

**AIR SERVICES AGREEMENT
BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF MOLDOVA
AND
THE GOVERNMENT OF THE REPUBLIC OF LITHUANIA**

The Government of the Republic of Moldova and the Government of the Republic of Lithuania hereinafter referred to as "the Contracting Parties";

Being parties to the Convention on International Civil Aviation opened for signature at Chicago on 7 December 1944;

Desiring to conclude an Agreement in conformity with and supplementary to the said Convention for the purpose of establishing scheduled air services between and beyond their respective territories;

Have agreed as follows:

**Article 1
DEFINITIONS**

1. For the purposes of this Agreement, unless the context otherwise requires:

- a) the term "the Chicago Convention" means the Convention on International Civil Aviation opened for signature at Chicago on 7 December 1944, and includes any Annex adopted under Article 90 of that Convention and any amendment of the Annexes and Convention adopted under Articles 90 and 94 thereof so far as those Annexes and amendments have been adopted by both Contracting Parties;
- b) the term "aeronautical authorities" means, in the case of Republic of Moldova, the State CAA, and in the case of the Republic of Lithuania, the Ministry of Transport, or, in both cases, any other person or body authorized to perform any functions at present exercised by the said aeronautical authorities;
- c) the term "designated airline" means an airline which has been designated and authorized in accordance with Article 3 of this Agreement;
- d) the terms "territory", "air service", "international air service", "airline" and "stop for non-traffic purposes" have the meanings respectively assigned to them in Articles 2 and 96 of the Chicago Convention;
- e) the term "Annex" means the Annex to this Agreement or as amended in accordance with the provisions of paragraph 2 of Article 18 of this Agreement;
- f) the terms "agreed service" and "specified route" means international air service pursuant to Article 2 of this Agreement and the route specified in the Annex;
- g) the term "tariff" means the prices to be charged for the carriage of passengers, baggage or cargo (excluding mail), including any significant additional benefits to be furnished or made available in conjunction with such carriage, and the commission to be paid on the sales of tickets for the carriage of persons, or on corresponding transactions for the carriage of cargo. It

includes also the conditions that govern the applicability of the price for carriage or the payment of commission;

h) the term "user charge" means a charge made to airlines by the competent authorities for the use of an airport or air navigation facilities for aircraft, their crews, passengers and cargo;

i) the term "capacity means:

- in relation to an aircraft, the payload of that aircraft available on the route or section of a route;

- in relation to an agreed service, the capacity of the aircraft used on such service multiplied by the frequency operated by that aircraft over a given period and route or section of a route.

2 The Annex forms an integral part of this Agreement and all references to this Agreement shall include reference to the Annex unless otherwise provided.

3 Titles given to the Articles of this Agreement are for reference purposes only.

Article 2 GRANT OF TRAFFIC RIGHTS

1. Each Contracting Party grants to the other Contracting Party the following rights in respect of the latter Party's international air services:

a) the right to fly across its territory without landing;

b) the right to make stops in its territory for non-traffic purposes.

2. Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement for the purpose of operating international air services on the routes specified in the Annex to this Agreement. While operating an agreed service on a specified route an airline designated by each Contracting Party shall enjoy, in addition to the rights specified in paragraph 1 of this Article, the right to make stops in the territory of the other Contracting Party at the points specified for that route in the Annex for the purpose of taking up and/or putting down international traffic in passengers, cargo and mail, separately or in combination.

3. Nothing in paragraph 2 of this Article shall be deemed to confer on a designated airline of one Contracting Party the right 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.

Article 3 DESIGNATION OF AIRLINES AND OPERATING AUTHORIZATION

1. Each Contracting Party shall have the right to designate in writing to the other Contracting Party airline for the purpose of operating the agreed services on the specified routes.

2. Each Contracting Party shall have the right to withdraw or alter such designation.

3. On receipt of such a written designation, the aeronautical authorities of the other Contracting Party shall, subject to the provisions of paragraph 4 of this Article and paragraph 1 of Article 4, without delay grant to each designated

airline the appropriate operating authorization.

4. The aeronautical authorities of one Contracting Party may require an airline designated by the other Contracting Party to satisfy them that it is qualified to fulfill the conditions prescribed under the laws and regulations applied to the operation of international air services by such authorities in conformity with the provisions of the Chicago Convention.

5. When an airline has been so designated and authorized it may at any time begin to operate the agreed services, provided that the airline complies with all applicable provisions of this Agreement, including those relating to tariffs.

Article 4 REFUSAL, REVOCATION OR SUSPENSION OF OPERATING AUTHORIZATION

1. The aeronautical authorities of each Contracting Party shall have the right to refuse to grant or to revoke an operating authorization or to suspend the exercise of the rights specified in Article 2 of this Agreement by an airline designated by the other Contracting Party or to impose such conditions as it may deem necessary on the exercise of those rights:

a) in any case where it is not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or in its nationals; or

b) in case of failure by that airline to comply with the laws and/or regulations of the contracting Party granting the rights; or

c) in case the airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement.

2. Unless immediate revocation or suspension of the operating authorization or imposition of the conditions mentioned in paragraph 1 of this Article is essential to prevent further infringements of laws and/or regulations, such right shall be exercised only after consultations with the aeronautical authorities of the other Contracting Party. Such consultations shall begin within a period of fifteen (15) days from the date, when the other Contracting Party receives such request in writing.

Article 5 USER CHARGES

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

Article 6 EXEMPTION FROM CUSTOMS AND OTHER DUTIES

1. Aircraft operated on international air services by a designated airline of one Contracting Party, as well as their regular equipment, supplies of fuel and lubricants and aircraft stores (including food, beverages and tobacco) on board such aircraft shall be exempted from all customs duties, inspection fees and other similar charges on arriving in the territory of the other Contracting Party,

provided such equipment, supplies and stores remain on board the aircraft up to such time as they are reexported.

2. There shall also be exempt from the 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 aircraft engaged 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 other Contracting Party, in which territory they are taken on board.

3. Materials referred to in paragraph 2 of this Article may be required to be kept under Customs supervision or control.

4. The regular airborne equipment, as well as the materials and supplies 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 the 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 re-exported or otherwise disposed of in accordance with customs regulations.

5. Necessary airline documents, such as timetables, air tickets and air waybills, intended for the use of a designated airline of one Contracting Party and introduced into the territory of the other Contracting Party, shall be exempted from customs duties and similar charges in the latter territory.

6. Baggage and cargo in direct transit across the territory of a Contracting Party shall be exempted from customs duties, fees and other similar charges not based on the cost of services on arrival or departure.

Article 7 CAPACITY PROVISIONS

1. The designated airlines of the Contracting Parties shall have fair and equal opportunity to operate the agreed services on any route specified in the Annex to this Agreement.

2. In operating the agreed services the designated airline of each Contracting Party shall take into account the interests of the designated airline of the other Contracting Party so as not to affect unduly the air services which the latter provide on the whole or any part of the same routes.

3. The agreed services provided by the designated airlines of the Contracting Parties shall retain as their primary objective the provision, at a reasonable load factor, of capacity adequate to the current and reasonably anticipated requirements for the carriage of passengers, cargo and mail, coming from or destined for the territory of the Contracting Party which has designated the airline.

4. The capacity to be provided on the specified routes shall be such as is from time to time jointly determined and approved by the aeronautical authorities of the Contracting Parties.

Article 8 **APPROVAL OF TRAFFIC PROGRAMMES**

1. The airline designated by one Contracting Party shall submit its traffic program (for the summer and winter Traffic periods) for approval to the aeronautical authorities of the other Contracting Party at least thirty (30) days prior to the beginning of the operation. The program shall include in particular the timetables, the frequency of the services, the types of aircraft to be used and number of seats available. The aeronautical authorities shall give their decision on such traffic program submissions within twenty (20) days from the date the airline concerned submits its program for approval.

2. Each alteration in the traffic program as well as requests for permission to operate additional flights shall be submitted by the airline designated by one Contracting Party for approval to the aeronautical authorities of the other Contracting Party. Such requests for alteration or for additional flights shall be dealt with promptly by the aeronautical authorities.

Article 9 **INFORMATION AND STATISTICS**

The aeronautical authorities of either Contracting Party shall supply to the aeronautical authorities of the other Contracting Party, at their request, such information and statistics relating to traffic carried on the agreed services by the designated airline of the first Contracting Party to and from the territory of the other Contracting Party as may normally be prepared and submitted to its national aeronautical authorities. Any additional statistical traffic data, which the aeronautical authorities of one Contracting Party may desire, shall, upon request, be a subject of mutual discussion and agreement between the aeronautical authorities of the two Contracting Parties.

Article 10 **TARIFFS**

1. The tariffs on any agreed service shall be established at reasonable levels, due regard being paid to all relevant factors, including cost of operation, reasonable profit, characteristics of service (such as standards of speed and accommodation), the interests of users and the tariffs of other airlines for any part of the specified route. These tariffs shall be fixed in accordance with the following provisions of this Article.

2. The tariffs referred to in paragraph 1 of this Article may be agreed between the designated airlines concerned in respect of each of the specified routes. However, such agreement shall not be a mandatory requirement for the filing and establishment of tariffs.

3. Each tariff shall be filed for the approval of the aeronautical authorities of both Contracting Parties at least thirty (30) days (or such shorter period as the aeronautical authorities of both Contracting Parties may agree) before the

proposed date of its introduction.

4. Each proposed tariff may be approved by the aeronautical authorities of either Contracting Party at any time. In the absence of such approval it will be treated as having been approved by the aeronautical authorities of a Contracting Party unless within twenty (20) days after the date of filing the aeronautical authorities of that Contracting Party have served on the aeronautical authorities of the other Contracting Party written notice of disapproval of the proposed tariff. If, however, either of the aeronautical authorities gives such written notice of disapproval the aeronautical authorities may at the request of either try to determine the tariff by agreement.

5. If the aeronautical authorities cannot determine a tariff under the provisions of paragraph 4 of this Article the dispute may at the request of either be settled in accordance with the provisions of Article 17 of this Agreement.

6. Each tariff established in accordance with the provisions of this Article shall remain in force until it has been replaced by a new tariff determined in accordance with the provisions of this Article. Unless otherwise agreed by the aeronautical authorities of both Contracting Parties a tariff shall not have its validity extended by virtue of this paragraph for more than twelve (12) months after the date on which it would otherwise have expired.

Article 11 COMMERCIAL ACTIVITIES

1. The designated airline of each Contracting Party shall have the right to maintain in the territory of the other Contracting Party, within the scope of the laws and regulations in force therein, such offices and administrative, commercial and technical personnel as may necessary for the requirements of the designated airline concerned.

2. The designated airline of each Contracting Party shall have the right to be engaged in the sale of air transportation in the territory of the other Contracting Party, either directly or through agents. The Contracting Parties shall not restrict the right of the designated airline of each Contracting Party to sell, and of any person to purchase, such transportation. The sales activities shall be carried out in accordance with the laws and regulations in force in the territory of a Contracting Party where the sale is effected.

Article 12 TRANSFER OF FUNDS

1. The designated airlines of the Contracting Parties shall be free to transfer the excess of the receipts over expenditure earned in the territory of the sale. The revenues from sales of air transport services and ancillary or supplemental services provided directly or through agents, as well as commercial interest earned on such revenues while on deposit awaiting transfer, shall be included in such transfer.

2. Such transfers shall be effected in a freely convertible currency at the official rate of exchange and shall not, with the exception of normal banking charges and procedures, be subject to any charges, limitation, imposition or delay.

Article 13

AVIATION SECURITY

1. Consistent with their rights and obligations under international law, the Contracting Parties reaffirm that their obligation to each other to protect the security of civil aviation against acts of unlawful interference forms 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, Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September, 1971 and any other multilateral agreement governing aviation security binding upon both Contracting Parties.
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 act in conformity with the aviation security provisions and technical requirements established by the International Civil Aviation Organization and designated as Annexes to the Chicago Convention to the extent that such security provisions and requirements are applicable to the Contracting Parties; they 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 operators of airports in its territory, act in conformity with such aviation security provisions.
4. Each Contracting Party agrees that such operators of aircraft may be required to observe the aviation security provisions and requirements referred to in paragraph 3 above required by the other Contracting Party for entry into, departure from, or while within 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 also give sympathetic consideration to 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 facilities occurs, the Contracting Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.

Article 14

APPLICATION OF LAWS AND REGULATIONS

1. The laws and regulations of one Contracting Party relating to the entry into,

or departure from its territory of aircraft engaged in international air services or to the operation and navigation of such aircraft while the said territory shall apply to the designated airline of the other Contracting Party.

2. The laws and regulations of one Contracting Party governing entry to, stay in or departure from its territory of passengers, crew, cargo or mail, such as formalities regarding entry, exit, emigration, immigration, customs, currency, health and quarantine shall apply to passengers, crew, cargo and mail carried by the aircraft of the designated airline of the other Contracting Party, while they are within the said territory.

3. Passengers, baggage and cargo in direct transit across the territory of either Contracting Party and not leaving the area of the airport reserved for such purposes shall, except in respect of security measures against acts of violence and air piracy, be subject to no more than a simplified control.

Article 15 CONSULTATIONS

1 In a spirit of close co-operation the aeronautical authorities of the Contracting Parties shall consult each other from time to time with a view to ensuring the implementation of and satisfactory compliance with the provisions of this Agreement.

2. Either Contracting Party may request consultations on any problem related to the implementation and interpretation of this Agreement, which may be through discussion or by correspondence and shall begin within a period of thirty (30) days after the date of delivery of the request, unless otherwise agreed by the Contracting Parties.

Article 16 SETTLEMENT OF DISPUTES

1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall, in the first place, endeavor to settle it by negotiation.

2. If the Contracting Parties fail to reach a settlement of the dispute by negotiation, they may agree to refer the dispute for decision to some person or body; if they do not so agree, the dispute shall, at the request of either Contracting Party, be submitted for decision to a tribunal of three arbitrators, one to be nominated by each Contracting Party and the third to be appointed by the two so nominated. Each of the Contracting Parties shall nominate an arbitrator within a period of sixty (60) days from the date of receipt by either Contracting Party from the other of a notice through diplomatic channels requesting arbitration of the dispute by such a tribunal, and the third arbitrator shall be appointed within a further period of sixty (60) days. If either of the Contracting Parties fails to nominate an arbitrator within the period specified or if the third arbitrator is not appointed within the period specified, the President of the Council of the International Civil Aviation Organization may at the request of either Contracting Party appoint an arbitrator or arbitrators as the case requires. In all cases, the third arbitrator shall be a national of a third State and shall act as President of the arbitral tribunal. If the President of the Council of the International Civil Aviation Organization is a national of either

Contracting Party or if he is otherwise prevented from discharging this function, the Vice-President deputizing for him should make the necessary appointments.

3. The arbitral tribunal shall reach its decisions by a majority of votes. The Contracting Parties shall comply with any decision given under paragraph 2 of this Article.

4. Each Contracting Party shall bear the expenses and remuneration necessary for its arbitrator, the fee for the third arbitrator and the expenses necessary for this one as well as those due to the activity of the tribunal shall be equally shared by the Contracting Parties.

Article 17 AMENDMENTS

1. If either of the Contracting Parties considers it desirable to modify any provision of this Agreement, it may request consultations with the other Contracting Party. Such consultations which may be between aeronautical authorities, shall begin within a period of sixty (60) days from the date of the request, unless both Contracting Parties agree to an extension of this period. Any modification agreed in such consultations shall be approved by each Contracting Party in accordance with its legal procedures and shall enter into force on the first day of the second month after the Contracting Parties have notified each other that these procedures have been complied with.

2. Notwithstanding the provision of paragraph 1 of this Article, amendments relating only to the Annex may be agreed upon between the aeronautical authorities of the Contracting Parties and shall become effective as agreed between them.

Article 18 TERMINATION

1. Either Contracting Party may at any time give notice in writing through diplomatic channels to the other Contracting Party of its decision to terminate this Agreement; such notice shall be simultaneously communicated to the International Civil Aviation Organization.

2. In such case this Agreement shall terminate twelve (12) months after the date of receipt of the notice by the other Contracting Party, unless the notice to terminate is withdrawn by agreement between the Contracting Parties before the expiry of this period. In the absence of acknowledgement of receipt by the other Contracting Party, notice shall be deemed to have been received fourteen (14) days after the delivery of the notice to the International Civil Aviation Organization.

Article 19 MULTILATERAL CONVENTIONS

If general multilateral air convention enters into force in respect of both Contracting Parties, the provisions of such convention shall prevail. Consultations in accordance with Article 15 of this Agreement may be held with a view to determining the extent to which this Agreement is affected by

the provisions of the said multilateral convention. '.

Article 20
REGISTRATION WITH ICAO

This Agreement and any amendments thereto shall be registered with the International Civil Aviation Organization.

Article 21
DURATION, ENTRY INTO FORCE

1 This Agreement shall be valid for five (5) years. In the event that neither of the Contracting Parties gives a notice to terminate the Agreement twelve (12) months prior to the expiry date of the said five (5) years period, its validity shall be extended for an indefinite time.

2 The two Contracting Parties shall notify each other by exchange of diplomatic notes that their respective requirements for the entry into force of the Agreement have been completed. The Agreement shall enter into force on the date of delivery of the latter of these two notes.

In witness whereof, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

Done at Vilnius on this 5 April, 1996 in two originals, in the Moldavian, Lithuanian and English languages, all the three texts being equally authentic. In case of the differences in interpretation and application, the English text shall prevail.

**For the Government of
the Republic of Moldova**

**For the Government of
the Republic of Lithuania**

ANNEX

Section I

The designated airline of the Republic of Moldova shall be entitled to operate air services on the routes specified hereunder:

Point or points in Moldova	Intermediate points	Points in Lithuania	Points beyond
	To be specified later		To be specified later and vice versa

Notes:

1. Intermediate points or points beyond may be omitted on any flight, provided that the service begins in the Republic of Moldova.

2. No passengers, cargo and mail may be picked up at an intermediate point to be set down in the territory of the Republic of Lithuania or in the territory of the Republic of Lithuania to be set down at a point beyond and vice versa, except as may from time to time be agreed by the aeronautical authorities of both Contracting Parties.

Section II

The designated airline of the Republic of Lithuania shall be entitled to operate air services on the routes specified hereunder:

Point or points in Lithuania	Intermediate points	Points in Moldova	Points beyond
	To be specified later		To be specified later, and vice versa

Notes:

1. Intermediate points or points beyond may be omitted on any flight, provided that the service begins in the Republic of Lithuania.

2. No passengers, cargo and mail may be picked up at an intermediate point to be set down in the territory of the Republic of Moldova or in the territory of the Republic of Moldova to be set down at a point beyond and vice versa, except as may from time to time be agreed by the aeronautical authorities of both Contracting Parties.