MEMORANDUM OF UNDERSTANDING ON AIR SERVICES BETWEEN THE GOVERNMENT OF ICELAND AND THE GOVERNMENT OF THE REPUBLIC OF COSTA RICA

Delegations representing the Governments of Iceland and the Republic of Costa Rica met in Riyadh, Saudi Arabia, on 7th December 2023 in order to discuss their bilateral air transport relations. A list of members of the two Delegations is attached as Annex A.

The discussions were conducted in a friendly and positive atmosphere and both Delegations stressed their interest in expanding mutual relations in the field of air transport.

AIR SERVICE AGREEMENT

The Delegations discussed extensively the substance of a draft agreement and agreed on the text of an Air Services Agreement (ASA) between their respective Governments. The text is attached as Annex B.

Both Delegations undertook to take such steps as will lead to an early signature, and completion of their respective constitutional requirements for the entry into force of the ASA and its Annexes as soon as possible. The Delegations agreed that the Parties inform each other in writing through diplomatic channels when the national requirements to bring the Air Service Agreement into force have been satisfied.

The venue and date of signing of the ASA will be agreed upon through diplomatic channels.

Until its entry into force, the delegations agreed to act in the spirit of the attached Agreement.

DESIGNATION AND AUTHORIZATION

Each side shall have the right to designate an airline or airlines for the purpose of operating the agreed services on each of the routes specified in the route schedule and to withdraw or alter such designations. Such designations shall be made in writing and transmitted to the other side through diplomatic channels.

ROUTE SCHEDULE

The designated airlines of each side shall be entitled to perform air service whether for the carriage of passengers, cargo, mail or in combination, across, to, from or within the territory of the other side, without limitation as to route, capacity or frequency.



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The designated airlines of each side shall be entitled without limitation to exercise traffic rights until fifth freedom in passengers and until seventh freedom on cargo on all services and combinations of services.

COOPERATIVE MARKETING ARRANGEMENTS

In operating or holding out the authorized services on the agreed routes, any designated airline of one Party may enter into co-operative marketing arrangements such as blocked-space, code-sharing or leasing arrangements, with:

- a) an airline or airlines of either side; and
- b) an airline or airlines of a third country,

Provided that such a third country authorizes or allows comparable arrangements between the airlines of the other side and other airlines on services to, from and via such a third country; provided that all airlines in such arrangements:

- a) hold the appropriate authority; and
- b) meet the requirements normally applied to such arrangements.

CHARTER OPERATIONS

Airlines of each side have the right to carry international charter traffic of passengers until fifth freedom (and their accompanying baggage) and/or cargo until seventh freedom (including, but not limited to, freight forwarder, split, and combination (passenger/cargo) charters):

Each side shall extend favorable consideration to applications by airlines of the other side to carry traffic not covered by this Annex on the basis of comity and reciprocity.

Signed in Riyadh, Saudi Arabia, on 7 December 2023

For the Delegation of Iceland

Pétur Thorsteinsson

For the Delegation of Costa Rica

Fernando Naranjo Elizondo

Annex A

Iceland – Republic of Costa Rica Air Services Agreement Meeting Riyadh, Saudi Arabia 7 December 2023

Icelandic Delegation

Mr. Pétur Thorsteinsson, Director Ministry for Foreign Affairs (Head of Delegation)

Costa Rica Delegation

Mr. Fernando Naranjo Elizondo Director General General Directorate of Civil Aviation (Head of Delegation)

Ana Patricia Gamboa Venegas Air Transport Unit General Directorate of Civil Aviation (Delegate)



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ANNEX I

Route Schedule

- 1. The designated airlines of each Party shall be entitled to perform air service whether for the carriage of passengers, cargo, mail or in combination, across, to, from or within the territory of the other Party, without limitation as to route, capacity or frequency.
- 2. The designated airlines of each Party shall be entitled without limitation to exercise traffic rights until fifth freedom in passengers and until seventh freedom on cargo on all services and combinations of services.

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ANNEX II

Charter Operations

Section 1

Airlines of each Party under this Annex shall have the right to carry international charter traffic of passengers until fifth freedom (and their accompanying baggage) and/or cargo until seventh freedom(including, but not limited to, freight forwarder, split, and combination (passenger/cargo) charters):

Between any point or points in the territory of the Party that has the airline and any point or points in the territory of the other Party; and

Between any point or points in the territory of the other Party and any point or points in a third country or countries, provided that, except with respect to cargo charters, such service constitutes part of a continuous operation, with or without a change of aircraft, that includes service to the homeland for the purpose of carrying local traffic between the homeland and the territory of the other Party.

In the performance of services covered by this Annex, airlines of each Party under this Annex shall also have the right: (1) to make stopovers at any points whether within or outside of the territory of either Party; (2) to carry transit traffic through the other Party's territory; and (3) to combine on the same aircraft traffic originating in one Party's territory, originating in the other Party's territory, and traffic originating in third countries.

Each Party shall extend favorable consideration to applications by airlines of the other Party to carry traffic not covered by this Annex on the basis of comity and reciprocity.

Section 2

Any airline by either Party performing international charter operations originating in the territory of either Party, whether on a one-way or round-trip basis, shall have the option of complying with the charter laws, regulations, and rules either of its homeland or of the other Party. If a Party applies different rules, regulations, terms, conditions, or limitations to one or more of its airlines, or to airlines of different countries, each airline shall be subject to the least restrictive of such criteria.

However, nothing contained in the preceding paragraph shall limit the rights of either Party to require airlines under this Annex by either Party to adhere to requirements relating to the protection of passenger funds and passenger cancellation and refund rights.

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Section 3

Except with respect to the consumer protection rules referred to in the preceding paragraph, neither Party shall require an airline under this Annex by the other Party, in respect of the carriage of traffic from the territory of that other Party or of a third country on a one-way or round-trip basis, to submit more than a declaration of conformity with the applicable laws, regulations and rules referred to under section 2 of this Annex or of a waiver of these laws, regulations, or rules granted by the applicable aeronautical authorities.

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