), in so far as the Member State so requests, it shall, at the beginning of each financial year and when substantial changes in operation, such as the operation of a new scheduled service or a non-scheduled service to a new region, have been decided, submit :

Amendment no. 12

Article 5(3)(c)

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| (c) quarterly management accounts, unless the licensing authorities require <u>monthly</u> accounts, to be provided no more than four weeks after the period to which they refer; and | (c) quarterly management accounts, unless the licensing authorities require accounts <u>for shorter periods</u> , to be provided no more than four weeks after the period to which they refer; and |
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Amendment no. 13

Article 5(4)

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| 4. <u>The licensing authority shall review the financial and economic situation of any air carrier at least every 12 months.</u> | 4. <u>If the licensing authorities deem the changes notified under 3 to have a significant bearing of the finances of the air carrier, they shall require the submission of a revised business plan incorporating the changes in question and covering at least a period of 12 months from its date of implementation as well as all the relevant information (including the data mentioned in Annex I) to assess whether the air carrier can meet its existing and potential obligations during that period of 12 months.</u> |
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Amendment no. 14

Article 7

A condition to own aircraft shall not be required for granting or maintaining a licence but a Member State may require the aircraft to be used by an air carrier to be registered within the Community.

- (a) An air carrier shall not be required to own aircraft.
- (b) An air carrier may be required to have at its disposal (through ownership, leasing contract or any form of long-term lease), aircraft technically fit for the safe conduct of the operations which are the object of the operating licence.
- (c) A majority of the aircraft used by an air carrier may be required to be registered in the Community or in the Member State issuing the licence.
- (d) A Member State requesting registration of aircraft on its own register must ensure transfers from registers of other Member States without delay and fees.

Amendment no. 15

Article 8

An undertaking which carries out commercial aviation activities must be in possession of an AOC. The AOC or an accompanying document shall clearly set out the technical organisation and expertise required in order to ensure the safe operation of the specified aviation activities.

1. The issuing and validity at any time of an operating licence is dependent upon the possession of a valide AOC, in accordance with the criteria established in council Regulation (EEC) no. .../92 on harmonization of technical requirements and administrative procedures.

Amendment no. 15 (continued)

Article 8

- (a) An undertaking shall not operate an aircraft for the purpose of commercial aviation activities otherwise than under and in accordance with the terms and conditions of an AOC. Annex I sets out the terms and format of an AOC.
2. Until such time as the Council Regulation referred to in paragraph 1 is applicable, national regulations concerning the AOC or equivalent title concerning the certification of air transport operators shall apply.
- (b) An undertaking shall allow the licensing authority to examine all aspects of its intended or actual operations connected with an AOC.

Amendment no. 16

Article 9(1a)(new)

- 1a. It shall not be possible to grant a licence to an undertaking or to maintain the licence of an undertaking which does not meet the technical standards.

In the long run technical standards shall refer to the JAA standards currently under development. Until then the Member States shall continue to decide on the basis of their national requirements.

Amendment no. 17

Article 14(4), second subparagraph (new)

The Commission shall decide within 30 days after reception of the appeal. If the Commission finds that the licence should have been granted it shall direct a motivated decision to the Member State concerned.

Amendment no. 18

Article 17(1)

1. The Commission shall publish a report on the application of this Regulation by 1 January 1994 and every second year thereafter.

1. The Commission shall publish a report on the application of this Regulation by 1 January 1995 and every second year thereafter.

Amendment no. 19

Article 17a (new)

No later than 31 December 1992 the Commission shall present to the Council and Parliament a comprehensive report exploring the technical and legal requirements as well as the political perspectives for

(a) the creation of a Community register for air carriers,

Amendment no. 19

Article 17a (new)

- (b) the creation of a Community Civil Aviation Authority.

This report shall outline the different steps and a possible time-table for their implementation.

Amendment no. 20

Annex I

An AOC will indicate the :

- (1) Name and location of the Undertaking;
- (2) Date of issue;
- (3) Description of the type of operations authorised;
- (4) Type(s) of aeroplane authorised for use;
- (5) Registrations marks of the authorised aeroplanes except that an air carrier may obtain approval for an alternative system to inform the authority about the aeroplanes operated under its AOC;
- (6) Authorised areas of operation;

A. Guidelines to be used in assessing a first-time applicant from a financial fitness point of view

1. The most recent internal management accounts and, if available, audited accounts for the previous financial year.
2. A projected balance sheet, including profit and loss account for the following two years.
3. The basis for projected expenditure and income figures on such items as fuel, tariffs, salaries, maintenance, depreciation, exchange rate, fluctuations, airport charges, insurance, traffic/revenue forecasts, etc ...

Amendment no. 20 (continued)

Annex I

(7) Names of post holders;

(8) Special limitations;

(9) Special authorisations/
approvals.

The format of the AOC is in
appendix A.

4. Details of the start-up costs incurred in the period from submission of application to commencement of operations and an explanation of how it is proposed to finance these costs.

5. Details of existing and projected sources of finance.

6. Details of shareholders, including nationality and type of shares to be held, and the articles of association. If the applicant is part of a group of companies, information should be supplied on the relationship between them.

7. Projected cash flow statements and liquidity plans for the first two years of operations.

8. Details of the financing of aircraft purchase/leasing including, in the case of leasing, the terms and conditions of contract.

B. Guidelines to be used in assessing the continuing financial fitness of existing licence holders planning a change in their structures of in their activities with a significant bearing on their finances.

Amendment no. 20 (continued)

Annex I

1. if necessary, the most recent internal management balance sheet and audited accounts for the previous financial year.
2. Precise details of all proposed changes e.g. change of type of service, proposed takeover or merger, modifications in share capital, changes in shareholders, etc...
3. A projected balance sheet, with a profit and loss account for the current financial year, including all proposed changes in structure or activities with a significant bearing on finances.
4. Past and projected expenditure and income figures on such items as fuel tariffs, salaries, maintenance, depreciation, exchange rate fluctuations, airport charges, insurance, traffic/revenue forecasts, etc ...
5. Cash flow statements and liquidity plans for the following year, including all proposed changes in structure or activities with a significant bearing finances.
6. Details of the financing of aircraft purchase/leasing including, the terms and conditions of contract.
- C. Guidelines to be used in assessing the continuing financial fitness of existing licence holders.

Amendment no. 20

Annex I

1. Audited accounts not later than six months after the end of the relevant period and, if necessary, the most recent internal management balance sheet.
2. A projected balance sheet, including profit and loss account for the forthcoming year.
3. Past and projected expenditure and income figures on such items as fuel tariffs, salaries, maintenance, depreciation, exchange rate fluctuations, airport charges, insurance, traffic/revenue forecasts, etc ...
4. Cash flow statements and liquidity plans for the following year.

Amendments to the proposal for a
Council Regulation (EEC) on access for air carriers to
intra-Community air routes

Amendments to the proposal for a Council Regulation (EEC)
on fares and rates for air services

(Presented by the Commission pursuant to
Article 149(3) of the EEC Treaty)

Explanatory Memorandum

1. On 18 September 1991⁽¹⁾ the Commission presented two proposals for a Council Regulation (EEC) on access for air carriers to intra-Community air routes and on fares and rates for air services.
2. During the Plenary Session of 8 April 1992 the European Parliament approved the Commission's proposals subject to certain amendments.
3. The modified proposals include the amendments which are acceptable to the Commission.
4. Amendment no. 1 (extension of legal base) of the proposal for a Council Regulation (EEC) on access for air carriers to intra-Community air routes is for legal reasons not acceptable to the Commission.
Amendment no. 4 of the proposal for a Council Regulation (EEC) on fares and rates for air services is simply superfluous since the Commission will anyway have to present a report on the overall impact of the liberalisation measures.

(1) COM (91) 275 final of 18.9.1991

Amendment to the proposal for a Council Regulation
(EEC) on access for air carriers to
intra-Community air routes

Commission text⁽¹⁾

Amendments

Amendment no. 1

Third recital a (new)

Whereas the objective of a common European air transport policy cannot be reduced to liberalization alone, but must take into account the requirements of regional policy and infrastructural development, pursued as part of an integrated transport policy;

Amendment no. 2

Third recital b (new)

Whereas the inadequate existing infrastructures, coupled with the lack of advanced control and air corridor systems, might severely restrict the potential expansion in air traffic resulting from liberalization;

(1) For full text see COM(91) 275 final - O.J. no. C258 of 4.10.1991

Amendment no. 3

Ninth recital

Whereas the development of the air traffic system in the Greek Islands and in the Atlantic Islands comprising the autonomous region of the Azores is at present inadequate and for this reason airports situated on these islands should be temporarily exempted from the application of this Regulation;

Whereas the development of the air traffic system in some of the Greek Islands and in the Atlantic Islands comprising the autonomous region of the Azores is at present inadequate and for this reason airports situated on these islands should be temporarily exempted from the application of this Regulation;

Amendment no. 4

Twelfth recital

Whereas it is necessary to make special provision for new air services between regional airports;

Whereas it is necessary to make special provision for new air services to and from regional airports;

Amendment no. 5

Twentieth recital

Whereas any possibility for an air carrier from a third country to exercise traffic rights between Community airports shall be settled in an agreement between the third country concerned and the Community;

Deleted.

Amendment no. 6

Article 1(4)

4. Airports in the Greek islands and in the Atlantic islands comprising the autonomous region of the Azores shall be exempted from the application of this Regulation until 30 June 1993. Unless otherwise decided by the Council, on a proposal of the Commission, this exemption shall apply for a further period of five years and may be continued for five years thereafter.
4. Airports in the Greek islands with the exception of Corfu, Crete and Rhodes and in the Atlantic islands comprising the autonomous region of the Azores shall be exempted from the application of this Regulation until 30 June 1993. Unless otherwise decided by the Council, on a proposal of the Commission, this exemption shall apply for a further period of five years.

Amendment no. 7

Article 2(d)(i)

- (i) it is performed by aircraft for the transport of passengers, cargo and/or mail for remuneration, in such a manner that on each flight seats are available for individual purchase by members of the public (either directly from the air carrier or from its authorised agents);
- (i) it is performed by aircraft for the transport of passengers, cargo and/or mail for remuneration, in such a manner that on each flight seats are available for individual purchase by members of the public (either directly from the air carrier or from its authorised agents or from tour operators);

Amendment no. 8

Article 2(g)

(g) 'seat-only sales' means the sale of seats, without any other service bundled such as accommodation, directly to the public by the air carrier or its authorised agent;

(g) 'seat-only sales' means the sale of seats, without any other service bundled such as accommodation, directly to the public by the air carrier or its authorised agent or by tour operators;

Amendment no. 9

Article 3

Subject to this Regulation, Community air carriers shall be permitted by the State(s) concerned to exercise traffic rights between airports or airport systems within the Community when they are open for civil air services.

Subject to this Regulation, Community air carriers shall be permitted by the State(s) concerned to exercise traffic rights between airports or airport systems within the Community when they are open for civil air services, subject to the reservation that up to 1 January 1995 non-resident Community air carriers shall only be permitted to exercise consecutive cabotage rights and that under the following conditions :

1(a) The traffic rights are exercised on a service which constitutes and is scheduled as an extension of a service from, or as a preliminary of a service to, their State of registration;

Amendment no. 9 (continued)

Article 3

- (b) The air carrier cannot use for this service more than 50% of its seasonal seat capacity on the same third, fourth or fifth-freedom service of which the cabotage service constitutes the extension or the preliminary.

- 2(a) The air carrier may, for this service, use an aircraft which is different from but not larger than the aircraft which it uses for the third, fourth or fifth-freedom service of which the cabotage service is an extension or a preliminary;

- (b) When more than one service is operated as an extension of or as a preliminary to a third, fourth or fifth-freedom service, the capacity provision in paragraph 1(b) shall represent the aggregate seat capacity available for the carriage of cabotage passengers on those cabotage services.

Amendment no. 9

Article 3

3. An air carrier operating a cabotage service in accordance with this Article shall furnish on request to the Member State involved all relevant information concerning :
 - (a) the seasonal seat capacity on the third, fourth or fifth-freedom service of which the cabotage service constitutes the extension or the preliminary; and
 - (b) in the case of cabotage services to which paragraph 2(b) applies, the seasonal capacity utilized on each service.

Amendment no. 10

Article 4(2)

2. Notwithstanding Article 3, a Member State, in a case where one of the air carriers licences by it has started to operate a scheduled passenger air service on a new route between regional airports with aircraft of no more than 80 seats, may refuse a scheduled air service by
2. Notwithstanding Article 3, a Member State, in a case where one of the air carriers licences by it has started to operate a scheduled passenger air service on a new route to and from regional airports with aircraft of no more than 80 seats, may refuse a scheduled air service by

Amendment no. 10 (continued)

Article 4(2)

another air carrier for a period of two years, unless it is operated with aircraft of no more than 80 seats, or it is operated in such a way that not more than 80 seats are available for sale between the two airports in question, on each flight.

another air carrier for a period of two years, unless it is operated with aircraft of no more than 80 seats, or it is operated in such a way that not more than 80 seats are available for sale between the two airports in question, on each flight.

Amendment no. 11

Article 4(3)

3. Paragraphs 1(c) and 2 shall not apply to routes when the capacity offered exceeds 30,000 seats per year.

3. Paragraph 1(c) shall not apply to routes when the capacity offered exceeds 30,000 seats per year. Paragraph 2 shall not apply to routes between regional airports when the capacity offered exceeds 30,000 seats per year, and shall not apply to routes between regional and Category 1 airports when the capacity offered exceeds 45,000 seats per year.

Amendment no. 12

Article 5

In operating air services, a Community air carrier shall be permitted by the State(s) concerned to combine air services and use the same flight number.

In operating air services, a Community air carrier shall be permitted by the State(s) concerned to combine air services and use the same flight number; such permission shall also be granted to third country air carriers on the basis of reciprocity.

Amendment no. 13

Article 8(1)

1. Capacity limitations shall not apply to air services covered by this Regulation except as set out in Articles 6 and 7 and in this Article.

1. Capacity limitations shall not apply to air services covered by this Regulation except as set out in Articles 3, 6 and 7 and in this Article.

Amendment no. 14

Article 11(3a) (new)

3a. At least once a year the Commission should consult with representatives of air transport user organizations including consumer organizations and report on the outcome of these consultations.

Amendment no. 15

Article 12a (new)

1. No later than 30 June 1992, the Commission shall submit to the Council proposals for :
 - (a) harmonization of safety standards for aircraft cockpits and passenger cabins;
 - (b) air safety controls, including notification of, and inquiries into, accidents, technical incidents and near misses;
 - (c) the capacity and safety of the airways, with particular attention to improving air traffic control;
 - (d) common specifications for ATC equipment;
 - (e) the capacity and safety of airports, including improvements in runway capacity, harmonization of safety standards and procedures, the harmonization of noise and other environmental standards at airports;
 - (f) mutual recognition and/or harmonization of certificates of flight crew, cabin crew, air traffic controllers and maintenance mechanics;

Amendment no. 15

Article 12a (new)

- (g) flight times, air traffic service hours and rest periods for flight crews and cabin crews; working hours of air traffic controllers;
 - (h) a code of conduct for travel agents;
 - (i) common rules for liability;
2. The Council shall take a decision on these proposals not later than 1 January 1993.

Amendment no. 16

Article 12b (new)

The Commission shall submit a document to the Council and Parliament with a minimum of delay, and no later than 1 July 1992, setting out a coherent approach to the substance of the external aviation policy to be pursued by the Commission. The European Parliament shall give its opinion on this document and the Council shall take a decision on it no later than 1 January 1993.

Amendment to the proposal for a Council Regulation (EEC)
on fares and rates for air services

Commission text⁽¹⁾

Amendments

Amendment no. 1

Fourth recital

Whereas in Regulation (EEC) no. 2342/90 the Council decided to introduce a system of double disapproval for all air fares by 1 January 1993;

Whereas in Regulations (EEC) no. 2342/90 the Council stated that the introduction of a system of double disapproval of air fares remained an objective to be achieved by 1 January 1993;

Amendment no. 2

Fifth recital

Whereas air fares normally should be determined freely by market forces where competition exists;

Whereas air fares and rates normally should be determined freely by market forces where competition exists ;

(1) For full text see COM(91) 275 final - O.J. no. C258 of 4.10.1991

Amendment no. 3

Ninth recital

Whereas in situations where competition is limited it is appropriate to provide for a transparent and objective procedure according to which Member States may ask the Commission to examine and decide on whether a proposed air fare conforms with the criteria laid down;

Whereas it is appropriate to provide for a transparent and objective procedure according to which the Commission, on its own initiative or at the request of Member States, may examine and decide whether a proposed air fare conforms with the criteria laid down;

Amendment no. 4

Twelfth recital

Whereas possibilities for third country air carriers to charge air fares on routes within the Community should be settled in an agreement between the Community and the third country concerned; whereas in order for third country air carriers to participate normally in the market they should be able to charge the normal economy fare or its equivalent;

Whereas in order for third country air carriers to participate normally in the market they should be able to charge the normal economy fare or its equivalent;

Amendment no. 5

Article 2(a)

(a) 'air fares' means the prices to be paid in ECU for the carriage of passengers and baggage on air services and the conditions under which those prices apply, including remuneration and condition offered to agency and other auxiliary services;

(a) 'air fares' means the prices to be expressed in ECU/applicable local currencies for the carriage of passengers and baggage on air services and the conditions under which those prices apply, including remuneration and condition offered to agency and other auxiliary services;

Amendment no. 6

Article 2(b)

(b) 'rates' means the prices to be paid in ECU for the carriage of air cargo and/or mail on air services and the conditions under which those prices apply, including remuneration and conditions offered to agency and other auxiliary services;

(b) 'rates' means the prices to be expressed in ECU/applicable local currencies for the carriage of air cargo on air services and the conditions under which those prices apply, including remuneration and conditions offered to agency and other auxiliary services;

Amendment no. 7

Article 2(d)

(d) 'seat-only sales' means the sale of seats, without any other service bundled such as accommodation, directly to the public by the air carrier or its authorised agent;

(d) 'seat-only sales' means the sale of seats, without any other service bundled such as accommodation, directly to the public by the air carrier or its authorised agent or a tour operator;

Amendment no. 8

Article 2(e)

(e) 'air service' means a flight or a series of flights carrying passengers, cargo and/or mail for remuneration and/or hire;

(e) 'air service' means a flight or a series of flights carrying passengers, and/or cargo and/or mail for remuneration and/or hire;

Amendment no. 9

Article 2(f)(i)

(i) it is performed by aircraft for the transport of passengers, cargo and/or mail for remuneration, in such a manner that on each flight seats are available for individual purchase by members of the public (either directly from the carrier or from its authorised agents);

(i) it is performed by aircraft for the transport of passengers, cargo and/or mail for remuneration, in such a manner that on each flight seats are available for individual purchase by members of the public (either directly from the carrier or from its authorised agents or from a tour operator);

Amendment no. 10

Article 2(k)

- (k) 'reference fare' means the lowest one way or return, as appropriate, fully flexible fare charged by a Community air carrier on the route in question; if more than one such fare exists, the arithmetic average of all such fares shall be taken, taking into account the number of seats offered at the fare by each Community air carrier on the route. Deleted.

Amendment no. 11

Article 3(1)(ca)(new)

- (ca) An air fare disapproved by both Member States concerned shall be withdrawn with immediate effect.

Amendment no. 12

Article 4a (new)

1. Air passengers shall have the right to purchase air tickets anywhere within the Community, whether or not via a travel agent, for flights within the Community.

Amendment no. 12 (continued)

Article 4a (new)

2. Air passengers shall have the right to commence without any extra charge their flight with a ticket purchased within the Community at any airport within the Community which is specified on the ticket.

Amendment no. 13

Article 6(2)

2. Aeronautical authorities shall not require air carriers to submit air fares in respect of scheduled air services more than 45 days before they come into effect.
2. Aeronautical authorities shall not require air carriers to submit air fares in respect of scheduled air services more than 10 days before they come into effect.

Amendment no. 14

Article 6(3)

3. An air fare for a scheduled air service shall be considered as approved unless, within 30 days of the day of submission, the Member State(s) concerned has (have) notified its (their) disapproval to the
3. An air fare for a scheduled air service shall be considered as approved unless, within 10 days of the day of submission, it has been disapproved by both Member States concerned (for routes between Member States)

Amendment no. 14 (continued)

Article 6(3)

3. applicant air carrier and to any other Member State concerned, stating its (their) reasons or unless the procedure in Article 7 has been initiated. At the request of either Member State, consultations shall take place between the States concerned within the 30-day period.
3. or the Member State concerned (for routes within that State) stating their/its reasons, or unless the procedure in Article 7 has been initiated. At the request of either Member State, (in the case of routes between Member States), consultations shall take place between the States concerned within the 10-day period.

Amendment no. 15

Article 6(3a) (new)

- (3a) An air fare may be available for sale from the day of filing and for as long as it is not withdrawn in accordance with Article 3 or Article 7.

Amendment no. 16

Article 6(6)

6. A Member State shall permit a Community air carrier to match an air fare already approved for a scheduled air service between the same city-pair on the basis that this provision shall not apply to indirect air services which exceed the length of the shortest direct service, measured by the normal flight routing, by more than 40%.
6. A Member State shall permit a Community air carrier to match without delay an air fare for a scheduled air service already accepted or published according to paragraph "(a) between the same city-pair on a direct or indirect basis. Member States may also permit a Community air

Amendment no. 16 (continued)

Article 6(6)

Member States may also permit a community air carrier operating a direct scheduled air service to match prices already accepted or published for a non-scheduled air service operated on the same route provided that both products are equivalent in terms of quality and conditions.

carrier operating a direct scheduled air service to match prices already accepted or published for a non-scheduled air service operated on the same route provided that both products are equivalent in terms of quality and conditions.

Amendment no. 17

Article 7(1)

1. A Member State concerned may, for a scheduled air service on a route where competition is limited, request the Commission to examine whether an air fare, which is not covered by the Annex, complies with Article 3(1). The Member State shall at the same time inform the other Member State(s) concerned and the air carrier concerned. The Commission shall forthwith publish in the Official Journal of the European Communities that the air fares have been submitted for examination.

1. A Member State concerned may, for a scheduled air service on a route where competition is limited, request the Commission to examine whether an air fare, which is not covered by the Annex, complies with Article 3. The Member State shall at the same time inform the other Member State(s) concerned and the air carrier concerned. The Commission shall forthwith publish in the Official Journal of the European Communities that the air fares have been submitted for examination.

Amendment no. 18

Article 9

Air carriers from third countries with traffic rights between community airports shall be able to match the normal economy air fare or its closest equivalent unless otherwise provided for in and agreement between the Community and a third country.

Air carriers from third countries with traffic rights between community airports shall be able to match the normal economy air fare or its closest equivalent.

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