AIR SERVICES AGREEMENT

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF MALTA

AND

THE GOVERNMENT OF THE STATE OF KUWAIT

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THE GOVERNMENT OF THE STATE OF KUWAIT

The Government of the Republic of Malta and the Government of State of Kuwait, hereinafter called the Contracting Parties,

DESIRING to foster the development of Air Services between the State of Kuwait and Malta and to promote in the greatest possible measure international cooperation in this field,

DESIRING to apply to these services the principles and provisions of the Convention on International Civil Aviation and of the International Air Services Transit Agreement opened for signature at Chicago on the seventh day of December 1944,

HAVE AGREED AS FOLLOWS:

DEFINITIONS

For the purpose of this Agreement, unless the text otherwise requires: -

- a) "The Convention" means the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944, and includes any Annex adopted under Article 90 of that Convention and any amendment of the Annexes or Convention under Articles 90 and 94 thereof so far as these Annexes and amendments have been adopted by both Contracting Parties;
- b) "Agreement" means this Agreement and the Annex (Route Schedule) attached thereto, all of which form an integral part thereof, and any modifications to the Agreement and/or to the Annex;
- c) "Aeronautical Authorities" means in the case of the State of Kuwait, the Directorate General of Civil Aviation and in the case of Malta, the Minister responsible for Civil Aviation, or in both cases any other person or agency authorised to perform the functions exercised at present by the said Authorities;
- d) "Designated Airline" means any airline that one Contracting Party has designated in writing to the other Contracting Party in accordance with Article 3 (Designation and Authorisation) of this Agreement as being an airline which is to operate the agreed air services on the routes specified in accordance with Article 2 (Granting of Rights and Privileges) of this Agreement;
- e) "Territory", "Air Service", "International Air Service", "Stop For Non Traffic Purposes" and "Airline" shall, for the purpose of this Agreement, have the meaning laid down in Articles 2 and 96 of the Convention;

- f) "Capacity" means: -
 - (i) in relation to an aircraft, the payload of that aircraft available on a route or a section of a route.
 - (ii) in relation to a specified air service, the capacity of the aircraft used on such service multiplied by the frequency operated by such aircraft over a given period on a route or a section of a route.
- g) "Tariff" means the prices to be paid for the carriage of passengers, baggage and freight and the conditions under which those prices apply, including prices and conditions for agency and other auxiliary services, but excluding remuneration and conditions for the carriage of mail;
- h) "Schedule" means the route schedule annexed to this Agreement or as amended in accordance with the provisions of paragraph 3 of Article 18 (Consultations and Modifications) of this Agreement. The Schedule forms an integral part of this Agreement and all references to the Agreement shall include reference to the Schedule except where otherwise provided in this Agreement;
- i) "User Charge" means a charge made to airlines for the provision of airport, air navigation or aviation security property, or facilities;
- j) **"EU Member State"** means a State that is a contracting party to the European Union Treaties;
- k) "Reference to Nationals" References in this Agreement to nationals of Malta shall be understood as referring to nationals of European Union Member States;
- 1) "Reference to Airlines" References in this Agreement to airline or airlines of Malta shall be understood as referring to airline or airlines designated by the Government of the Republic of Malta;
- m) "Reference to EU Treaties" References in this Agreement to the 'EU Treaties' shall be understood as referring to the Treaty on European Union and to the Treaty on the Functioning of the European Union.

GRANTING OF RIGHTS AND PRIVILEGES

- 1. Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement to enable its designated airline(s) to establish and operate international air services on the routes specified in the appropriate section of the Schedule thereto (hereinafter called "agreed services" and "specified routes" respectively).
- 2. Subject to the provisions of this Agreement, the designated airline or airlines of each Contracting Party shall enjoy, while operating an agreed service on a specified route, the following privileges:
 - a) the right to fly without landing across the territory of the other Contracting Party,
 - b) the right to make stops in the said territory for non-traffic purposes, and
 - c) the right to make stops in the said territory at the point or points specified for that route in the Schedule for the purpose of discharging and of taking on international traffic in passengers, mail and cargo.
- 3. Nothing in paragraph 1 of this Article shall be deemed to confer on a designated airline or airlines of one Contracting Party the privilege of taking up, in the territory of the other Contracting Party, passengers, cargo and mail carried for remuneration or hire and destined for another point in the territory of that other Contracting Party.

DESIGNATION AND AUTHORISATION

- 1. Each Contracting Party shall have the right to designate in writing to the other Contracting Party an airline or airlines for the purpose of operating the agreed services on the specified routes and to withdraw the designation of any airline or to substitute another airline for one previously designated.
- 2. Such designation shall be effected by virtue of written notification between the Aeronautical Authorities of both Contracting Parties, confirmed by the exchange of diplomatic notes.
- 3. The airline or airlines designated by either Contracting Party may be required to satisfy the other Contracting Party that it is qualified to fulfill the conditions prescribed by the laws and regulations normally and reasonably applied by this Contracting Party to the operation of international air services in conformity with the provisions of the Convention.
- 4. On receipt of such designation the Aeronautical Authorities of the other Contracting Party shall grant the appropriate authorizations and permissions with minimum procedural delay, provided:
 - a) in the case of an airline or airlines designated by the Government of the Republic of Malta:
 - (i) it is established in the territory of Malta under the EU Treaties, and has a valid Operating Licence in accordance with European Union law; and
 - (ii) effective regulatory control of the airline is exercised and maintained by the European Union Member State responsible for issuing its Air Operator's Certificate, and the relevant Aeronautical Authority is clearly identified in the designation; and
 - (iii) the airline is owned, directly or through majority ownership, and it is effectively controlled by Member States of the European Union or the European Free Trade Associations and/or by nationals of such States.

- b) in the case of an airline or airlines designated by the Government of the State of Kuwait:
 - (i) the airline is established in the territory of the State of Kuwait and has a valid Operating Licence in accordance with Kuwaiti law; and
 - (ii) the State of Kuwait exercises and maintains effective regulatory control of the airline and is responsible for issuing its Air Operator's Certificate; and
 - (iii)it is owned, directly or through majority ownership, and it is effectively controlled by the State of Kuwait; and/or by the nationals of the State of Kuwait.
- 5. When an airline or airlines has been so designated and authorized in accordance with this Article, it may at any time begin to operate the agreed services, in accordance with the provisions of the present Agreement.

REVOCATION, LIMITATION AND IMPOSITION OF CONDITIONS

1. Each Contracting Party shall have the right to refuse to grant or to revoke an operating authorization, suspend the exercise of the rights granted in this Agreement to an airline designated by the other Contracting Party, or impose such conditions on the exercise of these rights as it may deem necessary where:

(a) in the case of an airline designated by Malta:

- (i) the airline is not established in the territory of Malta, under the EU Treaty, or does not have a valid Operating Licence in accordance with the European Union law; or
- (ii) effective regulatory control of the airline is not exercised or not maintained by the European Union Member State responsible for issuing its Air Operator's Certificate, or the relevant Aeronautical Authority is not clearly identified in the designation; or
- (iii) the airline is not owned, directly or through majority ownership, or it is not effectively controlled by Member States of the European Union or the European Free Trade Association and/or by nationals of such states; or

- (iv) the airline is already authorized to operate under a bilateral Agreement between the State of Kuwait and another European Union Member State and the State of Kuwait can demonstrate that, by exercising traffic rights under this Agreement on a route that includes a point in that other European Union Member State, the airline would be circumventing restrictions on traffic rights imposed by a bilateral Agreement between the State of Kuwait and that other Member State; or
- (v) the airline holds an Air Operator's Certificate issued by a European Union Member State and there is no bilateral Air Services Agreement between the State of Kuwait and that European Union Member State, and that European Union Member State has denied traffic rights to the airlines designated by the State of Kuwait.

(b) in the case of an airline designated by the Government of the State of Kuwait:

- (i) the airline is not established in the territory of the State of Kuwait or is not licensed in accordance with the applicable law of Kuwait; or
- (ii) the State of Kuwait is not exercising or not maintaining effective regulatory control of the airline; or
- (iii) the airline is not owned, directly or through majority ownership, or it is not effectively controlled by the State of Kuwait and/or nationals of the State of Kuwait and/or by legal entities of the State of Kuwait.
- (c) in any case where the airline fails to comply with the laws or regulations of the Contracting Party granting those privileges or otherwise fails to operate in accordance with the conditions prescribed in this Agreement, especially with Articles on Aviation Safety and Security; provided that, unless immediate suspension or imposition of conditions is considered necessary to prevent further infringement of laws or regulations or is in the interest of aviation safety and security, this right shall be exercised only after consultation with the other Contracting Party.
- 2. In the event of action by one Contracting Party under this Article, the other rights of both Contracting Parties shall not be prejudiced.

AIRPORTS AND FACILITY USER CHARGES

Each of the Contracting Parties may impose or permit to be imposed just and reasonable charges for the use of airports and other facilities under its control.

The charges imposed in the territory of either Contracting Party for the use of airports and other aviation facilities on the aircraft of the designated airline(s) of the other Contracting Party shall not be higher than those imposed on aircraft of the national airline engaged in similar international air services.

ARTICLE 6

APPROVAL OF FLIGHT SCHEDULES

- Authorities of the Contracting Parties not later than thirty days prior to the initiation of the agreed services on the specified routes in accordance with Article 2 (Granting of Rights and Privileges) of this Agreement, the type of service, the types of aircraft to be used and the flight schedules. This shall likewise apply to later changes as well as before each summer and winter schedule.
- 2. The Aeronautical Authorities receiving such flight schedules shall normally approve the schedules or suggest modifications thereto. In any case the designated airline(s) shall not commence their services before the schedules are approved by the Aeronautical Authorities concerned. This provision shall likewise apply to later changes.

ARTICLE 7

INFORMATION AND STATISTICS

The Aeronautical Authorities of both Contracting Parties shall supply each other, on request, with periodic statistics or other similar information relating to the traffic carried on the agreed services.

ENTRY AND CLEARANCE REGULATIONS

- 1. The laws, rules and regulations in force at one Contracting Party relating to entry into or departure from its territory of passengers, crew, cargo and mail of aircraft (such as regulation relating to entry, clearance, immigration, passports, customs and quarantine) shall be applicable to the passengers, crew, cargo and mail of the aircraft of an airline designated by the other Contracting Party while in the territory of the first Contracting Party.
- 2. The laws and regulations of a Contracting Party relating to the admission to, stay in, or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of both Contracting Parties without distinction as to nationality, and shall be complied with by such aircraft upon entering or departing from or while within the territory of that Contracting Party.
- 3. Passengers, baggage, cargo and mail in transit across the territory of a Contracting Party shall be subject to applicable customs and/or immigration control. Baggage, cargo and mail shall be exempted from customs duties, inspection fees and other national duties and charges if in direct transit.

ESTABLISHMENT OF TARIFFS

- 1. The tariffs in respect of international air services operated to/from/through the territories of the two Contracting Parties shall be established by the designated airlines at reasonable levels, due regard being paid to all relevant factors, including cost of operation and reasonable profit.
- 2. The tariffs established under paragraph 1 of this Article shall not be required to be filed by the designated airline(s) of one Contracting Party with the Aeronautical Authorities of the other Contracting Party. Notwithstanding the foregoing, each Contracting Party shall have the right to intervene so as to:
 - a) prevent unreasonably discriminatory prices or practices;
 - b) protect consumers from prices that are unreasonably high or restrictive due to the abuse of a dominant position; and
 - c) protect airlines from prices that are artificially low due to subsidy or support, or where evidence exists as to intent to eliminate competition.
- 3. Notwithstanding the foregoing, the designated airline(s) of one Contracting Party shall provide, on request, to the Aeronautical Authorities of the other Contracting Party information relating to the establishment of the tariffs, in a manner and format as specified by such Authorities.

EXEMPTIONS FROM CUSTOMS DUTIES AND OTHER DUTIES

- 1. Aircraft operated on international air services by the designated airline or airlines of one Contracting Party, as well as their regular equipment, spare parts, supplies of fuels and lubricants and aircraft stores (including food, beverages and tobacco) on board such aircraft shall be exempt from all customs duties, inspection fees and other duties or taxes on arriving in the territory of the other Contracting Party, provided such equipment and supplies remain on board the aircraft up to such time as they are reexported or are used or consumed by such aircraft on flights over that territory.
- 2. There shall also be exempt from the taxes, duties, fees and charges referred to in paragraph 1 of this Article, with the exception of charges based on the cost of the service provided:
 - a) aircraft stores taken on board in the territory of one Contracting Party, within reasonable limits, for use on an outbound aircraft engaged in an international air service of a designated airline of the other Contracting Party;
 - b) spare parts, including engines, introduced into the territory of one Contracting Party for the maintenance or repair of aircraft engaged in an international air service of a designated airline of the other Contracting Party;
 - c) fuel, lubricants and consumable technical supplies introduced into or supplied in the territory of one Contracting Party for use in an international air service of a designated airline of the other Contracting Party, even when these supplies are to be used on the part of the journey performed over the territory of the first mentioned Contracting Party, in which territory they are taken on board;
 - d) airline documents, such as tickets and airway bills, as well as publicity and promotional material within reasonable limits, intended for use by a designated airline of one Contracting Party and introduced into the territory of the other Contracting Party;

- e) staff uniforms, computers and ticket printers used by the designated airline for reservations and ticketing within reasonable limits, intended for use by a designated airline of one Contracting Party, imported temporarily into the territory of the other Contracting Party and re-exported within the maximum period of 24 months.
- 3. Materials referred to in paragraph 2 of this Article may be required to be kept under customs supervision and control.
- 4. The regular airborne equipment, as well as the materials, supplies and spare parts normally retained on board aircraft operated by a designated airline of one Contracting Party, may be unloaded in the territory of the other Contracting Party only with the approval of customs authorities of that Contracting Party. In such case, they may be placed under the supervision of the said authorities up to such time as they are exported or otherwise disposed of in accordance with customs regulations.
- 5. Baggage and cargo in direct transit across the territory of a Contracting Party shall be exempt from taxes, customs duties, fees and other similar charges not based on the cost of services on arrival or departure.
- 6. The exemptions provided by this Article shall also be available where the designated airline(s) of one Contracting Party have contracted with another airline, which similarly enjoys such exemptions from the other Contracting Party, for the loan or transfer in the territory of the other Contracting Party of the items specified in paragraphs 1 and 2 of this Article.

FINANCIAL PROVISIONS

- 1. Either Contracting Party undertakes to grant the designated airline(s) of the other Contracting Party the right of free transfer, at the official rate of exchange at the time of the request, of the excess of receipts over expenditure achieved in its territory in connection with the carriage of passengers, baggage, mail shipments and freight by the designated airline(s) of the other Contracting Party. Whenever the payments system between the Contracting Parties is governed by a special agreement, that agreement shall apply.
- 2. The designated airline(s) of each of the Contracting Parties shall be exempt from income tax or other similar taxes in the territory of the other Contracting Party in respect of the gains or profits accruing to it from the operation of the agreed services.

ARTICLE 12

TECHNICAL AND COMMERCIAL REPRESENTATION

- 1. The designated airline(s) of one Contracting Party shall have the right to maintain its own representation in the territory of the other Contracting Party.
- 2. The designated airline(s) of one Contracting Party may, in accordance with the laws and regulations of the other Contracting Party relating to entry, residence and employment bring in and maintain in the territory of the other Contracting Party managerial, commercial, technical, operational and other specialist staff required for the provision of air services.
- 3. In accordance with national laws and regulations applicable at each Contracting Party and on a reciprocal and non discriminatory basis, the designated airline(s) shall have the right to engage in the sale of air transportation, in the territory of the other Contracting Party, in any currency, directly or through its agents and any person shall be able to purchase such transportation.

4. In case of nomination of a general agent or general sales agent, this agent shall be appointed in accordance with the relevant applicable laws and regulations of each Contracting Party.

ARTICLE 13

CAPACITY PROVISIONS

- 1. There shall be fair and equal opportunity for the designated airline(s) of each Contracting Party to operate air services on any route specified in accordance with paragraph 1 of Article 2 (Granting of Rights and Privileges) of this Agreement between their respective territories.
- 2. The agreed air services provided by a designated airline(s) shall retain as their primary objective the provisions of capacity adequate to current and reasonably anticipated requirements for the carriage of passengers, mail and cargo, originating from or destined for the territory of the Contracting Party designating the airline. The right of the designated airline of either Contracting Party to embark or disembark at the point in the territory of the other Contracting Party international traffic destined for or coming from third countries shall be in accordance with the principles that such traffic will be of a supplementary character and capacity shall be related to:
 - a) traffic demands between the territory of the Contracting Party designating the airline and the points on the specified routes;
 - b) traffic requirements of the areas through which the airline passes for the economic operation of the route;
 - c) the requirements of through airline operation.

CODE-SHARE ARRANGEMENTS

In operating or holding out the agreed services on the specified routes, any designated airline(s) of one Contracting Party may enter into cooperative marketing arrangements like code-sharing, with:

- a) an airline(s) of the same Contracting Party;
- b) an airline(s) of the other Contracting Party;
- c) an airline(s) of a third country, provided that such third country authorizes or allows comparable arrangements between the airlines of the other Contracting Party and other airlines on services to, from and via such third country,

provided that all airlines in such arrangements:

- a) hold the appropriate underlying authority;
- b) meet the requirements normally applied to such arrangements; and
- c) must, in respect of any ticket sold by it, make it clear to the purchaser at the point of sale which airline or airlines the purchaser is entering into a contractual relationship.

All code-share arrangements shall be notified to the appropriate Aeronautical Authorities before implementation.

AVIATION SAFETY

- 1. Each Contracting Party may request consultations at any time concerning safety standards in any area relating to aircrew, aircraft or their operation adopted by the other Contracting Party. Such consultations shall take place within 30 days of that request.
- 2. If following such consultations, one Contracting Party finds that the other Contracting Party does not effectively maintain and administer safety standards in any such area that are at least equal to the minimum standards established at that time pursuant to the Convention, the first Contracting Party shall notify the other Contracting Party of those findings and the steps considered necessary to conform with those minimum standards and that other Contracting Party shall take appropriate corrective action. Failure by the other Contracting Party to take appropriate action within 15 days or such longer period as may be agreed shall be grounds for the application of Article 4 (Revocation, Limitation and Imposition of Conditions) of this Agreement.
- 3. Notwithstanding the obligations mentioned in Article 33 of the Convention it is agreed that any aircraft operated by the airline or airlines of one Contracting Party on services to or from the territory of the other Contracting Party may, while within the territory of the other Contracting Party, be made the subject of an examination by the authorised representatives of the other Contracting Party, on board and around the aircraft to check both the validity of the aircraft documents and those of its crew and the apparent condition of the aircraft and its equipment (in this Article called "ramp inspection"), provided this does not lead to unreasonable delay.
- 4. If any ramp inspection or series of ramp inspections gives rise to:
 - a) serious concerns that an aircraft or the operation of an aircraft does not comply with the minimum standards established at that time pursuant to the Convention, or
 - b) serious concerns that there is a lack of effective maintenance and administration of safety standards established at that time pursuant to the Convention,
 - the Contracting Party carrying out the inspection shall, for the purposes of Article 33 of the Convention, be free to conclude that the requirements under which the certificate or licences in respect

- of that aircraft or in respect of the crew of that aircraft had been issued or rendered valid, or that the requirements under which that aircraft is operated, are not equal to or above the minimum standards established pursuant to the Convention.
- 5. In the event that access for the purpose of undertaking a ramp inspection of an aircraft operated by the airline of one Contracting Party in accordance with paragraph 3 of this Article above is denied by the representative of that airline, the other Contracting Party shall be free to infer that serious concerns of the type referred to in paragraph 4 of this Article above arise and draw the conclusions referred in that paragraph.
- 6. Each Contracting Party reserves the right to suspend or vary the operating authorization of an airline of the other Contracting Party immediately in the event the first Contracting Party concludes, whether as a result of a ramp inspection, a series of ramp inspections, a denial of access for ramp inspection, consultation or otherwise, that immediate action is essential to the safety of an airline operation.
- 7. Any action by one Contracting Party in accordance with paragraphs 2 or 6 of this Article above shall be discontinued once the basis for the taking of that action ceases to exist.
- 8. When Malta has designated an airline whose regulatory control is exercised and maintained by another European Union Member State, the rights of the other Contracting Party under this Article shall apply equally in respect of the adoption, exercise or maintenance of safety standards by that other European Union Member State and in respect of the operating authorization of that airline.

CERTIFICATES AND LICENCES

Certificates of airworthiness, certificates of competency and licences issued or rendered valid in accordance with the laws and regulations of one Contracting Party, including in the case of the Government of the Republic of Malta, European Union laws and regulations, and unexpired, shall be recognized as valid by the other Contracting Party for the purpose of operating services provided for in this Agreement, provided that the requirements under which such certificates or licences were issued or rendered valid are equal to or above the minimum standards which are or may be established pursuant to the Convention.

ARTICLE 17

AVIATION SECURITY

- 1. The Contracting Parties reaffirm, consistent with their rights and obligations under international law, that their obligations to each other to protect the security of civil aviation against acts of unlawful interference form an integral part of this Agreement. Without limiting the generality of their rights and obligations under international law, the Contracting Parties shall in particular act in conformity with the provisions of the Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16 December 1970, the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971, its Supplementary Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation signed at Montreal on 24 February 1988, the Convention on Marking of Plastic Explosives for the purpose of Detection, done at Montreal on 1 March 1991 and any other convention on aviation security to which the Contracting Parties shall become party.
- 2. The Contracting Parties shall provide upon request all necessary assistance to each other to prevent acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, their

- passengers and crew, airports and air navigation facilities, and any other threat to the security of civil aviation.
- 3. The Contracting Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by the International Civil Aviation Organization and designated as Annexes to the Chicago Convention and shall require that operators of aircraft of their registry, operators who have their principal place of business or permanent residence in the territory of the Contracting Parties or, in the case of Malta, operators of aircraft which are established in its territory under EU Treaties, and have valid Operating Licences in accordance with European Union law, and the operators or airports in their territory, act in conformity with such aviation security provisions.
- 4. Each Contracting Party shall ensure that effective measures are taken within its territory to protect aircraft, to screen passengers and their carryon items, and to carry out appropriate checks on crew, cargo (including hold baggage) and aircraft stores prior to and during boarding or loading and that those measures are adjusted to meet the increase in the threat. Each Contracting Party agrees that its operators of aircraft shall be required to observe, for departure from or while within the territory of the other Contracting Party, aviation security provisions in conformity with the law in force in that country, including, in the case of the Government of the Republic of Malta, European Union law. Each Contracting Party shall also act favourably upon any request from the other Contracting Party for reasonable special security measures to meet a particular threat.
- 5. When an incident or threat of an incident of unlawful seizure of civil aircraft or other unlawful acts against the safety of such aircraft, their passengers and crew, airports or air navigation occurs, the Contracting Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate as rapidly as possible commensurate with minimum risk to life such incident or threat.
- 6. When a Contracting Party has reasonable grounds to believe that the other Contracting Party has departed from the provisions of this Article, the first Contracting Party may request immediate consultations with the other Contracting Party. These consultations will be aimed to reach an agreement upon the measures suitable to eliminate the more immediate reasons of worry and to adopt in the framework of the International Civil Aviation Organization security standards, the actions necessary to establish the appropriate conditions of security.
- 7. Each Contracting Party shall take such measures, as it may find practicable, to ensure that an aircraft subject to an act of unlawful seizure or other acts of unlawful interference which has landed in its territory is

- detained on the ground unless its departure is necessitated by the overriding duty to protect human life. Wherever practicable, such measures shall be taken on the basis of mutual consultations.
- 8. Each Contracting Party agrees that its operators of aircraft shall be required to observe for entry into, departure from or while within the territory of the other Contracting Party, the aviation security provisions in force in that other Contracting Party, including in the case of Malta, European Union law.

CONSULTATIONS AND MODIFICATIONS

- 1. Exchange of views shall take place as needed between the Aeronautical Authorities of the Contracting Parties in order to achieve closer cooperation and agreement in all matters pertaining to the application of this Agreement.
- 2. Each Contracting Party may at any time request consultations with the other Contracting Party for the purpose of amending this Agreement or the Route Schedule. Such consultations shall begin within a period of 60 days from the date of receipt of such request. Any amendment to this Agreement, agreed to as a result of such consultations, shall be approved by each Contracting Party in accordance with its constitutional procedures and shall enter into force on the date of exchange of diplomatic notes indicating such approval, though it may be agreed to apply the amendment agreed to provisionally from the date of agreement.
- 3. If the amendment relates only to the Route Schedule, the consultations shall be between the Aeronautical Authorities of both Contracting Parties. When these Authorities agree on a new or revised Route Schedule, the agreed amendments shall come into force as soon as they have been confirmed by an exchange of diplomatic notes.

SETTLEMENT OF DISPUTES

- 1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement and its Annex, the Contracting Parties shall in the first place endeavor to settle it by negotiations between themselves.
- 2. If the Contracting Parties fail to reach within 60 days a settlement by negotiations they shall refer the dispute for decision to a person or body or at the request of one of the Contracting Parties to an arbitration tribunal. The arbitration tribunal shall be composed as follows:
 - a) each Contracting Party shall nominate an arbitrator; if one Contracting Party fails to nominate an arbitrator within 60 days, such arbitrator shall be nominated by the President of the Council of the International Civil Aviation Organization at the request of the other Contracting Party.
 - b) the third arbitrator, who shall be a national of a third state and who shall preside the arbitral tribunal, shall be nominated either,
 - i. by agreement between the Contracting Parties; or
 - ii. if within 60 days the Contracting Parties do not so agree, by appointment of the President of the Council of the International Civil Aviation Organization by the request of either Contracting Party.
- 3. The arbitral tribunal shall reach its decisions by a majority of votes. Such decisions shall be binding on both Contracting Parties. Each Contracting Party shall bear the cost of its own member as well as of its representation in the arbitral proceedings; the cost of the Chairman and any other cost shall be borne in equal parts by the Contracting Parties. In all other respects, the arbitral tribunal shall determine its own procedure.
- 4. If and so long as either Contracting Party or its designated airline(s) fail to comply with a decision given under paragraph 3 of this Article, the other Contracting Party may limit, withhold or revoke any rights or privileges relating to the subject of the dispute which it has granted by virtue of this Agreement until compliance is established.

TERMINATION

Either Contracting Party may at any time notify the other Contracting Party in writing through diplomatic channels of its decision to terminate this Agreement. A copy of the notice shall be sent simultaneously to the Secretary General of the International Civil Aviation Organization. If such notice is given, this Agreement shall terminate twelve months after the date of receipt by the other Contracting Party of the notice to terminate, unless by agreement between the Contracting Parties the notice under reference is withdrawn before the expiry of that period. If the other Contracting Party fails to acknowledge receipt, notice shall be deemed to have been received fourteen days after the date of the receipt by the Secretary General of the International Civil Aviation Organization of its copy.

ARTICLE 21

CONFORMITY WITH MULTILATERAL CONVENTIONS

In the event of a general multilateral air transport convention accepted by both Contracting Parties entering into force, the provisions of such convention shall prevail. Any discussions with a view to determining the extent to which this Agreement is terminated, superseded, amended or supplemented by the provisions of the multilateral convention, shall take place in accordance with paragraph 2 of Article 18 (Consultations and Modifications) of this Agreement.

ARTICLE 22

REGISTRATION

This Agreement, its Annex and all amendments thereto shall be registered with the International Civil Aviation Organization by Malta.

TITLES

Titles are inserted in this Agreement at the head of each Article for the purpose of reference and convenience and in no way to define, limit or describe the scope or intent of this Agreement.

ARTICLE 24

ENTRY INTO FORCE

This Agreement shall enter into force after fulfilment of the internal legal requirements by each Contracting Party, which shall notify each other of the fulfilment of such requirements through exchange of diplomatic notes.

The Agreement shall come into force on the first day of the next month from the date of the receipt of the last notification.

Upon entry into force of this Agreement, it shall supersede the Air Transport Agreement between the Republic of Malta and the State of Kuwait signed on 17 November 1978.

IN WITNESS WHEREOF the undersigned being duly authorized by their respective Governments have signed this Agreement.

Done at New York this 24th day of September 2013, in two originals, in the Arabic and English languages, all texts being equally authentic. However, in case of divergence of interpretation of this Agreement or its Annex the English text shall prevail.

For the Government of the Republic of Malta

George Vella Minister for Foreign Affairs For the Government of the State of Kuwait

Sabah Khaled AlHamad AlSabah

Deputy Prime Minister & Minister of Foreign Affairs

ANNEX

ROUTE SCHEDULE

1. Routes to be operated by the designated airline or airlines of the State of Kuwait with full traffic rights in both directions:

	Any		Any
Any	Intermediate	Any	Points
Points in the	Points	Points in	Beyond
State of Kuwait	Excluding	Malta	Excluding
	Points in Libya		Points in Libya

2. Routes to be operated by the designated airline or airlines of Malta with full traffic rights in both directions:

Any Points in Malta	Any Intermediate Points Excluding Points in Lebanon	Any Points in the State of Kuwait	Any Points Beyond Excluding Points in Lebanon
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Note:

Intermediate points and points beyond on any of the specified routes may, at the option of the designated airline(s) be omitted on any or all flights, provided that any service either begins or terminates in the territory of the country designating the airline.