# MEMORANDUM OF UNDERSTANDING BETWEEN ITALY AND COSTA RICA

The Aeronautical Authorities of the Italian Republic and of the Republic of Costa Rica, having confirmed mutual interest in matters of bilateral cooperation in the field of civil aviation and in the perspective to further develop the air services market, agree on the following provisions on their bilateral relations:

# 1. AIR SERVICES AGREEMENT

The Contracting Parties, having reached a mutual understanding in respect of the provisions of an Air Services Agreement (ASA), initialled the agreed text of the Agreement which is attached hereto as Attachment (1).

As from the date of signature of this Memorandum of Understanding and until the Agreement and its Annexes (Route Schedule and Cooperative Arrangements) come into force, the Contracting Parties accept to apply the principles included therein among the Aeronautical Authorities and to conform to the relevant operational provisions, within the scope of their national laws and regulations.

The two Contracting Parties undertook to advise their respective Authorities to begin the internal legal procedure conducive to the signature of the Agreement, and to completion of their respective constitutional/legal requirements, for its entry into force.

## 2. AIRLINES DESIGNATION

Each Contracting Party shall have the right to designate one or more airlines to operate the agreed services on the specified routes.

#### 3. ROUTE SCHEDULE

Airline(s) designated by each Contracting Party will be allowed to operate the services according to the following Route Schedule (also attached to the Agreement as Annex I).

Routes to be operated by the airline or airlines designated by the Republic of Costa Rica:

Points of departure	Intermediate points	Points in the Italian Republic	Points Beyond/Behind
Points in the Republic Of Costa Rica	Any Point	Rome, Milan and two points to be freely chosen	Any Point

Routes to be operated by the airline or airlines designated by the Italian Republic:

Points of departure	Intermediate points	Points in the Republic of Costa Rica	Points Beyond/behind
Points in Italy	Any Point	Any point	Any Point

#### **Notes**

- 1. The airlines designated by both Contracting Parties may, on any or all flights, omit calling at any of the above points provided that the agreed services originate or terminate in their respective territories.
- 2. Intermediate, beyond, behind points or points in the territory of the other Contracting Party may be operated without any geographical or directional constraints.
- 3. The services shall be operated with third and fourth freedom traffic rights. Fifth freedom traffic rights may be decided upon between the aeronautical authorities of the two Contracting Parties.
- 4. No cabotage rights are allowed.
- 5. Stop over rights are allowed on behind, intermediate and beyond points.

## 4. CAPACITY

#### Passenger services

One or more designated airlines of each Contracting Party shall be permitted to operate up to 14 (fourteen) weekly scheduled frequencies on the agreed routes with any type of aircraft, with third and fourth freedom traffic rights

#### All-cargo services

One or more designated airlines of each Contracting Party shall be permitted to operate up to 7 (seven) weekly scheduled frequencies on the agreed routes with any type of aircraft, with third and fourth freedom traffic rights.

In case the ceilings are reached, the Contracting Parties will positively consider increasing the frequency allocations.

## 5. CHARTER FLIGHTS

The Contracting Parties affirmed the intention of their Aeronautical Authorities to adopt a liberal policy to both passenger and all cargo charter flights based on market demand, principles of fair and equal opportunities and non-discrimination, in accordance with national laws and regulations.

## 6. COOPERATIVE ARRANGEMENTS

The Contracting Parties agreed on cooperative arrangements as follows. The text is also inserted as Annex II in the Air Service Agreement.

- 1. The designated airlines which have an appropriate authority to provide the agreed services may operate them on the specified routes, without any geographical or directional constraint, via any point, also utilizing leased aircraft registered in third countries.
- 2. In operating or holding out services under this Agreement, any designated airline of a Party may enter into cooperative marketing arrangements, such as blocked-space agreements or code-sharing arrangements, with:
  - (a) any airline or airlines of the Parties; and
  - (b) any airline or airlines of a third country; and
  - (c) any surface (land or maritime) transport provider;
  - provided that (i) the operating carrier holds the appropriate traffic rights and (ii) the marketing carriers hold the appropriate route rights within the relevant bilateral provisions and (iii) the arrangements meet the requirements relating to safety and competition normally applied to such arrangements.
- 3. Each airline involved in code sharing arrangements pursuant to this paragraph must, in respect of any ticket sold by it, make clear to the purchaser at the point of sale which airline will actually operate each sector of the service and with which airline or airlines the purchaser is entering into a contractual relationship.
- 4. Any frequency operated under code sharing arrangements shall be counted as frequency of the operating airline.

- 5. In operating the agreed services, the designated airlines of each Contracting Party may be permitted to change aircraft at a point or points on the specified routes, using identical or different flight numbers on the concerned sectors.
- 6. The designated airlines of each Contracting Party shall be permitted to employ, in connection with air transport of passengers and cargo, any intermodal transport to or from any point in the territory of the other Contracting Party in accordance with the laws and regulations in force in each country.
- 7. The above in accordance with the laws and regulations in force in each Country.

# 7. COOPERATION IN CIVIL AVIATION

Delegations agreed to extend, where necessary, their cooperation in the areas of training, maintenance, ground assistance issues, airport operations, and the like.

# 8. COMING INTO EFFECT

This Memorandum shall enter into force on the date of receipt of the last notification of one Aeronautical Authority to the other that the text has been agreed and the necessary requirements for its entry into force have been complied with.

For the Aeronautical Authorities

of the Indian Republic

For the Aeronautical Authorities of the Republic of Costa Rica

February 24, 2022