No. 33344

AUSTRALIA and BAHRAIN

Agreement relating to air services (with annex). Signed at Bahrain on 29 April 1995

Authentic text: English. Registered by Australia on 5 November 1996.

AUSTRALIE et BAHREÏN

Accord relatif aux services aériens (avec annexe). Signé à Bahrein le 29 avril 1995

Texte authentique : anglais. Enregistré par l'Australie le 5 novembre 1996.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF AUSTRALIA AND THE GOVERNMENT OF THE STATE OF BAHRAIN RE-LATING TO AIR SERVICES

The Government of Australia and the Government if the State of Bahrain, hereinafter referred to as the Contracting Parties,

Being parties to the Convention on International Civil Aviation opened for signature at Chicago, on the 7th day of December, 1944,2

Desiring to conclude an agreement on air services,

Have agreed as follows:

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¹ Came into force on 8 October 1995 by notification, in accordance with article 23. ² United Nations, *Treaty Series*, vol. 15, p. 295. For the texts of the Protocols amending this Convention, see vol. 320, pp. 209 and 217; vol. 418, p. 161; vol. 514, p. 209; vol. 740, p. 21; vol. 893, p. 117; vol. 958, p. 217; vol. 1008, p. 213, and vol. 1175, p. 297.

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<u>ARTICLE 1</u>

Definitions

For the purpose of this Agreement, unless otherwise stated:

- (a) "Aeronautical authorities" means for each Contracting Party the authority of or authorities as notified in writing from time to time by one Contracting Party to the other Contracting Party;
- (b) "Agreed services" means scheduled air services on the routes specified in the Annex to this Agreement for the transport of passengers and cargo in accordance with agreed capacity entitlements;
- (c) "Agreement" means this Agreement and the Annex attached thereto;
- (d) "Cargo" includes mail;
- (e) "Convention" means the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944, and includes:
 - (i) any Annex or any amendment thereto adopted under Article 90 of the Convention, insofar as such Annex or amendment is at any given time in force for both Contracting Parties; and
 - (ii) any amendment which has entered into force under Article 94(a) of the Convention and has been ratified by both Contracting Parties;
- (f) "Designated airline" means one or more airlines designated and authorised in accordance with Articles 2 (Designation) and 4 (Authorization) of this Agreement;
- (g) "Ground handling" includes but is not limited to passenger, cargo and baggage handling, and the provision of catering facilities;
- (h) "Specified route" means a route specified in the Annex to this Agreement;
- "Tariffs" means the prices which the designated airlines charge for the transport of passengers and cargo and the conditions under which those prices apply but excluding remuneration and conditions for carriage of mail;
- (j) "Territory", "Air service", "International air service", "Airline" and "Stop for non-traffic purposes" have the meaning respectively assigned to them in Articles 2 and 96 of the Convention.

Designation

Each Contracting Party shall have the right to designate in writing to the other Contracting Party one or more airlines to operate the agreed services on the specified routes and to withdraw, in writing, any designation of an airline or airlines.

<u>ARTICLE 3</u>

Grant of Rights

- 1. Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement to enable its designated airlines to establish and operate international air services on the routes specified in the Annex.
- 2. Subject to the provisions of this Agreement, the designated airlines of each Contracting Party shall enjoy the following rights:
 - (a) the right to fly without landing across the territory of the other Contracting Party;
 - (b) the right to make stops in the territory of the other Contracting Party for non-traffic purposes; and
 - (c) the right to land in the territory of the other Contracting Party for the purpose of taking on board and discharging international traffic in passengers and cargo in combination or separately while operating an agreed service.
- 3. The airlines of each Contracting Party, other than those designated under Article 2 (Designation) of this Agreement, shall also enjoy the rights specified in paragraphs 2 (a) and (b) of this Article.
- 4. Nothing in paragraph 2 of this Article shall be deemed to confer on the designated airlines of one Contracting Party the privilege of uplifting in the territory of the other Contracting Party, passengers and cargo, carried for remuneration or hire and for discharge at another point in the territory of that other Contracting Party.
- 5. At points on the specified routes, each of the designated airlines shall have the right to use all airways, airports and other facilities provided by the Contracting Parties on a non-discriminatory basis.

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6. If because of armed conflict, political disturbances or developments, or special and unusual circumstances, the designated airlines of one Contracting Party are unable to operate a service on their normal routes, the other Contracting Party shall use its best efforts to facilitate the continued operation of such service through appropriate temporary rearrangements of such routes as is mutually decided by the Contracting Parties.

<u>ARTICLE 4</u>

Authorization

- 1. The agreed services may begin at any time, in whole or in part, but not before:
 - (a) the Contracting Party to whom the rights have been granted shall have designated pursuant to Article 2 (Designation) an airline or airlines for the specified route; and
 - (b) the Contracting Party granting the rights shall have given, with the least possible delay, the appropriate operating authorization to the designated airline or airlines concerned (subject to the provisions of Article 5 {Revocation and Limitation of Authorization}).
- 2. The aeronautical authorities of one Contracting Party may require designated airlines of the other Contracting Party to satisfy them that those airlines are qualified to fulfil the conditions prescribed under the laws and regulations normally applied by those aeronautical authorities, in conformity with the provisions of the Convention, to the operation of international air services.

<u>ARTICLE 5</u>

Revocation and Limitation of Authorization

- 1. The aeronautical authorities of each Contracting Party shall, with respect to a designated airline of the other Contracting Party, have the right to withhold the authorizations referred to in Article 4 (Authorization) of this Agreement, to revoke or suspend such authorizations or impose conditions, temporarily or permanently at any time during the exercise of the rights by the designated airline concerned:
 - (a) in the event of failure by the airline to qualify under or to comply with the laws and regulations normally applied by the aeronautical

authorities of the Contracting Party in conformity with the Convention;

- (b) in the event that the aeronautical authorities of the Contracting Party are not satisfied that substantial ownership and effective control of the airline are vested in the contracting Party designating the airline or in its nationals; or
- (c) in the event the airline fails to operate in accordance with the conditions prescribed under this Agreement.
- 2. Unless immediate revocation, suspension or imposition of the conditions mentioned in paragraph 1 of this Article is essential to prevent further infringements of the laws or regulations of a Contracting Party or the provisions of this Agreement, such right shall be exercised only after consultation between the Contracting Parties.

<u>ARTICLE 6</u>

Application of Laws

- 1. The laws and regulations of one Contracting Party relating to entry into or departure from its territory of aircraft engaged in international services or to the operation and navigation of such aircraft while within its territory shall apply to aircraft of designated airlines of the other Contracting Party.
- 2. The laws and regulations of one Contracting Party relating to the entry into, sojourn in and departure from its territory of passengers, crew, cargo and aircraft (including laws and regulations relating to entry, clearance, aviation security, immigration, passports, customs, quarantine, or in the case of mail, postal laws and regulations) shall be applicable to the passengers, crew, cargo and the aircraft of designated airlines of the other Contracting Party while they are in the territory of the first Contracting Party. Such laws and regulations shall be applied equally by each Contracting Party to the passengers, crew, cargo and aircraft of all countries without distinction as to nationality of airline.

<u>ARTICLE 7</u>

Recognition of Certificates and Licences

1. Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one Contracting Party and still in force, shall be

recognised as valid by the other Contracting Party for the purpose of operating the agreed services provided that such certificates or licences were issued or rendered valid pursuant to, and in conformity with, the standards established under the Convention. Each Contracting Party reserves the right, however, to refuse to recognise, for the purpose of flights undertaken pursuant to rights granted under Article 3 (Grant of Rights) paragraph 2, certificates of competency and licences granted to its own nationals by the other Contracting Party.

2. If the privileges or conditions of the licences or certificates issued or rendered valid by one Contracting Party permit a difference from the standards established under the Convention, and that difference has been filed with the International Civil Aviation Organisation, the aeronautical authorities of the other Contracting Party may, without prejudice to the rights of the first Contracting Party under Article 8 (Safety), paragraph 2, request consultations in accordance with Article 18 (Consultations) of this Agreement with the aeronautical authorities of the first Contracting Party with a view to satisfying themselves that the practice in question is acceptable to them. Failure to reach a satisfactory agreement shall constitute grounds for the application of Article 5 (Revocation and Limitation of Authorization) of this Agreement.

<u>ART/CLE 8</u>

Safety

- 1. Each Contracting Party may request consultations concerning the safety standards maintained by the other Contracting Party relating to aeronautical facilities, aircrew, aircraft, and operation of the designated airlines. If, following such consultations, one Contracting Party finds that the other Contracting Party does not effectively maintain and administer safety standards and requirements in these areas that are at least equal to the minimum standards which may be established pursuant to the Convention, the other Contracting Party shall be notified of such findings and the steps considered necessary to conform with these minimum standards. The other Contracting Party shall take appropriate corrective action. Failure by the other Contracting Party to take appropriate action within a reasonable time, and in any case within fifteen (15) days, shall be grounds for the application of paragraph 1 of Article 5 (Revocation and Limitation of Authorization) of this Agreement.
- 2. When immediate action is essential to the safety of airline operations, a Contracting Party may take action under paragraph 1 of Article 5 (Revocation and Limitation of Authorization) prior to consultations.
- Any action taken by one Contracting Party in accordance with paragraphs 1 and 2 of this Article shall be discontinued upon compliance by the other Contracting Party with the safety provisions of this Article.

Aviation Security

- 1. Consistent with their rights and obligations under international law, the Contracting Parties affirm that their obligation to protect, in their mutual relationship, the security of civil aviation against acts of unlawful interference forms an integral part of this Agreement.
- 2. Without limiting the generality of their rights and obligations under international law, the Contracting Parties shall in particular act inconformity with the provisions of the Convention on Offences and certain other Acts Committed on Board Aircraft, opened for signature at Tokyo on 14 September 1963,¹ the Convention for the Suppression of Unlawful Seizure of Aircraft, opened for signature at the Hague on 16 December 1970,² and the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, opened for signature at Montreal on 23 September 1971³ and any other multilateral Agreement governing Civil Aviation Security binding upon both Contracting Parties.
- 3. 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.
- 4. The Contracting Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by the International Civil Aviation Organisation and designated as Annexes to the Convention on International Civil Aviation to the extent that such security provisions are applicable to the Contracting Parties.
- 5. In addition, the Contracting Parties shall require that operators of aircraft of their registry, or operators of aircraft who have their principal place of business or permanent residence in their territory, and the operators of airports in their territory, act in conformity with such aviation security provisions as are applicable to the Contracting Parties. Accordingly each Contracting Party shall advise the other Contacting Party of any difference between its national regulations and practices and the aviation security standards of the Annexes referred to in paragraph 4 above. Either Contracting Party may request immediate consultations with the other Contracting Party at any time to discuss any such differences.

¹ United Nations, *Treaty Series*, vol. 704, p. 219.

² Ibid., vol. 860, p. 105.

³ Ibid., vol. 974, p. 177, and vol. 1217, p. 404 (corrigendum to volume 974).

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- 6. Each Contracting Party agrees that its operators of aircraft may be required to observe the aviation security provisions referred to in paragraph 4 above applied by the other Contracting Party to entry into, departure from, or sojourn in, the territory of that other Contracting Party. Each Contracting Party shall ensure that adequate measures are effectively applied within its territory to protect the aircraft and to inspect passengers, crew, carry-on items, baggage, cargo and aircraft stores prior to and during boarding or loading. Each Contracting Party shall give positive consideration to any request from the other Contracting Party for reasonable special security measures in its territory to meet a particular threat to civil aviation.
- 7. When an incident or threat of an incident of unlawful seizure of civil aircraft or other unlawful act against the safety of such aircraft, their passengers and crew, airports and air navigation facilities occurs, the Contracting Parties shall assist each other by facilitating communication and other appropriate measures intended to terminate such incident or threat as rapidly as possible commensurate with minimum risk to life.
- 8. When a Contracting Party has reasonable grounds to believe that the other Contracting Party has departed from the provisions of this Article, the aeronautical authorities of the first Contracting Party may request immediate consultations with the aeronautical authorities of the other Contracting Party. Failure to reach a satisfactory agreement with fifteen (15) days from the date of such request shall constitute grounds for the application of paragraph 1 of Article 5 (Revocation and Limitation of Authorization) of this Agreement. When required by an emergency, a Contracting Party may take action under paragraph 1 of Article 5 (Revocation and Limitation of Authorization) prior to the expiry of fifteen (15) days. Any action taken in accordance with this paragraph shall be discontinued upon compliance by the other Contracting Party with the security provisions of this Article.

Airport, Services and Facility Charges

- 1. The charges imposed on a designated airline of one Contracting Party by the responsible charging bodies of the other Contracting Party for the use by that designated airline of airport, airways and other civil aviation facilities and services shall not be higher than those imposed by such Contracting Party on its own designated airline engaged in similar international operations using similar aircraft and associated facilities and services.
- 2. Each Contracting Party shall encourage consultations between its responsible charging bodies an the designated airlines using the facilities and services. Where practicable, such consultations should be through the appropriate representative airline organisation. Reasonable advance notice shall, whenever possible, be given to the designated airlines of any

proposals for changes to charges referred to in this Article, together with relevant supporting information and data, to enable them to express and have their views taken into account before any changes are made.

3. Neither of the Contracting Parties shall give preference to, or permit responsible bodies to give preference to, its own or any other airline over a designated airline of the other Contracting Party engaged in similar international operations in the applications of its customs, immigration, quarantine and similar regulations or in the use of airports, airways, air traffic services and other associated facilities under its control.

ARTICLE 11

Capacity

- 1. There shall be a fair and equal opportunity for the designated airlines of both Contracting Parties to operate the agreed services on the specified routes.
- 2. In operating the agreed services the designated airlines of each Contracting Party shall take into consideration the interests of the designated airlines of the other Contracting Party so as not to affect unduly the services which the latter provide on the whole or part of the same routes.
- 3. The capacity to be operated by the designated airlines of the Contracting Parties between their respective territories, for the conveyance of traffic on agreed services on the specified routes, shall be maintained in close relationship with the traffic originating in Australia and destined for the Gulf Region and vice versa.
- 4. Provision by designated airlines for the carriage of traffic originating in or destined for points on its specified routes in the territories of third countries shall be made in accordance with the general principles that capacity shall be related to:
 - a) the requirements of traffic originating in or destined for the territory of the Contracting Parties which has designated the airlines;
 - b) the traffic requirements of the area through which the airline passes, after taking account of local and regional services; and
 - c) the requirements of through airline operations.
- 5. The capacity which may be provided in accordance with this Article by the designated airlines of each Contracting Party on the agreed services shall be such as is decided between the aeronautical authorities of the Contracting Parties before the commencement by the designated airlines concerned of the agreed services and from time to time thereafter.

<u>ART/CLE 12</u>

Statistics

- 1. The aeronautical authorities of each Contracting Party shall provide or shall cause its designated airlines to provide the aeronautical authorities of the other Contracting Party, upon request, periodic or other statements of statistics as may be reasonably required for the purpose of reviewing the operation of the agreed services, including, but not limited to, statements of statistics related to the traffic carried by its designated airlines between points in the territory of the other Contracting Party and other points on the specified routes showing the initial origins and final destinations of the traffic.
- The details of the methods by which such statistics shall be provided shall be jointly decided by the aeronautical authorities and implemented without delay.

ARTICLE 13

Approval of Time-Tables

The designated airline of either Contracting Party shall, not less than thirty five(35) days prior to the date of operation of any agreed service(s), submit its proposed time-tables to the aeronautical authorities of the other Contracting Party for approval. Such time-tables shall include the type of service and aircraft to be used, the flight schedule and any other relevant information. This shall, likewise, apply to any subsequent changes. In special cases this time limit may be reduced subject to the approval of the said authorities.

<u>ARTICLE 14</u>

Customs Duties and Other Charges

1. Aircraft operated on agreed services by the designated airlines of one Contracting Party, as well as their normal equipment, supplies of fuels, Iubricating oils (including hydraulic fluids) and Iubricants, consumable technical supplies, spare parts (including engines), aircraft stores (including food, all beverages, tobacco and other products for sale to or use by passengers, in limited quantities, during the flight) and other items intended for or used solely in connection with the aviation operation or servicing, which are on board such aircraft, shall, on entering into the territory of the other Contracting Party, be exempt from customs duties, excise duties and charges, provided such equipment, supplies and stores remain on board the aircraft until they are re-exported.

- 2. The following shall be exempt from customs duties, excise duties, inspection fees and other national duties and charges:
 - aircraft stores taken on board in the territory of one Contracting Party, and intended for use on board the aircraft operated on an international service by the designated airlines of the other Contracting Party;
 - b) spare parts (including engines) and normal airborne equipment imported into the territory of one Contracting Party for the maintenance or repair of aircraft operating agreed services;
 - c) fuels, lubricating oils (including hydraulic fluids) and lubricants destined for the designated airlines of one Contracting Party to supply aircraft operating agreed services, even when these supplies are to be used in any part of a journey performed over the territory of the other Contracting Party in which they have been taken on board.
- 3. The normal airborne equipment, as well as spare parts (including engines), aircraft stores, supplies of fuel, lubricating oils (including hydraulic fluids) and lubricants and other items mentioned in paragraph 1 of this Article retained on board the aircraft operated by the designated airlines of one Contracting Party may be unloaded in the territory of the other Contracting Party only with the approval of the customs authorities of that territory. In such case, they may be placed under the supervision of those customs authorities until they are re-exported or otherwise disposed of in accordance with the Customs laws and procedures of that Contracting Party.
- 4. The exemptions provided for by this Article shall be available in situations where the designated airlines of either Contracting Party have entered into arrangements with another airline or airlines 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 provided such other airline or airlines similarly enjoy such exemptions from the other Contracting Party.

TARIFFS

1. The tariffs for the transportation of traffic between the territories of the Contracting Parties on the agreed services shall be established at reasonable levels, due regard being paid to all relevant factors including the interests of users of air transportation, cost of operation, reasonable profit, and the tariffs of other airlines for any part of the specified routes. The aeronautical authorities of both Contracting Parties will, with a view to preserving and enhancing competition, apply the following provisions for the approval of tariffs to be charged by the designated airlines of either Contracting Party for carriage between a point in the territory of one Contracting Party and a point of the other Contracting Party:

- a) any proposed tariff to be charged for carriage between the territories of the Contracting Parties shall be filed by or on behalf of the designated airline concerned with both aeronautical authorities at least 30 days (or such shorter period as both aeronautical authorities may mutually decide) before it is proposed that the tariff will take effect;
- b) subject to the provisions of sub-paragraphs (c) and (d) of this Article, any tariff so filed will be treated as having been approved unless within 15 days of the tariff being filed (or such shorter period as the aeronautical authorities of both Contracting Parties may mutually decide), the aeronautical authorities of both Contracting Parties have informed each other in writing that they do not approve the proposed tariff or consultations have been requested pursuant to sub-paragraph (c) below;
- c) if the aeronautical authorities of either Contracting Party consider that a proposed tariff filed with them by a designated airline of the other Contracting Party is or may be excessive; or charging of the proposed tariff might be anti-competitive and cause substantial damage to another airline or other airlines; they may, within 15 days of the proposed tariff being filed, request consultations with the aeronautical authorities of the other Contracting Party. The consultation, which may be through correspondence, will be completed within thirty (30) days of being requested and the tariff will take effect at the end of that period unless the aeronautical authorities of both Contracting Parties decide otherwise;
- d) in the event that a tariff which has come into effect in accordance with this paragraph is considered by the aeronautical authorities of one Contracting Party to be causing substantial damage to another airline or other airlines on a particular route or routes, those aeronautical authorities may request consultations with the aeronautical authorities of the other Contracting Party;
- e) any designated airline of either Contracting Party operating direct or indirect air services on giving one (1) day's notice, shall be permitted by the aeronautical authorities of the other Contracting Party to match any tariff already approved between the same city pairs for another designated airline;
- f) a tariff established in accordance with the provisions of this Article shall remain in force until a new tariff has been established. A tariff shall not be prolonged by virtue of this paragraph for more than twelve (12) months after the date on which it would otherwise have expired.

2. Consistent with their route entitlements in the Agreement the designated airlines of each Contracting Party shall be permitted on giving one (1) day's notice to match any publicly available tariff approved for international air carriage between points in the territory of the other Contracting Party and points in a third country on the specified routes.

<u>ARTIÇLE 16</u>

Commercial Opportunities

- 1. Each Contracting Party shall take all appropriate action within its jurisdiction to eliminate all forms of discrimination or unfair competitive practices adversely affecting the competitive position of the designated airlines of the other Contracting Party in the exercise of their rights and entitlements set out in this Agreement, including, but not limited to, restrictions upon the sale of air transportation, the payment for goods, services or transactions, or the repatriation of excess currencies by airlines, and the import, installation and use of computer equipment.
- 2. To the extent that the aeronautical authorities of either Contracting Party believe that their designated airlines are being subjected to discrimination or unfair practices, they shall give notice to this effect to the aeronautical authorities of the other Contracting Party. Consultations, which may be through the diplomatic channel, shall be entered into as soon as possible after notice is given unless the first Contracting Party is satisfied that the matter has been resolved in the meantime.
- 3. The designated airlines of each Contracting Party shall have the right to establish offices in the territory of the other Contracting Party for the purposes of provision and sale of air services. Each designated airline shall have the right to engage in the sale of air transportation in the territory of the other Contracting Party directly and, at its discretion, through its agents. Each designated airline shall have the right to use for this purpose its own transportation documents.
- 4. The designated airlines of each Contracting Party shall have the right to sell air transportation in local or freely convertible currencies, and to convert their funds into any freely convertible currency and to transfer them from the territory of the other Contracting Party at will. Subject to the national laws and regulations and policy of the other Contracting Party, conversion and transfer of funds obtained in the ordinary course of their operations shall be permitted at the foreign exchange market rates for payments prevailing at the time of submission of the requests for conversion or transfer and shall not be subject to any charges except normal service charges levied for such transactions.

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- 5. The designated airlines of each Contracting Party shall have the right at their discretion to pay for local expenses, including purchases of fuel, in the territory of the other Contracting Party in local currency, or provided this accords with local currency regulations, in freely convertible currencies.
- 6. At its option, each designated airline shall, in the territory of the other Contracting Party, have the right to perform its own ground-handling or, where there is more than one provider, contract with an agent of its choice, including any other airlines which perform ground-handling. Where a designated airline is precluded from performing its own ground-handling or contracting with an agent of its choice for ground-handling services, these services shall be made available to that designated airline on a basis of equality with all other airlines.

<u>ARTICLE 17</u>

Airline Representatives

- 1. The designated airlines of each Contracting Party shall be allowed, on the basis of reciprocity, to maintain in the territory of the other Contracting Party, consistent with such other Contracting Party's immigration laws, regulations and practices, their representatives and commercial, operational and technical staff as required in connection with the operation of agreed services.
- 2. These representatives and staff requirements shall, at the option of the designated airlines of each Contracting Party, be satisfied by using their own personnel, or by using the services of any other organisation, company or airline operating in the territory of the other Contracting Party that is authorised to perform such services in the territory of that Contracting Party.
- 3. The representatives and staff shall be subject to the laws and regulations in force of the other Contracting Party, and, consistent with such laws, regulations and practices, each Contracting Party shall, on the basis of reciprocity and with the minimum of delay, grant the necessary employment authorizations, visas or other similar documents to the representatives and staff referred to in paragraph 1 of this Article.

<u>ARTICLE 18</u>

Consultations

1. Either Contracting Party may at any time request consultations on the implementation, interpretation, applications or amendment of this Agreement.

 Subject to Articles 5 (Revocation and Limitation of Authorization), 8 (Safety), 9 (Aviation Security) and 15 (Tariffs) such consultations, which may be through discussion or correspondence, shall begin within a period of sixty (60) days of the date of receipt of such a request, unless otherwise mutually decided.

ARTICLE 19

Amendment of Agreement

- 1. This Agreement may be amended or revised by agreement in writing between the Contracting Parties.
- Any amendment or revision shall enter into force on the date the Contracting Parties, by exchange of diplomatic notes, specify for its entry into force.
- 3. If a multilateral convention concerning air transport comes into force in respect of both Contracting Parties, this Agreement shall be deemed to be amended so far as is necessary to conform with the provisions of that Convention.

<u>ARTICLE 20</u>

Settlement of Disputes

- 1. Any disputes except those which may arise with respect to specific tariff filings, relating to the interpretation or applications of this Agreement which cannot be settled by negotiations between the Contracting Parties, either through discussion, correspondence or the use of diplomatic channels, shall at the request of either Contracting Party, be submitted to an arbitral tribunal.
- 2. Within a period of sixty (60) days from the date of receipt by either Contracting Party from the other Contracting Party of a note through the diplomatic channel requesting arbitration of the dispute by a tribunal, each Contracting Party shall nominate an arbitrator. Within a period of sixty (60) days from the appointment of the arbitrator last appointed, the two arbitrators shall appoint a president who shall be a national of a third State. If within sixty (60) days after one of the Contracting Parties has nominated its arbitrator, the other Contracting Party has not nominated its own or, if within sixty (60) days following the nomination of the second arbitrator, both arbitrators have not agreed on the appointment of the president, either Contracting Party may request the President of the Council of the

International Civil Aviation Organisation to appoint an arbitrator or arbitrators as the case requires.

- 3. Except as otherwise determined by the Contracting Parties or prescribed by the tribunal, each Contracting Party shall submit a memorandum within forty-five (45) days after the tribunal is fully constituted. Replies shall be due sixty (60) days later. The tribunal shall hold a hearing at the request of either Contracting Party, or at its discretion, within thirty (30) days after replies are due.
- 4. The tribunal shall attempt to give a written decision within thirty (30) days after completion of the hearing, or, if no hearing is held, after the date both replies are submitted. The decision shall be taken by a majority vote.
- 5. The Contracting Parties may submit requests for clarification of the decision within fifteen (15) days after it is received and such clarification shall be issued within fifteen (15) days of such request.
- 6. The Contracting Parties undertake to comply with any arbitration decision given under this Article.
- 7. The expenses of arbitration under this Article shall be shared equally between the Contracting Parties.
- 8. If and for so long as either Contracting Party fails to comply with a decision under paragraph 6 of this Article, the other Contracting Party may limit, suspend or revoke any rights or privileges which it has granted by virtue of this Agreement to the Contracting Party in default.

<u>ARTICLE 21</u>

Termination

- 1. Either Contracting Party may at any time from the entry into force of this Agreement give notice in writing through the diplomatic channel to the other Contracting Party of its decision to terminate this Agreement. Such notice shall be communicated simultaneously to the International Civil Aviation Organisation (ICAO). The Agreement shall terminate one (1) year after the date of receipt of the notice by the other Contracting Party.
- 2. In default of acknowledgement of receipt of a notice of termination by the other Contracting Party, the notice shall be deemed to have been received fourteen (14) days after the date on which ICAO acknowledged receipt thereof.

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<u>ARTICLE 22</u>

Registration with ICAO

This Agreement and any amendment thereto shall be registered with the International Civil Aviation Organisation.

ARTICLE 23

Entry into Force

This agreement shall enter into force when both Contracting Parties have notified each other through diplomatic notes that the constitutional requirements have been complied with.

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

DONE on this 29th day of April, 1995 at Bahrain .

For the Government of Australia:

Senator BOB MCMULLAN Minister for Trade

For the Government of the State of Bahrain:

YOUSUF AHMED AL SHERAWI Minister of Development and Industry

ROUTE ANNEX

1. ROUTE FOR THE DESIGNATED AIRLINE(S) OF AUSTRALIA:

Points in Australia via intermediate points to Bahrain and beyond and vice versa.

NOTES:

- 1. Any point or points on the specified route for both the designated airline(s) of Bahrain and the designated airline(s) of Australia may be omitted on any or all services, except that:
 - (a) services operated by the designated airline(s) of Bahrain will originate and terminate in Bahrain, and
 - (b) services operated by the designated airline(s) of Australia will originated and terminate in Australia.
- 2. The designated airlines of Bahrain and Australia may exercise fifth freedom traffic rights at all points on the specified routes, except that the designated airline(s) of Bahrain may exercise only own stopover right between its authorised points in Australia.
- 3. If the designated airline(s) of Bahrain serve a second point in Australia in conjunction with Sydney, Sydney may not be served more than once as a point of arrival and a point of departure on each round trip.
- 4. The designated airline(s) of Australia will not operate to Bahrain via a point in the territory of any of the other owner States of Gulf Air without first obtaining the approval of the aeronautical authorities of Bahrain.
- 5. The designated airline(s) of each Contracting Party may utilise all or part of its capacity entitlement, either directly and/or indirectly, via one nominated point in a third country on the specified route using the services of another airline through code-sharing, blocked space or other joint venture arrangements provided that the other airline has been granted permission to operate such frequencies to the territory of the other Contracting Party.

6. The points to be nominated by the designated airline(s) of Bahrain and Australia on the above routes may be changed from time to time by the respective aeronautical authorities on giving notice to the aeronautical authorities of the other Contracting Party.

2. ROUTE FOR THE DESIGNATED AIRLINE(S) OF BAHRAIN:

Bahrain, via an intermediate point in South or South East Asia to Perth and two additional points in Australia, and vice versa.
