

## Agreed Minutes

1. Delegations representing the Government of the Kingdom of Denmark and the Government of the Republic of Iceland met in Copenhagen on 12 December 2011 in order to assess their bilateral air transport relations as to transport concerning Greenland. Representatives of the Greenland Self-Government took part in the Danish delegation.

A list of the members of the two delegations is attached as Appendix 1.

2. The discussions were conducted in a friendly and positive atmosphere, both delegations stressing their interest in expanding mutual relations in the field of air transport.
3. The delegations noted the draft Air Services Agreement (ASA) between Denmark and Iceland initialled on 28 March 2007 which is in practical effect to the extent possible under national law pending the entry into force of the ASA. The delegations also noted that as stated in the Agreed Minutes of 28 March 2007 the draft ASA does not refer to air transport concerning Greenland and the Faroe Islands which is regulated by the Air Services Agreement (ASA) between Denmark and Iceland of 22 March 1950. As a consequence and in order to maintain the legal framework until a new Agreement is agreed, the Delegations agreed that it was necessary to amend Article 20 (Entry into Force) of the draft ASA between Denmark and Iceland initialled on 28 March 2007 in adding a sentence stating that the ASA between Denmark and Iceland of 22 March 1950 is still valid for transportation regarding Greenland and the Faroe Islands.
4. The Icelandic delegation proposed entering into an "open skies" agreement regarding Greenland. The Danish delegation could not accept this proposal but suggested adding a number of routes for scheduled air services regarding Greenland to the Annex to the ASA of 1950. The delegations discussed extensively the substance of an agreement regarding Greenland and agreed that a gradual development to a more open and flexible aviation regime would be suitable for the current situation and needs.
5. The delegations agreed on and initialled the text of modifications to the Annex to the ASA of 1950. The text is attached as Appendix 2.
6. The Danish delegation informed that point 5 in Appendix 2 (regarding tariffs) is meant to cater for competitions considerations.
7. The delegations noted that operations of air services on domestic routes in Greenland or Iceland (cabotage) is still subject to approval by the aeronautical authorities of the Contracting Parties.
8. The delegations agreed that co-operative marketing arrangements such as code sharing arrangements involving a designated airline should meet the requirements applied to such arrangements regarding information to customers and filing procedures and would be looked upon favourably by the competent authorities.
9. The delegations recognized the increased importance in the Greenland-Iceland area of different forms of non-scheduled (charter) operations, including Aerial Work, and the need to have flexible arrangements to accommodate such services by Greenlandic and Icelandic operators between Greenland and Iceland. The delegations agreed that the approval process with the competent authorities should be streamlined as far as

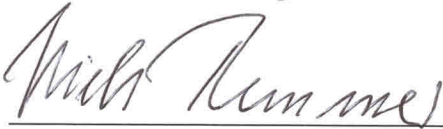


possible regarding application requirements and handling time and that information in this regard should be mutually exchanged.

10. The delegations discussed the issue of aviation security. The Icelandic delegation stated that due to the specific geographical location and low population density of Iceland, as well as the composition of the fleet of aircraft serving domestic routes in Iceland, the application of the restrictive aviation security measures instituted by Regulation (EC) No 300/2008 is not required. Therefore, the Regulation does not apply to domestic air services in the territory of Iceland. The national security measures applicable to domestic air services in Iceland are based on risk assessment and are considered to provide an adequate level of protection. The same considerations should in view of the Icelandic delegation apply to domestic operations in Greenland. Therefore, in view of this delegation the possibility should be explored whether the same level of protection could be applied to operations between Iceland and Greenland based on the same considerations. Furthermore, if this option would be available it might open up for other opportunities in operations between Iceland and Greenland e.g. between Ísafjörður and the east coast of Greenland. For Iceland this would require prior approval of the EFTA Surveillance Authority. The delegations noted that the Icelandic authorities would exploit this possibility further and inform the other Party of developments.
11. The delegations agreed that pending the exchange of Notes foreseen in Article VIII/8 of the ASA regarding the entry into force of the initialled modifications to the Annex to the ASA, the Aeronautical Authorities of both parties would give immediate practical effect to the provisions of the agreed text as it stands in Appendix 2 to the extent possible under national law. It was also agreed that the said exchange of Notes will refer to the initialled English text and that the Contracting Parties will not be required to present any translations into other languages for the other Contracting Party.

Signed in Copenhagen on 12 December 2011

For the Danish delegation



Niels Remmer

For the Icelandic delegation



Kristján Andri Stefánsson

**Denmark-Iceland Air Services Negotiations**

**Copenhagen, 12 December 2011**

**Members of the Delegations**

**Danish Delegation**

**Mr. Niels Remmer** (Head of Delegation)

Director - Danish Transport Authority

**Mr. Thorkild Saxe**

Senior Adviser - Danish Transport Authority

**Ms. Lene Riis**

Head of Office – Greenland Ministry of Housing, Infrastructure and Transport

**Mr. Asbjørn Rosager**

Head of Section - Greenland Ministry of Housing, Infrastructure and Transport

**Icelandic Delegation**

**Mr. Kristján Andri Stefánsson** (Head of Delegation)

Ambassador - Ministry for Foreign Affairs

**Mr. Karl Alvarsson**

Legal Adviser



**Modifications to the Annex to the Air Services Agreement between Denmark and Iceland of 22 March 1950**

1. The following route no. 5 is added to point I:

5) Ilulissat/Kulusuk/Nerlerit Inaat/Nuuk/Narsarsuaq/Sisimiut – Akureyri/Egilsstadir/Keflavik/Reykjavik

2. The following route no. 5 is added to point II:

5) Akureyri/Egilsstadir/Keflavik/Reykjavik – Ilulissat/Kulusuk/Nerlerit Inaat/Nuuk/Narsarsuaq/Sisimiut

3. The following point VI is added:

**VI.**

For air services regarding Greenland and Iceland the following is applicable in addition to point I, II and III of this Annex:

Operation of air services on additional routes between Greenland and Iceland v.v. is subject to approval by the aeronautical authorities of the Contracting Parties.

The exercise of any 5<sup>th</sup> freedom traffic rights is subject to approval by the aeronautical authorities of the Contracting Parties.

Scheduled all-cargo flights may operate international air services without restrictions regarding routing or 5<sup>th</sup> freedom traffic rights.

4. The following point VII is added:

**VII.**

For air services regarding Greenland and Iceland v.v. the following is applicable instead of point IV of this Annex:

Each Contracting Party shall allow fair and equal opportunity for the designated airlines of both Contracting Parties to compete in the international transportation covered by this Agreement. There shall be no restrictions on frequency and capacity on the said routes.





Each Contracting Party shall take all appropriate action within its jurisdiction to eliminate all forms of discrimination or unfair competitive practices adversely affecting the competitive position of the airlines of the other Contracting Party.

Airlines designated by a Contracting Party shall submit their traffic programs to the aeronautical authorities of the other Contracting Party in accordance with the requirements of the latter Party.

5. The following point VIII is added:

VIII.

For air services regarding Greenland and Iceland the following is applicable instead of point V of this Annex:

Passenger tariff applications shall be filed by the designated airlines with, and will be handled by, the competent authorities according to their regulations in this regard. No tariff must be applied if it has been disapproved by a competent authority. If necessary, the authorities shall endeavor to solve any disagreement.



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