

## Memorandum of Understanding

Delegations belonging to India and the Philippines met at New Delhi on the 20<sup>th</sup> and 21<sup>st</sup> of July 2005 to discuss matters relating to the operation of air services between the two countries. The list of delegates is attached as Annex 1. The discussions were held in a friendly and cordial atmosphere.

### Air Services Agreement

The two sides noted that the existing Air Services Agreement (ASA) concluded in 1949 needs to be reviewed, rationalized, and updated to make it in conformity with current agreements. In this regard, the Indian side submitted a draft Agreement to the Philippine side. The Philippine side stated they would examine the draft and revert with their comments. It was agreed that the revised text of the ASA would be finalized through a procedure mutually acceptable to both parties.

### Designation of Airlines

It was agreed that, pending the revision of the ASA, each side shall be entitled to designate one or more airline(s) to operate the agreed services.

### Route Schedule

It was agreed that the existing Route Schedule needs to be revised and updated to enhance the points of call for each side.

### Capacity Entitlements

The Philippine side sought certain clarifications with respect to the offer made by India to the ASEAN States. The Indian side clarified the salient features of the offer, including the reciprocal requirements for the Indian side which would permit them to operate all their frequencies to Manila. The Philippine side expressed its understanding of the ASEAN offer which would permit them to operate up to 7 flights per week each to Mumbai, Delhi, Kolkata and Chennai, while the Indian side shall be permitted to operate reciprocally up to 7 frequencies per week on each city pair between India and Philippines. The Indian side was of the view that there should not be any restriction on the points of origin for either side. The Philippine side was of the view that points

in both sides are of equal value. After extensive discussions, it was decided that while the two sides would pursue deliberations on the ASEAN offer in its original and complete form, an initial arrangement should be forged to facilitate commencement of air services between the two countries in the meantime. It was accordingly agreed that:

- Each side shall be entitled to operate up to a maximum of 7 flights per week with any aircraft type not exceeding the capacity of a B747 aircraft.
- The Route Schedule shall be amended to provide for access to four points of call to each side. For the Philippines - Mumbai, Delhi, Kolkata and Chennai and for India - Manila and three other points in the Philippines to be selected by India. Both sides may operate the agreed services via Bangkok with 5<sup>th</sup> freedom rights. A revised Route Schedule is attached as Annex 2, which shall supercede the earlier Route Schedule.
- In operating the agreed services, the designated airlines of one side may enter into co-operative arrangements inclusive of code sharing arrangements with the designated airlines of the other side, subject to
  - the approval of the aeronautical authorities of both sides.

#### All-Cargo operations

The Indian side confirmed that the Indian Government has adopted an open sky policy that allows for unlimited cargo operations by foreign carriers to/from any point in India. The Philippine side confirmed that the Philippine Government, in accordance with Executive Order No. 253, series of 2004, has adopted a full liberalization policy for cargo services by foreign carriers to/from Clark and Subic.

Furthermore, both parties agreed to permit their respective designated carriers to operate up to a maximum of 7 flights per week with any aircraft type not exceeding the capacity of a B747 aircraft between any points in India and any points in the Philippines and vice-versa, as indicated in Annex 3.



Other Matters

- The Philippines expressed its desire to include Bangalore and Hyderabad as points of call in India in the Route Schedule.
- Both sides agreed to meet within a year to consider enhancements to this agreement.

Entry into Force

The above provisions shall come into force after the later notification, through diplomatic channels, indicating compliance with their parties' respective internal procedures.

Done at New Delhi on 21 July, 2005.



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**Leader of Indian Delegation**



Handwritten signature of the leader of the Philippine Delegation.

**Leader of the Philippine Delegation**

Annex I

INDIAN DELEGATION

- |    |   |        |
|----|---|--------|
| 1. | Mr. Ajay Prasad<br>Secretary,<br>Ministry of Civil Aviation                         | Leader |
| 2. | Mr. Raghu Menon<br>Joint Secretary,<br>Ministry of Civil Aviation                   | Member |
| 3. | Mr. Satendra Singh<br>Director General of Civil Aviation                            | Member |
| 4. | Mr. B. A. Roy<br>Joint Secretary<br>Ministry of External Affairs                    | Member |
| 5. | Mr. R.K. Singh<br>Director<br>Ministry of Civil Aviation.                           | Member |
| 6. | Mr. D. S. Kohli<br>Director (Northern Region)<br>Air India                          | Member |
| 7. | Mr. Prem Sagar<br>Sr. Manager - International Relations<br>Air India                | Member |
| 8. | Mr. K. Shyam Sundar<br>Dy. General Manager - Commercial<br>Indian Airlines Limited. | Member |



PHILIPPINE DELEGATION

- |     |  |          |
|-----|--|----------|
| 1.  | Hon. Franklin M. Ebdalin<br>Undersecretary (Deputy Foreign Minister)<br>Department (Ministry) of Foreign Affairs | Leader   |
| 2.  | H.E. Mrs. Laura Q. Del Rosario<br>Ambassador, Embassy of the Philippines   | Member   |
| 3.  | Hon. Felicitas Agoncillo-Reyes<br>Assistant Secretary<br>Department (Ministry) of Trade and Industry             | Member   |
| 4.  | Ms. Maria H. Bugarin<br>Minister, Embassy of the Philippines   | Member   |
| 5.  | Mr. Tomas T. Mañalac<br>Executive Director<br>Civil Aeronautics Board  | Member   |
| 6.  | Mr. Carmelo L. Arcilla<br>Deputy Executive Director<br>Civil Aeronautics Board                                   | Member   |
| 7.  | Mr. Francisco Noel R. Fernandez III<br>Department (Ministry) of Foreign Affairs                                  | Member   |
| 8.  | Ms. Evelyn R. Cajigal<br>Department (Ministry) of Tourism  | Member   |
| 9.  | Mr. Porvenir P. Porciuncula<br>Civil Aeronautics Board   | Member   |
| 10. | Ms. Ma. Socorro R. Gonzaga<br>Philippine Airlines  | Member   |
| 11. | Mr. G. Andy B. Pantanosas<br>Pacific East Asia Cargo Airlines  | Member   |
| 12. | Mr. Jose Enrique L. Perez de Tagle<br>Philippine Airlines  | Observer |
| 13. | Mr. Enrique Antonio J. Esquivel<br>Philippine Airlines   | Observer |



**Annex 3**

**All-Cargo Route Schedule**

**Section 1**

For the designated airline(s) of India

From	Intermediate points	To	Beyond points
Points in India	Nil	Points in the Philippines	Nil

**Section 2**

For the designated airline(s) of Philippines

From	Intermediate points	To	Beyond points
Points in the Philippines	Nil	Points in India	Nil

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**Annex 2**

**Route Schedule**

**Section 1**

For the designated airline(s) of India

From	Intermediate points	To	Beyond points
Points in India	Bangkok	Manila and three other points in the Philippines to be selected by India	Nil

**Section 2**

For the designated airline(s) of Philippines

From	Intermediate points	To	Beyond points
Points in Philippines	Bangkok	Mumbai, Delhi, Kolkata and Chennai	Nil

Notes

1. The designated airlines of either side shall enjoy routing flexibility to operate to points not included in the Route Schedule without exercising 5<sup>th</sup> freedom rights.
2. The designated airlines of either side shall be free to omit the intermediate point at their discretion.

