MEMORANDUM OF UNDERSTANDING BETWEEN THE AERONAUTICAL AUTHORITIES OF THE REPUBLIC OF COSTA RICA AND THE KINGDOM OF SAUDI ARABIA

The delegations representing the Aeronautical Authority of the Republic of Costa Rica and the Aeronautical Authority of the Kingdom of Saudi Arabia hereinafter referred to as "the Parties", held discussions in Rio de Janeiro, Brazil on 2 October 2023.

The negotiations were conducted in a friendly and cordial atmosphere.

The Parties desire to further develop friendly and cooperative relations between them based on equality and mutual benefit, and recognise the importance of the air transport sector and its contribution to the economic and social development of both Parties.

The Parties have agreed on the following regulatory framework:

(A) Air Services Agreement (A.S.A) Text:

The text of a draft Air Services Agreement (A.S.A) was discussed, agreed and initialed as appears in Attachment (A). The Parties agreed to recommend to their respective Governments the formal signing of the A.S.A. To that effect, the Parties shall endeavor to complete their respective internal legal procedures as soon as possible for the signing, ratifying and entry into force of the A.S.A.

(B) Route Schedule:

The designated airlines of each Party shall be permitted to operate on the route specified in the Annex to the text of the Agreement, which is depicted as follows:

Section I:

For the designated airline(s) of the Kingdom of Saudi Arabia:

Point of Origin	Intermediate Point(s)	Points in the Republic of Costa Rica	Point(s) Beyond
Any points in the Kingdom of Saudi Arabia	Any points	Any international points in the Republic of Costa Rica	Any points

Section II:

For the designated airline(s) of the Republic of Costa Rica:

Point of Origin	Intermediate Point(s)	Points in the Kingdom of Saudi Arabia	Point(s) Beyond
Any points in the	Any points	Any international	Any points
Republic of Costa		points in the Kingdom	
Rica		of Saudi Arabia	

Rules applied on the Route Schedule:

The following operating rules are applied on the route schedule:



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Any point on the above routes may, at the option of the airline concerned, be omitted
on any or all flights provided that any service either begins or terminates in the territory
of the Party designating the airline.

(C) Passenger Entitlment:

- 1. The designated airline(s) of each Party shall be entitled to operate unlimited passenger flights by exercising 3rd and 4th traffic rights without any restrictions imposed on aircraft type, to and from points specified in the Route Schedule.
- 2. The designated airline(s) of each Party shall be entitled to operate up to (7) Passenger flights by exercising of 5th freedom traffic right.

(D) Cargo Entitlement:

- 1. The designated airline(s) of each Party shall be entitled to operate unlimited all cargo flights by exercising 3rd, 4th and 5th freedoms traffic rights without any restrictions imposed on aircraft type, to and from points specified in the Route Schedule.
- 2. The exercising of 7th freedom traffic right by the designated airlines is subject to mutual agreement between the Aeronatuical Authorities of both Parties.

(E) Charter Operations:

Subject to obtaining the necessary approvals from the Aeronautical Authorities, airlines (including the designated airlines) of both Parties may operate charter flights between the two States. The charter services should not jeopardize scheduled services on the agreed routes and shall be operated in accordance with the national laws and regulations of both Parties.

(F) Marketing Alliances and Code Sharing Arrangements:

For better utilization of market access and serving the anticipated market demand between the two states, the Parties agreed to encourage the designated airline(s) of each Party to enter into marketing alliances arrangements such as code-sharing arrangements in both passengers and cargo. Code-sharing operations by the designated airlines of both Parties shall be conducted in conformity to the followings provisions:

The designated airlines of each Party that hold the required authorisations to operate the agreed air services will be entitled to operate and/or offer the agreed services on the specified routes or in any of the sections of those routes by way of different cooperative arrangements such as code-sharing, blocked-space, joint venture, equipment use (aircraft interchange, leasing arrangements, freight, among others) or other ways of cooperation with:

- (a) an airline or airlines of either party.
- (b) an airline or airlines of a third country.
- (c) designated airline or airlines on domestic routes,

The arrangements mentioned in paragraphs (b) and (c) are subject to approval of the other Contracting Party, according to its legislation and regulations. Provided that such airlines hold the appropriate authority to operate the routes and segments concerned.

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(G) Use of a leased aircraft:

The Parties agreed that when a designated airline uses wet lease aircraft on the agreed services, such operation shall be conducted in accordance with the provisions of the Agreement and this Memorandum including the commercial traffic rights provisions and scheduled entitlement agreed upon between the two Parties.

(H) Co-terminalization right:

The Parties agreed to allow the designated airline(s) of both Parties to co-terminalize between any two points in the territory of the other Party in accordance with the laws and regulations of that other Party.

(I) Entry into Force:

The provisions of this Memorandum shall come into force with immediate effect from the date of signature.

Done in duplicate in Rio de Janeiro, Brazil on October 2, 2023.

For the Aeronautical Authority of the Republic of Costa Rica

For the Aeronautical Authority of the Kingdom of Saudi Arabia

H.E Fernando Naranjo Elizondo General Director of the General Directorate of Civil Aviación

H.E Abdulaziz bin Abdullah Al-Duailej President of the General Authority of Civil Aviation



Route Schedule

Section (1)

The designated airline or airlines of the Kingdom of Saudi Arabia shall be entitled to operate scheduled international air services in both directions on the routes specified hereafter:

Points in the Kingdom of Saudi Arabia	Intermediate Points	Points in the Republic of Costa Rica	Points Beyond
Any Points	Any Points	Any International Points	Any Points

Section (2)

The designated airline or airlines of the Republic of Costa Rica shall be entitled to operate scheduled international air services in both directions on the routes specified hereafter:

Points in the Republic of Costa Rica	Intermediate Points	Points in the Kingdom of Saudi Arabia	Points Beyond
Any Points	Any Points	Any International Points	Any Points

Section (3): Notes on the routes to be operated by the designated airline(s) of both Contracting Parties.

- 1. 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 Contracting Party designating the airline(s).
- 2. Each designated airline(s) may serve intermediate points and points beyond specified in the Annex of this Agreement on condition that fifth freedom traffic rights shall be exercised between these points and the territory of the other Contracting Party, if an agreement to that effect is made between the two Contracting Parties.
- 3. Each designated airline may perform international air services on any international segment or segments of the agreed routes without any limitation as to change, at any point on the route, in type or number of aircraft operated; provided that, in the outbound direction, the transportation beyond such point is a continuation of the transportation from the territory of the Contracting Party that has designated the airline and, in the inbound direction, the transportation to the territory of the Contracting Party that has designated the airline is a continuation of the transportation from beyond such point.



