

Memorandum of Understanding

1. Delegations representing the Government of India and the Government of the State of Qatar met in New Delhi on 19-20 December 2006, to discuss matters relating to air services with a view to take forward the entire process of the economic co-operation between the two countries. The discussions were held in a friendly and cordial atmosphere. The list of the two delegations is attached as Appendix 'A'.

2. It was agreed by the two sides that the 'Joint Entitlements' (i.e. the entitlements agreed jointly between the Government of India on the one hand and the Governments of the State of Bahrain, the State of Qatar, the Sultanate of Oman and the United Arab Emirates (excluding Dubai) on the other hand) shall no longer be applicable for operation of air services between India and Qatar by the designated airlines of India and Qatar. The Indian delegation clarified that as a consequence, the State of Qatar shall not have any stake in the 'Joint Entitlements'. Both sides agreed that the Route Schedule for the designated airlines of India and Qatar shall stand revised accordingly. However, both sides also agreed that the Route Schedule may be reviewed in the next round of talks in the light of the non-applicability of the Joint Entitlements for operations between India and Qatar.

Points of Call

3. It was agreed to include Chennai (with immediate effect) and Ahmedabad (with effect from Winter 2007/08) as additional points of call for the designated airlines of Qatar. A revised Route Schedule is annexed as Appendix 'B'.

4. The Qatari delegation requested for the grant of Amritsar and Calicut as additional points of call in India. The Indian side agreed to consider this request in accordance with its policy.

The provisions of this MoU may be put on the DGCA website.

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Capacity Entitlements

5. The designated airlines of Qatar shall be entitled to operate a total of 10,892 seats per week in each direction, as detailed below:

With immediate effect

- i) Not more than 7 frequencies/2,135 seats per week to Mumbai
- ii) Not more than 7 frequencies/1,897 seats per week to Delhi
- iii) Not more than 7 frequencies/1,239 seats per week to Hyderabad
- iv) Not more than 7 frequencies/2,135 seats per week to Thiruvananthapuram
- v) Not more than 7 frequencies/1,008 seats per week to Kochi
- vi) Not more than 7 frequencies/1,239 seats per week to Chennai

With effect from Winter 2007/08

- vii) Not more than 7 frequencies/1,239 seats per week to Ahmedabad

6. The designated airlines of India shall be entitled to operate a total of 10,892 seats per week in each direction, as follows:

With immediate effect

9,653 seats per week

With effect from Winter 2007/08

1,239 additional seats per week

7. In order to provide operational flexibility to the designated airlines of both sides in the deployment of equipment, it was agreed that a 2% flexibility in the above entitlements shall be allowed.

8. Over and above, the entitlements specified in Para 4 above, the designated airlines of Qatar may operate up to 7 frequencies per week to/from Nagpur. The Indian side observed that despite the capacity entitlements being made available to the Qatari side in May 2005, the designated airlines have not yet commenced operations to Nagpur. The Qatari side assured that their designated airline would certainly commence operations to Nagpur with effect from Summer 2007.

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Tariffs

9. The Indian side stated that having regard to the liberal global environment, the Indian Government has amended its law whereby the designated airlines are not required to file their tariffs for approval of the Aeronautical Authorities. This is also essential to accommodate the needs of the travelling public on India/Qatar route which comprises mostly of the low income groups. Accordingly, it was proposed by the Indian delegation that the existing Article relating to Tariffs in the Air Services Agreement be replaced with a new liberalised article, under which the designated airlines would be free to determine fares and there would be no requirement for the filing of fares for approval by the Aeronautical Authorities. The Qatari delegation responded that as per their stated policy on regulation of tariffs, they may not be able to accept a total liberalisation at this stage. However, they agreed to accommodate the request of the Indian side to the extent possible.

10. Until such time when a more liberal tariffs article is approved by the Council of Ministers in the State of Qatar, which is under process, the Qatari delegation agreed that with immediate effect, the designated low cost airlines of India shall be allowed to offer fare levels which could be upto 25% lower than the lowest fare circulated by Qatar Civil Aviation Authority. It was clarified by the Qatari delegation that airlines in Qatar can only offer those fares as are circulated by the Qatar Civil Aviation Authority.

Commercial Agreement

11. The Qatari side requested for the termination of the existing Commercial Agreements between the designated airlines of the two sides. The Indian side stated that, as per the policy announced by the Government of India in December 2004, the existing terms and conditions of the currently applicable Commercial Agreements would continue to be applicable till 31st December 2009 and will cease to be applicable thereafter.



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12. In view of the foregoing, it was clarified by the Indian delegation that the existing Commercial Agreement between Air India and Qatar Airways in respect of the latter's operations of upto the extent of 500 seats per week each to/from Hyderabad and Kochi shall continue to be applicable till 31 December 2009.

Review of Air Services Agreement

13. It was observed that in the context of the changed environment, the existing Air Services Agreement between the two countries needs to be modernised. The Indian side handed over a copy of the draft of the Air Services Agreement (Appendix 'C') for the consideration of the Qatari delegation. It was agreed that the two sides would progress the matter through correspondence.

Miscellaneous

14. It was agreed that the two delegations shall hold the next round of discussions to review the civil aviation arrangements between the two countries at a mutually convenient date.

15. The provisions contained in this MOU shall come into force with immediate effect.

Done at New Delhi on 20 December 2006

For the delegation of India


(K. Gohain)

For the delegation of the
State of Qatar


(Abdul Aziz Mohd Al Noaimi)

LIST OF INDIAN DELEGATION

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| 1. | Mr. K. Gohain
Director General of Civil Aviation
Directorate General of Civil Aviation | Leader |
| 2. | Mr. R.K. Singh
Joint Secretary,
Ministry of Civil Aviation | Member |
| 3. | Mr. M.S. Chopra
Deputy Secretary,
Ministry of Civil Aviation | Member |
| 4. | Mr. K.P. Maggon
Director (R&I)
Directorate General of Civil Aviation | Member |
| 5. | Mr. M.P. Gavai
Director
Ministry of External Affairs | Member |
| 6. | Mr. T.K. Palit
General Manager (P&IR)
Air India Limited | Member |
| 7. | Mrs. Madhu Shroff
Sr. Manager (IR),
Air India Limited | Member |
| 8. | Mr. Shyam Sundar
Dy. General Manager (Mkt. Plg.)
Indian Airlines Ltd. | Member |

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LIST OF QATAR DELEGATION

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| 1. | Mr. Abdul Aziz Mohd Al Noaimi
Chairman,,
Qatar Civil Aviation Authority | Leader |
| 2. | Mr. Saleh Abdulla Haroon
Director Air Transport & Airport Affairs,
Qatar Civil Aviation Authority | Member |
| 3. | Mr. Ali Al Rais,
Sr. Manager Commercial Ops.,
Qatar Airways. | Member |
| 4. | Mr. Richard Roberts
GM, Corporate Planning,
Qatar Airways | Member |
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Schedule 1

The designated airline(s) of the India shall be entitled to operate the agreed services in both directions on the following route(s):

Points of Origin (1)	Intermediate Points (2)	Points in Qatar (3)	Points Beyond (4)
Points in India	UAE, Oman and Bahrain and any other points to be agreed	Doha	1. Any one point out of: (i) Damascus (ii) Beirut (iii) Istanbul (iv) Amman 2. Any one point out of: (i) Paris (ii) Zurich (iii) Amsterdam (iv) Athens 3. UAE, Oman, Bahrain 4. Any one point to be agreed

Notes:

- (1) The designated airline(s) of India may, on all or any flights, omit calling at any of the points in columns (2) and (4), provided that the services originate/terminate at a point in column (1).
- (2) The designated airline(s) of India shall be entitled to exercise intermediate and beyond 5th freedom traffic rights between Doha and the points specified in columns (2) and (4) above.
- (3) Intermediate and/or beyond points not specified may be served by the designated airline(s) of India without exercising fifth freedom traffic rights.

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Schedule 2

The designated airline(s) of the State of Qatar shall be entitled to operate the agreed services in both directions on the following route(s):

Points of Origin (1)	Intermediate Points (2)	Points in India (3)	Points Beyond (4)
Route I Points in Qatar	To be agreed	Mumbai, Kolkata, Thiruvananthapuram	To be agreed
Route II Points in Qatar	Nil	Hyderabad, Kochi, Delhi, Chennai, Ahmedabad, Nagpur	Nil

Notes:

- (1) The designated airline(s) of the State of Qatar may, on all or any flights, omit calling at any of the points in columns (2) and (4), provided that the services originate/terminate at a point in column (1).
- (2) Not more than one point in India shall be served on any one flight. However, on Route I, Kolkata can be combined with Mumbai on the same flight, without exercising traffic rights between Kolkata and Mumbai.
- (3) Intermediate and/or beyond points not specified may be served by the designated airline(s) of the State of Qatar without exercising fifth freedom traffic rights.

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