AGREEMENT

BETWEEN

THE GOVERNMENT OF THE KINGDOM OF BELGIUM

AND

THE GOVERNMENT OF AUSTRALIA

RELATING TO AIR SERVICES

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THE GOVERNMENT OF AUSTRALIA

(hereinafter, "the Contracting Parties");

BEING Contracting Parties to the Convention on International Civil Aviation, opened for signature at Chicago on December 7, 1944;

DESIRING to conclude an agreement supplementary to the said Convention, for the purpose of establishing air services between and beyond their respective territories;

DESIRING to promote an international aviation system based on competition among airlines in the marketplace and wishing to encourage airlines to develop and implement innovative and competitive services;

DESIRING to ensure the highest degree of safety and security in international air transport and reaffirming their grave concern about acts or threats against the security of aircraft, which jeopardise the safety of persons or property, adversely affect the operation of air transport, and undermine public confidence in the safety of civil aviation;

HAVE AGREED as follows:

ARTICLE 1

Definitions

For the purpose of this Agreement, unless otherwise stated, the term:

(a) "aeronautical authorities" means in the case of Belgium, the Federal Public Service Mobility and Transport, and in the case of Australia, the Department of Infrastructure and Transport, or in both cases, any other authority or person empowered to perform the functions now exercised by the said authorities;

(b) "agreed services" means services for the uplift and discharge of traffic as defined in Article 3, paragraph 1 (c) of this Agreement;

(c) "Agreement" means this Agreement, its Annexes, and any amendments thereto;

(d) "air transportation" means the public carriage by aircraft of passengers, baggage, cargo, and mail, separately or in combination, for remuneration or hire;

(e) "airline" or "air carrier" means any air transport enterprise marketing or operating air transportation;

(f) "airlines of the Kingdom of Belgium" shall be understood as referring to airlines designated by the Kingdom of Belgium;

(g) "capacity" is the amount(s) of services provided under the Agreement, usually measured in the number of flights (frequencies), or seats or tonnes of cargo offered in a market (city pair, or country-to-country) or on a route or section of a route during a specific period;

(h) "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 adopted or ratified by both Contracting Parties;

(i) "designated airline" means an airline or airlines designated and authorised in accordance with Article 2 (Designation, Authorisation and Revocation) of this Agreement;

(j) "EU Treaties" shall be understood as referring to the Treaty on European Union and the Treaty on the Functioning of the European Union;

(k) "ground-handling" includes but is not limited to passenger, cargo and baggage handling, and the provision of catering facilities and/or services;

(l) "ICAO" means the International Civil Aviation Organization;

(m) "intermodal air transportation" means the public carriage by aircraft and by one or more surface modes of transport of passengers, baggage, cargo and mail, separately or in combination, for remuneration or hire;

(n) "international air transportation" means air transportation which passes through the air space over the territory of more than one State;

(o) "marketing airline" means an airline that offers air transportation on an aircraft operated by another airline, through code-sharing;

(p) "Member State" means a Member State of the European Union;

(q) Nationals of Member States", in the case of Belgium, shall be understood as referring to nationals of European Union Member States;

(r) "operating airline" means an airline that operates an aircraft in order to provide air transportation – it may own or lease the aircraft;

(s) "Operating Licence" means an authorisation granted by the competent licensing authority to an airline, permitting it to provide air services as stated in the operating licence;

(t) "slots" means the right to schedule an aircraft movement at an airport;

(u) "stop for non-traffic purposes" has the meaning assigned to it in Article 96 of the Convention;

(v) "tariffs" means any price, fare, rate or charge for the carriage of passengers (and their baggage) and/or cargo (excluding mail) in international air transportation, including transportation on an intra-or interline basis, charged by airlines, including their agents, and the conditions governing the availability of such price, fare, rate or charge;

(w) "territory" has the meaning assigned to it in Article 2 of the Convention; and

(x) "user charges" means a charge made to airlines by a service provider for the provision of airport, airport environmental, air navigation and aviation security facilities and services.

ARTICLE 2

Designation, Authorisation and Revocation

1. Each Contracting Party shall have the right to designate as many airlines as it wishes to conduct international air transportation in accordance with this Agreement, and to withdraw or alter such designations. Such designations shall be transmitted to the other Contracting Party in writing through diplomatic channels. Designation shall not be required for airlines exercising the rights provided for in Article 3, paragraph 1(a) and 1(b).

2. On receipt of such a designation, and of applications from designated airlines, in the form and manner prescribed for operating authorisations and technical permissions, each Contracting Party shall, subject to paragraphs 3 and 4 grant the appropriate authorizations and permissions with minimal procedural delay, provided that:

   (a) In the case of an air carrier designated by the Kingdom of Belgium:

      i) The air carrier is established in the territory of the Kingdom of Belgium under the EU Treaties and has a valid Operating Licence from a Member State in accordance with European Union law; and

ii) Effective regulatory control of the air carrier is exercised and maintained by the Member State responsible for issuing its Air Operators Certificate and the relevant aeronautical authority is clearly identified in the designation; and

iii) The air carrier has its principal place of business in the territory of the Member State from which it has received the valid Operating Licence; and

iv) The air carrier is owned directly or through majority ownership and is effectively controlled by Member States, and/or nationals of Member States and/or by the Republic of Iceland, the principality of Liechtenstein, the Kingdom of Norway and the Swiss Confederation and/or nationals of such other states.

(b) In the case of an air carrier designated by Australia:

i) Australia has and maintains effective regulatory control of the air carrier; and

ii) that airline is incorporated and has its principal place of business in the territory of Australia; and

iii) that airline is established in the territory of Australia and is licensed as an Australian airline.

3. Either Contracting Party may refuse, revoke, suspend or limit the operating authorisation or technical permissions of an air carrier designated by the other Contracting Party where:

(a) (A) in the case of an air carrier designated by the Kingdom of Belgium:

(i) the air carrier is not established in the territory of the Kingdom of Belgium under the EU Treaties or does not have a valid Operating Licence from a Member State in accordance with European Union law; or

(ii) effective regulatory control of the air carrier is not exercised or not maintained by the Member State responsible for issuing its Air Operators Certificate, or the relevant aeronautical authority is not clearly identified in the designation; or

(iii) the air carrier does not have its principal place of business in the territory of the Member State from which it has received its Operating Licence; or

(iv) the air carrier is not owned directly or through majority ownership and is not effectively controlled by Member States and/or nationals of Member States, and/or by the Republic of Iceland, the principality of Liechtenstein, the Kingdom of Norway and the Swiss Confederation and/or nationals of those states; or

(v) the air carrier is already authorised to operate under a bilateral agreement between Australia and another Member State and Australia can demonstrate that, by exercising traffic rights under this Agreement on a route that includes a point in that other Member State, it would be circumventing restrictions on the third or fourth or fifth freedom traffic rights imposed by that other agreement; or

(vi) the air carrier holds an Air Operators Certificate issued by a Member State and there is no bilateral air services agreement between Australia and that Member State and Australia can demonstrate that the necessary traffic rights to conduct the proposed operation are not reciprocally available to the designated air carrier(s) of Australia;

(B) in the case of an air carrier designated by Australia:

(i) Australia is not maintaining effective regulatory control of the air carrier; or

(ii) it is not incorporated and does not have its principal place of business in Australia; or

(iii) it is not established in the territory of Australia and is not licensed as an Australian airline.

(b) that air carrier has failed to comply with the laws and regulations of the Contracting Party granting these rights;

(c) that air carrier has otherwise failed to operate the agreed services in accordance with the conditions prescribed under this Agreement; or

(d) the other Contracting Party has failed to comply with or apply the Safety and Security standards in accordance with Articles 6 and 7 of this Agreement.

4. In exercising its right under paragraph 3, and without prejudice to its rights under sub-paragraph 3 (a) (A) (v) and (vi) of this Article, Australia shall not discriminate between air carriers of Member States on the grounds of nationality.

5. Without prejudice to the provisions under Articles 6 (Safety) and 7 (Aviation Security) and unless immediate revocation, suspension or imposition of the conditions mentioned in this Article are essential to prevent further infringement of the laws and regulations, the rights established by paragraph 3 of this article shall be exercised only after consultations with the aeronautical authority of the other Contracting Party, in accordance with Article 17 of this Agreement.

ARTICLE 3

Grant of Rights

1. Each Contracting Party grants to the other Contracting Party the following rights for the conduct of international air transportation by the respective designated airlines of the other Contracting Party:

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

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

(c) the rights for designated airlines, to operate services on the route specified in Annex 1 and to make stops in its territory for the purpose of taking on board and discharging passengers, cargo and mail, separately or in combination, hereinafter called the "agreed services"; and

(d) the rights otherwise specified in this Agreement.

2. Airlines of either Contracting Party other than the designated airlines shall be ensured the rights specified in sub-paragraphs 1(a) and (b) above.

3. Nothing in this Article shall be deemed to confer on the designated airline or airlines of one Contracting Party the rights to uplift and discharge between points in the territory of the other Contracting Party, passengers, their baggage, cargo, or mail carried for remuneration or hire.

ARTICLE 4

Application of Laws

1. While entering, within, or leaving the territory of one Contracting Party, its laws, regulations and rules relating to the operation and navigation of aircraft shall be complied with by the other Contracting Party's airlines.

2. While entering, within, or leaving the territory of one Contracting Party, its laws, regulations and rules relating to the admission to or departure from its territory of passengers, crew, cargo and aircraft (including regulations and rules relating to entry, clearance, aviation security, immigration, passports, advance passenger information, customs and quarantine or, in the case of mail, postal regulations) shall apply to such passengers and crew and in relation to such cargo of the other Contracting Party's airlines.

3. Neither Contracting Party shall give preference to its own nor any other airline over an airline of the other Contracting Party engaged in similar international air transportation in the application of its entry, clearance, aviation security, immigration, passports, advance passenger information, customs and quarantine, postal and similar regulations.

4. Passengers, baggage and cargo in direct transit through the territory of either Contracting Party and not leaving the area of the airport reserved for such purpose may be subject to examination in respect of aviation security, narcotics control and immigration requirements, or in other special cases where such examination is required having regard to the laws and regulations of the relevant Contracting Party and to the particular circumstances.

5. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes.

ARTICLE 5

Recognition of Certificates

1. 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 Kingdom of Belgium, European Union laws and regulations, and still in force shall be recognised as valid by the other Contracting Party for the purpose of operating the agreed services provided that the requirements under which such certificates and licences were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Convention.

2. If the privileges or conditions of the licences or certificates referred to in paragraph 1 above, issued by the aeronautical authorities of one Contracting Party to any person or designated airline or in respect of an aircraft used in the operation of the agreed services, should permit a difference from the minimum standards established under the Convention, and which difference has been filed with the ICAO, the other Contracting Party may request consultations in accordance with Article 17 of this Agreement between the aeronautical authorities with a view to clarifying the practice in question.

3. Each Contracting Party reserves the right, however, to refuse to recognise for the purpose of flights above or landing within its own territory, certificates of competency and licences granted to its own nationals or in relation to its registered aircraft by the other Contracting Party.

ARTICLE 6

Safety

1. Each Contracting Party may request consultations at any time concerning the safety standards maintained by the other Contracting Party in areas relating to aeronautical facilities, flight crew, aircraft and the operation of aircraft. Such consultations shall take place within thirty (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 then take appropriate corrective action. Failure by the other Contracting Party to take appropriate action within fifteen (15) days or such longer period as may be agreed, shall be grounds for the application of Article 2 of this Agreement (Designation, Authorisation and Revocation).

3. Paragraphs 4 to 7 of this Article supplement paragraphs 1 to 2 of this Article and the obligations of the Contracting Parties under Article 33 of the Convention.

4. Pursuant to Article 16 of the Convention, it is further agreed that, any aircraft operated by or, under a lease arrangement, on behalf of an airline or airlines of one Contracting Party, on services to or from the territory of another Contracting Party may, while within the territory of the other Contracting Party, be made the subject of a search by the authorised representatives of the other Contracting Party, on board and around the aircraft. The purpose of the examination is 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.

5. If any such 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.

6. In the event that access for the purpose of undertaking a ramp inspection of an aircraft operated by or on behalf of the airline or airlines of one Contracting Party in accordance with paragraph 4 above is denied by the representative of that airline or airlines, the other Contracting Party shall be free to infer that serious concerns of the type referred to in paragraph 5 above arise and draw the conclusions referred to in that paragraph.

7. Each Contracting Party reserves the right to immediately suspend or vary the operating authorisation of an airline or airlines of the other Contracting Party 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.

8. Any action by one Contracting Party in accordance with paragraphs 2 or 7 above shall be discontinued once the basis for the taking of that action ceases to exist.

9. Where the Kingdom of Belgium has designated an air carrier whose regulatory control is exercised and maintained by another Member State, the rights of Australia under Articles 5 and 6 shall apply equally in respect of the adoption, exercise or maintenance of safety standards by that other Member State and in respect of the operating authorisation of that air carrier.

ARTICLE 7

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 and 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, as well as with any other multilateral agreement relating to the security of civil aviation which both Contracting Parties adhere to.

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 security of civil aviation.

3. The Contracting Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by ICAO and designated as Annexes to the Convention to the extent that such security provisions 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 or in the case of the Kingdom of Belgium, operators of aircraft which are established in the territory under the EU Treaties and have valid Operating Licenses in accordance with European Union law, and the operators of airports in their territory act in conformity with such aviation security provisions. Each Contracting Party shall advise the other Contracting Party of any difference between its national regulations and practices and the aviation security standards of the Annexes. Either Contracting Party may request consultations with the other Contracting Party at any time to discuss any such differences.

4. Such operators of aircraft may be required to observe the aviation security provisions 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 positive 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.

6. Each Contracting Party shall have the right, within sixty (60) days following notice (or such shorter period as may be agreed between the aeronautical authorities), for its aeronautical authorities to conduct an assessment in the territory of the other Contracting Party of the security measures being carried out, or planned to be carried out, by aircraft operators in respect of flights arriving from, or departing to the territory of the first Contracting Party. The administrative arrangements for the conduct of such assessments shall be mutually determined by the aeronautical authorities and implemented without delay so as to ensure that assessments will be conducted expeditiously.

7. 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. Such consultations shall start within fifteen (15) days of receipt of such a request from either Contracting Party. Failure to reach a satisfactory agreement within fifteen (15) days from the start of consultations, or such other period as may be agreed upon between the Contracting Parties, shall constitute grounds for withholding, revoking, suspending or imposing conditions on the authorisations of the airline or airlines designated by the other Contracting Party. When justified by an emergency, or to prevent further non-compliance with the provisions of this Article, the first Contracting Party may take interim action at any time. 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.

ARTICLE 8

User Charges

1. Each Contracting Party shall use its best efforts to encourage those responsible for the provision of airport, airport environmental, air navigation, and aviation security facilities and services to levy charges on the designated airline(s) of either Contracting Party only on the basis that they are reasonable, non-discriminatory, and equitably apportioned amongst categories of users.

2. Reasonable charges reflect, but do not exceed, the full cost to the competent charging authorities of providing the facilities and services. This may include a reasonable return on assets, after depreciation. Facilities and services for which charges are made should be provided on an efficient and economic basis. For charges to be non-discriminatory, they should be levied on foreign airlines at a rate no higher than the rate imposed on a Contracting Party's own airlines operating similar international services.

3. The Contracting Parties shall encourage the exchange of such information between the competent charging authorities and the airlines as may be necessary to permit a full assessment of the reasonableness of, justification for, and apportionment of the charges in accordance with paragraphs 1 and 2 of this Article.

4. Increased or new charges should only follow adequate consultations between the competent charging authorities and the airlines. Reasonable notice of any proposals for changes in user charges should be given to airlines to enable them to express their views before changes are made.

ARTICLE 9

Statistics

1. The aeronautical authorities of one Contracting Party may require a designated airline of the other Contracting Party to provide statements of available statistics related to the traffic carried by that airline on services performed under this Agreement.

2. The aeronautical authorities of each Contracting Party may determine the nature of the statistics required to be provided by designated airlines under the above paragraph, and shall apply these requirements on a non-discriminatory basis.

ARTICLE 10

Customs Duties and Other Charges

1. Aircraft operated in international air transportation by the airlines of each Contracting Party shall be exempt from all import restrictions, customs duties, excise taxes, and similar fees and charges imposed by national authorities. Component parts, normal aircraft equipment and other items intended for or used solely in connection with the operation or for the repair, maintenance and servicing of such aircraft shall be similarly exempt, provided such equipment and items are for use on board an aircraft and are re-exported.

2. (a) Provided in each case that they are for use on board an aircraft in connection with the establishment or maintenance of international air transportation by the airline concerned, the following items shall be exempt from all import restrictions, customs duties, excise taxes, and similar fees and charges imposed by national authorities, whether they are introduced by an airline of one Contracting Party into the territory of the other Contracting Party or supplied to an airline of one Contracting Party in the territory of the other Contracting Party:

   i) aircraft stores (including but not limited to such items as food, beverages and products destined for sale to, or use by, passengers during flight);
   ii) fuel, lubricants (including hydraulic fluids) and consumable technical supplies; and
   iii) spare parts including engines.

   (b) These exemptions shall apply even when these items are to be used on any part of a journey performed over the territory of the other Contracting Party in which they have been taken on board.

3. The exemptions provided by this Article shall not extend to charges based on the cost of services provided to the airlines of a Contracting Party in the territory of the other Contracting Party.

4. The normal aircraft equipment, as well as spare parts (including engines), supplies of fuel, lubricating oils (including hydraulic fluids) and lubricants and other items mentioned in paragraphs 1 and 2 of this Article retained on board the aircraft operated by the 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. Aircraft stores intended for use on the airlines' services may, in any case be unloaded. Equipment and supplies referred to in paragraphs 1 and 2 of this Article may be required to be kept under the supervision or control of the appropriate authorities until they are re-exported or otherwise disposed of in accordance with the Customs laws and procedures of that Contracting Party.

5. The exemptions provided for by this Article shall also be available in situations where the airline or airlines of one 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 relief from the other Contracting Party.

6. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes.

ARTICLE 11

Tariffs

1. Each Contracting Party shall allow each designated airline to determine freely its own tariffs for the transportation of passengers, their baggage, and cargo.

2. Unless required by national laws and regulations, tariffs charged by designated airlines shall not be required to be filed with the aeronautical authorities of either Contracting Party.

ARTICLE 12

Capacity

1. The designated airlines of each Contracting Party shall enjoy fair and equal opportunities to operate the agreed services in accordance with this Agreement.

2. In the operation of the agreed services, the capacity which may be provided by the designated airlines of each Contracting Party shall be such as is decided between the aeronautical authorities of the Contracting Parties before the commencement of such services by the airlines concerned and from time to time thereafter.

3. The designated airlines shall not later than thirty-five (35) days prior to the date of operation of any agreed service, submit for approval their proposed flight programs, and subsequent amendments, to the aeronautical authorities of each Contracting Party, in accordance with the laws and regulations of each Contracting Party. The flight programs should include the type of service, the aircraft to be used, frequencies and schedules.

ARTICLE 13

Commercial Opportunities

1. The airlines of each Contracting Party shall have the following rights in the territory of the other Contracting Party:

   (a) the right to establish offices, including offline offices, for the promotion, sale and management of air transportation;

   (b) the right to engage in the sale and marketing of air transportation to any person directly and, at its discretion, through its agents or intermediaries, using its own transportation documents; and

   (c) the right to use the services and personnel of any organisation, company or airline operating in the territory of the other Contracting Party.

2. In accordance with the laws and regulations relating to entry, residence and employment of the other Contracting Party, the airlines of each Contracting Party shall be entitled to bring in and maintain in the territory of the other Contracting Party those of their own managerial, sales, technical, operational and other specialist staff which the airline reasonably considers necessary for the provision of air transportation. Consistent with such laws and regulations, each Contracting Party shall, with the minimum of delay, grant the necessary employment authorisations, visas or other similar documents to the representatives and staff referred to in this paragraph.

3. The airlines of each Contracting Party shall have the right to sell air transportation, and any person shall be free to purchase such transportation, in local or freely convertible currencies. Each airline shall have the right 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.

4. The 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.

5. The airlines of each Contracting Party shall be permitted to conduct international air transportation using aircraft (or aircraft and crew) leased from any company, including other airlines, provided only that the operating aircraft and crew meet the applicable operating and safety standards and requirements.

ARTICLE 14

Ground Handling and Slots

1. Subject to the laws and regulations of each Contracting Party, including in the case of the Kingdom of Belgium, European Union law, each designated airline shall have in the territory of the other Contracting Party the right to perform its own ground-handling ("self-handling") or, at its option, the right to select among competing suppliers that provide for ground-handling services in whole or in part. Where such laws and regulations limit or preclude self-handling and where there is no effective competition between suppliers that provide ground handling services, each designated airline shall be treated on a non-discriminatory basis as regards their access to self-handling and ground handling services provided by a supplier or suppliers.

2. The Contracting Parties recognise that to give effect to the rights and entitlements embodied in the Agreement the airlines of each Contracting Party must have the opportunity to access airports in the territory of the other Contracting Party on a non-discriminatory basis.

3. In respect of the allocation and grant of slots to airlines at their national airports, each Contracting Party will:

   (a) in accordance with local slot allocation rules, procedures or practices which are in effect or otherwise permitted, ensure that the airlines of the other Contracting Party:

      i) are permitted fair and equal opportunity to secure slots; and

      ii) are afforded no less favourable treatment than any other airline in securing slots; and

   (b) ensure that in the event of any arrangement, procedure or practice which is either established with any third party in relation to the grant of slots to the airlines of that party or is otherwise permitted for a particular foreign international airline or airlines, such opportunities are extended to the airlines of the other Contracting Party.

4. The terms of paragraph 3 of this Article will be subject to the provisions of any laws or regulations introduced by either Contracting Party, or in the case of the Kingdom of Belgium in conformity with European Union Law, for the allocation of slots at their national airports.

ARTICLE 15

Intermodal Services

The designated airlines of each Contracting Party shall be permitted to employ, in connection with international air transport, any surface transport to or from any points in the territories of the Contracting Parties or third countries. Airlines may elect to perform their own surface transport or to provide it through arrangements, including code share, with other surface carriers, subject to the provisions of any laws and regulations in force in the territory of the Contracting Party concerned. Such intermodal services may be offered as a through service and at a single price for the air and surface transport combined, provided that passengers and shippers are informed as to the providers of the transport involved.

ARTICLE 16

Application of Competition Laws

1. The competition laws of each Contracting Party, including in the case of the Kingdom of Belgium European Union laws and regulations, as amended from time to time, shall apply to the operation of the airlines within the jurisdiction of the respective Contracting Party on a non-discriminatory basis.

2. Without limiting the application of competition and consumer law by either Contracting Party, if the aeronautical authorities of either Contracting Party consider that the airlines of either Contracting Party are being subjected to discrimination or unfair practices in the territory of either Contracting Party, they may give notice to this effect to the aeronautical authorities of the other Contracting Party. Consultations between the aeronautical authorities shall take place in accordance with Article 17 of this Agreement unless the first Party is satisfied that the matter has been resolved in the meantime.

3. Notwithstanding anything in paragraphs 1 to 2 above, this Article does not preclude unilateral action by the airlines or the competition authorities of either Contracting Party.

ARTICLE 17

Consultations

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

2. Subject to Articles 2 (Designation, Authorisation and Revocation), 6 (Safety) and 7 (Aviation Security) of this Agreement, 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 determined.

ARTICLE 18

Amendment of Agreement

1. This Agreement may be amended or revised by agreement in writing between the Contracting Parties.

2. If a general multilateral convention concerning air transportation comes into force in respect of both Contracting Parties, the provisions of that convention shall prevail. Consultations in accordance with Article 17 of this agreement may be held with a view to determining the extent to which this Agreement is affected by the provisions of the multilateral convention.

3. Any amendment or revision agreed pursuant to such consultations shall come into force when it has been confirmed by an exchange of diplomatic notes.

ARTICLE 19

Settlement of Disputes

1. In case of dispute arising from the interpretation or application of this Agreement, with the exception of any dispute concerning the application of national competition laws, the aeronautical authorities of the Contracting Parties shall in the first place endeavour to settle it by negotiation.

2. If the aeronautical authorities fail to reach an agreement, the dispute shall be settled by negotiations between the Contracting Parties.

3. If the Contracting Parties fail to reach a settlement of the dispute by negotiation, it may be referred by them to such person or body as they may agree on, for an advisory opinion or a binding decision as the Contracting Parties may agree, or, at the request of either Contracting Party, shall be submitted for decision to a tribunal of three arbitrators.

4. Within a period of thirty (30) 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 thirty (30) 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 thirty (30) days after one of the Contracting Parties has nominated its arbitrator, the other Contracting Party has not nominated its own or, if within thirty (30) 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 ICAO to appoint an arbitrator or arbitrators as the case requires. If the President of the Council is of the same nationality as one of the Contracting Parties, the most senior Vice President who is not disqualified on that ground shall make the appointment.

5. Except as otherwise determined by the Contracting Parties or prescribed by the tribunal, each Contracting Party shall submit a memorandum within thirty (30) days after the tribunal is fully constituted. Replies shall be due within thirty (30) days. 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.

6. The tribunal shall attempt to give a written award within thirty (30) days after completion of the hearing, or, if no hearing is held, after the date both replies are submitted. The award shall be taken by a majority vote.

7. The Contracting Parties may submit requests for clarification of the award within fifteen (15) days after it is received and such clarification shall be issued within fifteen (15) days of such request.

8. The award of the arbitral tribunal shall be final and binding upon the Contracting Parties to the dispute.

9. The expenses of arbitration under this Article shall be shared equally between the Contracting Parties.

10. If and for so long as either Contracting Party fails to comply with an award under paragraph 8 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.

ARTICLE 20

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 communicated simultaneously to ICAO. The Agreement shall terminate at midnight (at the place of receipt of the notice to the other Contracting Party) immediately before the first yearly anniversary of the date of receipt of notice by the Contracting Party, unless the notice is withdrawn by mutual decision of the Contracting Parties before the end of this period.

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.

ARTICLE 21

Registration with ICAO

This Agreement and any amendment thereto shall be registered with ICAO.

ARTICLE 22

Entry into Force

This Agreement shall enter into force when the Contracting Parties have notified each other in writing through diplomatic channels that their respective requirements for the entry into force of this Agreement have been satisfied.

IN WITNESS THEREOF, the undersigned, duly authorised thereto by their respective governments, have signed this Agreement.

DONE at CANBERRA....., this ...23rd..... of November 2012, in the English language.

FOR THE GOVERNMENT OF THE KINGDOM OF BELGIUM:

FOR THE GOVERNMENT OF AUSTRALIA:

ANNEX 1

Section 1

ROUTE SCHEDULE

The designated airlines of each Contracting Party shall be entitled to perform international air transportation between points on the following routes:

Route for the designated airlines of the Kingdom of Belgium:

Points in the Kingdom of Belgium	Intermediate Points	Points in Australia	Beyond Points
Any	Any	Any	Any

Route for the designated airlines of Australia:

Points in Australia	Intermediate Points	Points in the Kingdom of Belgium	Beyond Points
Any	Any	Any	Any

Notes:

1. The designated airlines of each Contracting Party may at their option omit points on any of the above routes provided that the services commence or terminate in the territory of the Contracting Party designating the airline.

2. The traffic rights which may be exercised by the designated airlines at intermediate and beyond points on the above routes shall be jointly determined between the aeronautical authorities from time to time.

3. Between points in the territory of the other Contracting Party, the designated airlines of each Contracting Party may only exercise own stopover rights.

Section 2

OPERATIONAL FLEXIBILITY

Subject to Section 1 of this Annex, the designated airlines of each Contracting Party may, on any or all services and at the option of each airline:

(a) perform services in either or both directions;

(b) combine different flight numbers within one aircraft operation;

(c) transfer passengers, their baggage, cargo and mail from any aircraft to any other aircraft at any point on the route,

without directional or geographic limitation and without loss of any right to carry passengers, their baggage, cargo and mail otherwise permissible under this Agreement.

The designated airlines of each Contracting Party shall have the right to enter into code share, blocked space or other cooperative marketing arrangements with other airlines. The extent to which designated airlines can enter into code share, blocked space or other cooperative marketing arrangements with other airlines shall be such as decided between the aeronautical authorities of the Contracting Parties.

Section 3

CHANGE OF GAUGE

On any sector or sectors of the routes in Section 1 of this Annex, any designated airline(s) shall be entitled to perform international air transportation, including under code sharing arrangements with other airlines, without any limitation as to change at any point or points on the route, in the type, size or number of aircraft operated.