

## **ASEAN MEMORANDUM OF UNDERSTANDING ON AIR FREIGHT SERVICES**

The Aeronautical Authorities of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic, Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam, Member States of the Association of Southeast Asian Nations (ASEAN) (hereinafter referred to as "Contracting Parties");

**Recalling** the Ha Noi Plan of Action adopted at the Sixth ASEAN Summit in Ha Noi on 16 December 1998 called for the institutionalisation of the policy framework and modalities for the development of a Competitive Air Services Policy which may be a gradual step towards an Open Sky Policy in ASEAN;

**Recalling** also the decision of the Fourth ASEAN Transport Ministers Meeting in Singapore on 9-10 September 1998, to make concrete recommendations to liberalise air freight services as part of the ASEAN Competitive Air Services Policy;

**Being** committed to maintain, further develop and strengthen friendly relations and cooperation between their countries;

**Noting** that efficient air freight services is important to the development of trade and promotion of economic growth;

**Desiring** to facilitate and enhance air freight services and its related activities, to complement the other transport facilitation and liberalisation efforts in ASEAN;

**Desiring** to remove restrictions, on a gradual basis, so as to achieve greater flexibility and capacity in the operations of air freight services in ASEAN;

### **HAVE HEREBY AGREED AS FOLLOWS:**

#### **1. Designation**

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

#### **2. Capacity and Frequency**

The designated airline(s) of each Contracting Party shall be allowed to operate all-cargo services up to 100 tons weekly in each direction, with no limitations on frequency and aircraft type from its territory to each of the other Contracting Parties' territory and vice-versa.

#### **3. Route (point to point)**

Brunei Darussalam : Bandar Seri Begawan

Cambodia : Phnom Penh

Indonesia : Batam, Balikpapan, Biak, Makasar, Manado.  
Pontianak

Lao : PDR Vientiane

Malaysia : Kuala Lumpur

Myanmar : Yangon, Mandalay

Philippines : Points in the Philippines

Singapore : Singapore

Thailand : Bangkok, Chiang Mai, HatYai, Khon Kaen, Phuket,  
U-Taphao

Viet Nam : Ha Noi, Da Nang

#### **4. Traffic Rights**

The designated airline(s) of each Contracting Party shall be allowed to exercise third and fourth freedom traffic rights in operating the agreed services.

#### **5. Code Sharing**

In operating air services on the agreed routes, the designated airline(s) of any Contracting Party may enter into bilateral code sharing arrangement, with any other designated airline(s) from the other Contracting Party which holds the appropriate route and traffic rights from both Contracting Parties.

Capacity offered by a designated airline as the marketing airline, on services operated by other airlines, will not be counted against any capacity entitlements of the Contracting Parties designating the marketing airline. When a designated airline performs services under cooperative marketing arrangements as the operating airline, the total capacity operated will be counted against the capacity entitlements of the Contracting Party designating that airline.

#### **6. Supplementary**

This Memorandum of Understanding shall be in addition to the existing bilateral and / or plurilateral Air Services Agreements or amendments thereto, between or among ASEAN Member Countries so far as all-cargo services are concerned. This Memorandum of Understanding shall not prejudice any other provisions in the said Agreements.

#### **7. Depository**

This Memorandum of Understanding and any amendments thereto shall be deposited with the Secretary-General of ASEAN, who shall promptly furnish a certified copy thereof to all Contracting Parties.

#### **8. Amendments**