MEMORANDUM OF UNDERSTANDING BETWEEN THE AERONAUTICAL AUTHORITIES OF THE RUSSIAN FEDERATION AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Delegations representing the Aeronautical Authorities of the Russian Federation (hereinafter referred to as the Russian Delegation) and the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as the UK Delegation) met in Novosibirsk, Russia on 25-26 May 2016 to discuss matters related to further development and strengthening of the bilateral air transport relations between their respective countries. Lists of Delegations are attached at ANNEX A.

1. The discussions were conducted in a cordial and friendly atmosphere and the two Delegations decided as follows:

Traffic Rights Issues

- Taking into account the current traffic conditions between their respective countries, the Delegations held discussions on the further development of air services between their two countries.
- 3. Further to the provisions of paragraph 14 of the Memorandum of Understanding between the aeronautical authorities of the United Kingdom of Great Britain and Northern Ireland and the Russian Federation dated 2 June 2010, both Delegations decided that the designated airlines of each of the UK and Russia will be permitted to operate the agreed services on the specified routes as follows:

For the London – Moscow and v.v. route, one designated airline of the Russian Federation and one designated airline of the UK may each operate up to 35 services per week; the second designated airline of each side may operate up to 14 services per week.

- 4. These traffic rights are applicable for any type of aircraft smaller than 500 seats capacity.
- 5. The UK delegation requested the removal of the requirement for UK designated carriers to enter into any form of commercial agreement with Russian air carriers relating to direct services between the UK and Russia. The Russian Delegation confirmed that this was still a requirement, but for the avoidance of doubt, the Russian Delegation accepted that, where a second UK designated carrier operated on the London Moscow and v.v. route and there was no second Russia designated carrier operating on this route, there could be no

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commercial agreement. The Russian Delegation also confirmed that it was open to UK and Russian carriers to mutually agree to dispense with any commercial agreement.

Liberalised regime to three Russian airports

6. In addition to the above, the Russian Delegation informed the UK Delegation that any UK air carrier could start operations for passenger and/or combination and/or all-cargo operations to Kaliningrad and Sochi for the three IATA seasons, starting from Summer 2016, and Vladivostok for an unlimited period, with 3rd, 4th and 5th freedom traffic rights, without any limitation, provided that these operations do not utilize the Transsiberian route.

Flights on the route London - St. Petersburg

The Russian Delegation reminded the UK delegation that the second UK designated carrier was not currently operating on the route London - St. Petersburg. The UK Delegation took note.

All-Cargo Services

8. Both delegations decided to modify paragraph 18 of Memorandum of Understanding between the Aeronautical Authorities of the United Kingdom of Great Britain and Northern Ireland and the Russian Federation, dated 2 June 2010, to provide that traffic rights are available on all sectors for the designated airlines of the Russian Federation and the UK.

Slots

9. The Russian Delegation raised its concerns about the lack of available slots at London Heathrow Airport and emphasised its strong belief that all operations of the designated air carriers should be on the basis of fair and equal opportunity (it made reference to Article 3 of the Air Services Agreement dated 19 December 1957). The UK Delegation confirmed that Heathrow airport was now operating at very close to maximum available capacity, but noted that slots were readily available at other London airports. Further the UK Delegation noted that there are five airports in London, including London City airport.

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Overflights for ad-hoc charters

10. In response to an enquiry from the UK Delegation, and with reference to existing traffic rights, the Russian Delegation confirmed that ad-hoc charters by UK carriers that originate at points in Finland, Denmark or Sweden and end at points in Thailand or Vietnam and v.v., would be permitted to overfly the territory of the Russian Federation, provided that the route did not include a Transsiberian route.

Entry into Force

11. This Memorandum of Understanding will come into effect on the date of signature. Provisions of the previous arrangements not covered in this Memorandum of Understanding will remain in effect.

Signed in Novosibirsk on 26 May 2016, in two original copies in the English language.

For the Delegation of the Aeronautical Authorities of the Russian Federation

For the Delegation of the Aeronautical Authorities of the United Kingdom of Great Britain and Northern Ireland

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