

Memorandum of Understanding

The delegations of the Government of India and of the Aeronautical Authority of the Italian Republic met on 14th and 15th February 2006 in New Delhi to discuss air services matters. The Indian delegation was led by Shri Ajay Prasad, Secretary, Ministry of Civil Aviation and the Italian delegation was led by Mr. Aldo Sansone, Director General International Relations, Department of Civil Aviation, Ministry of Infrastructures & Transports. The meeting was held in a friendly and cordial atmosphere. The list of the two delegations is attached as Appendix 'A'.

2. Requirement of European Community Law

- 2.1 In line with its European obligations, the Italian delegation requested that the standard Community clauses be incorporated into the Agreement. It requested in particular changes in ownership and control provisions, so as to allow the designation by Italy of carriers licensed in the EC and established in Italy. The Italian delegation further indicated that, until such clauses are inserted into the Agreement, under EC law, the present MoU could only be applied on a provisional basis.
- 2.2 The Indian delegation informed that it was not in a position to immediately confirm the incorporation of these clauses. However, the entire issue of restoring legal certainty to bilateral air services agreements between Indian and EU Member States is currently being discussed with the European Commission in the context of a horizontal agreement between India and the European Community. India and the European Commission have agreed to carry forward, as a matter of priority, the process of formalizing the horizontal agreement and will meet shortly in this regard.

3. The two delegations reached an agreement on the following:

3.1 Route Schedule

Kolkata (CCU) shall be allowed as an additional point of call in India for the designated airline(s) of Italy.

The revised route schedule appended as Annex to the Air Services Agreement, incorporating this and the previous changes agreed for both the Indian and the Italian



designated airline(s) through previous Agreed Minutes and Exchange of Letters is given as Appendix 'B'.

3.2 Entitlements

- 3.2.1 Over and above the existing entitlements, the designated airline(s) of Italy shall be allowed to operate 7 additional frequencies per week in each direction with B747 or equivalent or smaller aircraft to/from Kolkata.

Thus, the overall operations to/from India allowed for the designated airline(s) of Italy shall be:

(per week in each direction)

7 frequencies with B747 or equivalent or smaller aircraft between Italy and BOM on Section II of the Route Schedule

7 frequencies with B747 or equivalent or smaller aircraft on the route MIL-DEL vv

3 frequencies with B747 or equivalent or smaller aircraft on the route ROM-DEL vv

7 frequencies with B747 or equivalent or smaller aircraft between Italy and CCU on Section II of the Route Schedule

- 3.2.2 Over and above the existing entitlements, the designated airline(s) of India shall be allowed to operate 7 additional frequencies per week in each direction with B747 or equivalent or smaller aircraft as per Section I of the Route Schedule.

Thus, the overall operations allowed for the designated airline(s) of India shall be:

(per week in each direction)

21 frequencies with B747 or equivalent or smaller aircraft on Section I of the Route Schedule

3 frequencies with B747 or equivalent or smaller aircraft on the route ROM-DEL vv

4. The two delegations also re-confirmed the earlier agreements as follows:

4.1 Multiple Designation

Para I of Article IV of the existing India/Italy Air Services Agreement shall be amended to provide for the designation of one or more airlines by each Contracting Party.

4.2 All-Cargo and Charter Operations


The Indian carriers shall be entitled to reciprocal opportunities as those available to the Italian carriers under the Indian Government's Open Sky Policy for cargo operations as also the liberalised policy for tourist charters.

5. This MoU supersedes all previous Agreed Minutes, MoUs and the Exchange of Letters between the two sides and is effective on a provisional basis from the date of its signature.

6. It was also agreed that this MoU shall be deemed to be the Exchange of Letters required under Para 3 of Article VII of the India/Italy Air Services Agreement for effecting amendments in the Agreement and the Route Schedule.

Signed in New Delhi on 15 February 2006

For the Government of India


(Mr. Ajay Prasad)

For the Government of Italy


(Mr. Aldo Sansone)

List of Italian Delegation

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|----|---|--------|
| 1. | Mr. Aldo Sansone
Director General
Department of Navigation and
Merchant Navy and Air Transport
Ministry of Infrastructures and Transports | Leader |
| 2. | Mrs. Luisa Timpone
Director of Air Services
Agreements Bureau
ENAC – Italian Civil Aviation Authority | Member |
| 3. | Mr. Callegari Giorgio
Corporate Vice President
Alliances & Business Development
Alitalia | Member |
| 4. | Mrs. Georgia Bistolfi
Corporate Strategies
Head of Bilateral Agreements
Alitalia | Member |
| 5. | Mr. Marco Moltani
Eurofly | Member |
| 6. | Mr. Fabio Bigotti
General Manager
Alitalia | Member |
| 7. | Mr. Tommaso Fumelli
District Manager (Northern India)
Alitalia | Member |

The meeting was also attended by Mr. Giorgio Starace, Deputy Chief of Mission and Mr. Raffaele Langella, Commercial Counselor vbgbhnb]]]] from the Italian Embassy in New Delhi.



List of Indian Delegation

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| 1. | Mr. Ajay Prasad
Secretary,
Ministry of Civil Aviation | Leader |
| 2. | Mr. Satendra Singh
Director General of Civil Aviation | Member |
| 3. | Mr. R. K. Singh
Joint Secretary
Ministry of Civil Aviation | Member |
| 4. | Mr. M.P. Gavai
Director (ITP)
Ministry of External Affairs | Member |
| 5. | Ms. O Raikhan
Asst. General Manager – International Relations
Air India | Member |
| 6. | Mrs. Madhu A. Shroff
Senior Manager – International Relations
Air India | Member |



ANNEX

Section I

The airline(s) designated by the Government of India shall be entitled to operate air services in both directions on the route(s) specified in this section and to land for traffic purposes in the territory of Italy at each of the points specified

Point(s) of Origin (1)	Intermediate Point(s) (2)	Point(s) of Call (3)	Beyond Point(s) (4)
India	Karachi, Kandhar, Jeddah, Bahrain, Kuwait, Dhahran, Tehran, Basra, Baghdad, Damascus, Beirut, Tel Aviv, Cairo, Athens, Istanbul, Sofia, Belgrade	Rome, Milan	<p>With 5th freedom traffic rights between the following points and Italy: Vienna, Geneva, Zurich, Prague, Paris, Brussels, Frankfurt or Dusseldorf or Berlin, Copenhagen, London, Shannon, Gander, Montreal, Ottawa, Vancouver, Boston, New York, Chicago, San Francisco, Los Angeles</p> <p>Without 5th freedom traffic rights between the following points and Italy: Madrid or Lisbon and one point in Latin America which includes South America, Central America and Mexico</p>

Section II

The airline(s) designated by the Government of Italy shall be entitled to operate air services in both directions on the route(s) specified in this section and to land for traffic purposes in the territory of India at each of the points specified

Point(s) of Origin (1)	Intermediate Point(s) (2)	Point(s) of Call (3)	Beyond Point(s) (4)
Italy	Istanbul, Athens, Cairo, Tel Aviv, Beirut, Damascus, Baghdad, Basra, Tehran, Dhahran, Kuwait, Bahrain, Jeddah, Kandahar, Karachi	Mumbai, Delhi, Kolkata	<p>With 5th freedom traffic rights between the following points and India: Yangon, Bangkok and thence to: (a) Saigon, Hongkong, Manila, Tokyo and (b) Singapore, Jakarta, Darwin, Sydney, Melbourne, Brisbane</p> <p>Without 5th freedom traffic rights between the following points and India: Beijing or Shanghai and one point in Australia or Asia including the Peoples Republic of China</p>

Section III

- (a) Points on any of the specified route(s) may, at the option of the designated airline(s) be omitted on any or all flights.