

## **Proactive Release**

This document is proactively released by Te Manatū Waka the Ministry of Transport.

Some information has been withheld on the basis that it would not, if requested under the Official Information Act 1982 (OIA), be released. Where that is the case, the relevant section of the OIA has been noted and no public interest has been identified that would outweigh the reasons for withholding it.

Listed below are the most commonly used grounds from the OIA.

| <u>Section</u>        | Description of ground   |  |  |  |  |
|-----------------------|---|--|--|--|--|
| 6(a)                  | as release would be likely to prejudice the security or defence of New  |  |  |  |  |
|                       | Zealand or the international relations of the New Zealand Government  |  |  |  |  |
| 6(b)                  | as release would be likely to prejudice the entrusting of information to the  |  |  |  |  |
|                       | Government of New Zealand on a basis of confidence by   |  |  |  |  |
|                       | (i) the Government of any other country or any agency of such a Government; or  |  |  |  |  |
|                       | (ii) any international organisation   |  |  |  |  |
| 6(c)                  | prejudice the maintenance of the law including the prevention, investigation,   |  |  |  |  |
|                       | and detection of offences, and the right to a fair trial  |  |  |  |  |
| 9(2)(a)               | to protect the privacy of natural persons   |  |  |  |  |
| 9(2)(b)(ii)           | to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information  |  |  |  |  |
| 9(2)(ba)(i)           | to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public |  |  |  |  |
| 9(2)(ba)(ii)          | to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest  |  |  |  |  |
| 9(2)(f)(ii)           | to maintain the constitutional conventions for the time being which protect collective and individual ministerial responsibility  |  |  |  |  |
| 9(2)(f)(iv)           | to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials  |  |  |  |  |
| 9(2)(g)(i)<br>9(2)(h) | to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty to maintain legal professional privilege                            |  |  |  |  |
| 9(2)(i)               | to enable a Minister of the Crown or any public service agency or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities   |  |  |  |  |

PROACTIVELY RELEASED BY MINISTRY OF TRANSPORT TE MANAGEMENT OF TRANSPORT TO TRANSPORT TO

Annex 1

Office of the Associate Minister of Transport

Chair: Cabinet Economic Policy Committee

#### **NEW ZEALAND - ASEAN AIR SERVICES AGREEMENT AND PROTOCOL**

#### **Proposal**

- 1 This paper seeks approval for New Zealand to sign and ratify:
  - the Air Services Agreement between the Governments of the Member States of the Association of Southeast Asian Nations and the Government of New Zealand ("the Agreement"); and
  - the associated Protocol 1 to the Air Services Agreement between the Governments of the Member States of the Association of Southeast Asian Nations and the Government of New Zealand on Third, Fourth and Fifth Freedom Traffic Rights between Parties ("the Protocol").

#### Relation to government priorities

- The signing and ratification of the Agreement and Protocol supports the Government's target to double the value of exports in ten years. Trade, tourism and people-to-people linkages are dependent on the ability of airlines to respond quickly to changing market conditions and to new opportunities. The Agreement and Protocol will provide the opportunity to enhance New Zealand's international connectivity.
- The New Zealand Government's strategic interest in ASEAN aims to foster a politically cohesive, economically integrated, and socially responsible region. This partnership enhances New Zealand's engagement in ASEAN-led mechanisms, promoting peace, prosperity, and sustainable development. Over the past 45 years, New Zealand-ASEAN trade has grown significantly, from US\$133 million in 1975 to nearly NZD\$19 billion this year.

#### **Executive Summary**

- In September 2023, New Zealand and the ten members of the Association of Southeast Asian Nations (ASEAN) concluded the negotiation on an Air Services Agreement and associated Protocol.
- The Agreement and Protocol are intended to enhance, and replace, the ten individual air services agreements New Zealand has signed with ASEAN member countries. The replacement treaties create new opportunities for New Zealand and ASEAN airlines.
- The Protocol was concluded at ASEAN's request. It specifies the traffic rights that are available to the parties.

- 7 This outcome is consistent with New Zealand's long-standing air services policy, i.e., it:
  - lifts the overall quality of New Zealand's air services arrangements with the ten ASEAN members; and
  - standardises air services provisions such as aviation safety, aviation security and doing business, e.g., provisions relating to opening airline offices, employing staff and repatriating funds, across the ten ASEAN members.
- The Agreement and Protocol also further enhance the overall New Zealand ASEAN relationship, given air services are a key enabler of tourism, trade and people-to-people links.
- The Government has committed to significantly enhancing New Zealand's priority bilateral relationships in Southeast Asia: Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Viet Nam, as well as with ASEAN generally.
- An opportunity to formalise and expand these linkages will occur at the ASEAN Transport Ministers' meeting in Malaysia in November 2024, where a signing ceremony for the Agreement and Protocol has been proposed.
- As the Agreement and Protocol are multilateral treaties, Cabinet approval is required and they must undergo parliamentary treaty examination in accordance with Standing Order 405. Accordingly, a National Interest Analysis is attached for presentation to the House of Representatives.

#### **Background**

- 12 Under an international system dating back to the 1940s, airlines are able to operate international services only where the right to do so has been expressly permitted in a bilateral air services agreement (ASA) or one of the limited number of multilateral agreements.
- Among other things, ASAs set out the routes airlines may operate, the amount of capacity they are entitled to provide, and the origin/destination of their passenger traffic. Aviation safety and security articles are standard, as are provisions relating to "doing business" matters such as the establishment of local offices, the employment of staff and the repatriation of earnings.
- New Zealand's long-standing International Air Transport Policy promotes the negotiation of air services agreements that will increase New Zealand's global connectivity.
- A precondition to negotiating the Agreement was the conclusion of bilateral air services agreements with each of the ten ASEAN members. This was in order to provide confidence that, in the event of the Agreement being denounced, the bilateral agreements would be there to fall back on. The precondition was achieved with the signing of an ASA with Myanmar in September 2019 (negotiated in July 2018).
- In March 2019, the then Ministers of Transport and Foreign Affairs authorised officials:
  - 16.1 to negotiate an ASA with ASEAN representatives, which would seek to raise the overall quality of New Zealand's air services arrangements with the ASEAN community

- 16.2 to negotiate the most liberal air services arrangements acceptable to both sides in the event ASEAN was unable to agree to an open skies outcome
- 16.3 to seek a "grandfathering provision" in respect of any air services rights New Zealand had already secured with individual ASEAN members that would exceed what ASEAN, as a collective, was willing to exchange, and
- 16.4 directed officials following the conclusion of the negotiations to report back to Cabinet for authorisation of the ASA text.

#### **Analysis**

- The first round of negotiations, in September 2019, resulted in the near completion of the Agreement text. However, three further rounds of negotiations were required to conclude the more contentious aspects centred on the rights that would be available to the airlines of each side.
- The particular significance and value of the Agreement and Protocol are that they create new opportunities for New Zealand and ASEAN airlines. This includes two key enhancements: (i) allowing no limits on the number of non-stop flights that may be operated by New Zealand and ASEAN carriers; and (ii) New Zealand airlines gaining increased flexibility to operate flights between ASEAN members and third countries.
- 19 Taking the Philippines as a representative example:
  - 19.1 New Zealand airlines are currently limited to operating five services per week beyond the Philippines to a single destination in China.
  - 19.2 Under the Protocol, New Zealand airlines will be able to operate an additional seven times per week between a choice of four cities in the Philippines and any destination in a third country. With the exception of Manila, which will stay at seven, such flights at the other three cities will subsequently increase to 14 services per week.
  - 19.3 Airlines of the Philippines get a similar increase in opportunities when operating to New Zealand.
- 20 Full details of the enhancements are in the attached National Interest Analysis.
- New Zealand pressed for a high-level outcome that would create the most open operating environment for airlines but not all ASEAN members shared this level of ambition, as reflected in the final outcome.
- 22 Although some ASEAN members remained resistant to arguments for greater openness, and have placed restrictions on flights that may be operated by New Zealand carriers between their country and third countries, the Protocol represents an improvement on the rights currently available with ASEAN members as a whole.
- Officials did not place reciprocal restrictions on ASEAN airlines because: (i) the overall New Zealand aim was to create new opportunities for airlines, and this would not be achieved by imposing restrictions in return; and (ii) \$\frac{5}{5}9(2)(j)\$

- 24 Particular points of contention included New Zealand's proposals:
  - 24.1 That it be made clear the Agreement was between New Zealand and the ASEAN members and did not create any new obligations between the ASEAN members themselves. ASEAN did not initially agree to this provision but subsequently appreciated that, without it, the Agreement and Protocol could be interpreted as creating rights between the ASEAN members that they have not yet agreed to exchange.
  - 24.2 That provision be made for the possibility of a new member joining ASEAN, Our intention was to allow New Zealand to determine whether the Agreement and Protocol should extend the rights therein to the new ASEAN member. ASEAN did not agree to the provision, stating that it was an internal ASEAN matter.

25 s 9(2)(j) s 9(2)(j)

New Zealand's air service agreements with Brunei and Singapore are already covered by a multilateral treaty, the 2001 open skies *Multilateral Agreement on the Liberalization of International Air Transportation* ("the MALIAT"). As the MALIAT, and its associated Protocol, are more open than the new arrangements with ASEAN, the former will prevail *vis a vis* New Zealand, and Brunei and Singapore.

**Risks** 

s 9(2)(f)(iv)

A key risk is that some ASEAN members will not ratify the Agreement. This would mean the enhanced air services arrangements with those ASEAN members would not be realised and the existing, more restrictive, arrangements would continue.

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6(a)

<sup>&</sup>lt;sup>1</sup> The parties to the MALIAT are Brunei, Chile, Cook Islands, Mongolia (on a cargo only basis), New Zealand, Singapore, Tonga and the United States of America.

s 6(a) 30 s 9(2)(f)(iv) s 9(2)(f)(iv) which ASEAN has proposed take TENANATUNE 31 place during a meeting of ASEAN transport ministers in Malaysia in November 2024, and to which a New Zealand minister is invited. s 9(2)(f)(iv) 32

#### Cost-of-living Implications

Approval to sign and ratify the Agreement and Protocol has no cost-of-living 33 implications.

#### **Financial Implications**

Approval to sign and ratify the Agreement and Protocol has no financial implications. 34

#### Legislative Implications

Approval to sign and ratify the Agreement and Protocol has no legislative 35 implications.

#### Impact Analysis

National Interest Analysis

As the Agreement and Protocol are multilateral treaties between New Zealand and 36 the ten members of ASEAN, they are required to undergo parliamentary treaty examination in accordance with Standing Order 405. Accordingly, the attached National Interest Analysis has been prepared, for presentation to the House of Representatives.

#### Climate Implications of Policy Assessment

37 The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirms that the CIPA requirements do not apply to this proposal. This proposal concerns international flights, and emissions from international aviation are covered by a separate mechanism, i.e., the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)<sup>2</sup>, The number of international flights that will be

<sup>&</sup>lt;sup>2</sup> CORSIA is the first global market-based measure for any sector and represents a cooperative approach that moves away from a "patchwork" of national or regional regulatory initiatives. It offers a harmonized way to reduce emissions from international aviation, minimizing market distortion, while respecting the special circumstances and respective capabilities of International Civil Aviation Organization Member States.

enabled by this proposal are difficult to quantify and are more likely to be taken up by ASEAN airlines.

#### **Population Implications**

Approval to sign and ratify the Agreement and Protocol would not have implications for any specific population groups.

#### **Human Rights**

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s 9(2)(f)(iv)

#### Use of external resources

40 No external resources were involved in the negotiation of the Agreement and Protocol.

#### Consultation

This paper was prepared by the Ministry of Transport, The Ministry of Foreign Affairs and Trade, The Treasury, New Zealand Customs Service, the Ministry for Business, Innovation and Employment (Immigration New Zealand and Tourism), the Ministry for Primary Industries (Biosecurity New Zealand) and Ministry for the Environment were consulted on the contents of this paper, and agree with its recommendations. The Department of the Prime Minister and Cabinet was informed.

#### **Communications**

The Associate Minister of Transport will issue a media statement announcing the successful negotiation of the Agreement and Protocol. ASEAN may choose to issue a media statement as well.

#### **Proactive Release**

The Associate Minister of Transport intends to release this Cabinet paper, on the new air services arrangements with ASEAN, within 30 business days of Cabinet's decision, with redactions as appropriate.

#### Recommendations

- The Associate Minister of Transport recommends that the Committee:
  - 1 **Note** that, in March 2019, the then Ministers of Transport and Foreign Affairs authorised officials to negotiate an air services agreement with members of the Association of Southeast Asian Nations (ASEAN)
  - 2 **note** that, in September 2023, following four rounds of negotiations, officials concluded negotiations with their ASEAN counterparts on:

CORSIA complements the other elements of the basket of measures by offsetting the amount of CO2 emissions that cannot be reduced through the use of technological improvements, operational improvements, and sustainable aviation fuels with emissions units from the carbon market.

- i. the Air Services Agreement between the Governments of the Member States of the Association of Southeast Asian Nations and the Government of New Zealand at Attachment 1;
- ii. and the associated Protocol 1 to the Air Services Agreement between the Governments of the Member States of the Association of Southeast Asian Nations and the Government of New Zealand on Third. Fourth and Fifth Freedom Traffic Rights between Parties at Attachment 2
- note that the Agreement establishes the legal framework permitting services by New Zealand and ASEAN international airlines, as well as operational provisions, doing business provisions and general treaty provisions
- 4 **note** that the Protocol sets out the capacity that airlines of New Zealand and ASEAN may operate, the routes that they can operate and the traffic they may carry, and contains specific restrictions on New Zealand airlines that were insisted upon by some ASEAN members
- note that the Agreement and the Protocol would replace New Zealand's air services agreements with each of the ASEAN members (with the exception of Brunei and Singapore where the *Multilateral Agreement on the Liberalization of International Air Transportation* is the current air services treaty)
- note that, in the event of any discrepancy between the Agreement and the Protocol, and the existing air services agreements, the more open provision would prevail
- 7 **approve** the text of the Agreement and the text of the Protocol
- agree that New Zealand may sign the Agreement subject to any changes of a minor or technical nature that might arise from the verification process
- agree that New Zealand may sign the Protocol subject to any changes of a minor or technical nature that might arise from the verification process
- note that, as they are multilateral treaties, the Agreement and Protocol are required to undergo parliamentary treaty examination in accordance with Standing Order 405
- 11 **/approve** the National Interest Analysis at Attachment 3
  - **agree** that the National Interest Analysis be presented to the House of Representatives following New Zealand's signature of the Agreement and Protocol
- agree that New Zealand may deposit with the ASEAN Secretariat an instrument of ratification for the Agreement and an instrument of ratification for the Protocol
- 14 note that the Agreement will enter into force on the date of deposit of the instrument of ratification, acceptance, or approval with the Depositary (the ASEAN Secretariat) by New Zealand and at least two ASEAN member states

- 15 **note** that the Protocol will enter into force on the date of deposit of the instrument of ratification, acceptance, or approval with the Depositary (the ASEAN Secretariat) by New Zealand and at least two ASEAN member states
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- PROACTIVELY RELEASED BY MINISTRY OF TRANSPORT FE MANUAL TO MANUAL TRANSPORT FE MANUAL authorise the Associate Minister of Transport to issue a media statement

#### AIR SERVICES AGREEMENT BETWEEN THE GOVERNMENTS OF THE MEMBER STATES OF THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS AND THE GOVERNMENT OF NEW ZEALAND

The Governments of the Member States of the Association of Southeast Asian Nations ("ASEAN"), namely Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic, Malaysia, the Republic of the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand, and the Socialist Republic of Viet Nam (hereinafter referred to collectively as the "ASEAN Member States" and individually as an "ASEAN Member State"), and the Government of New Zealand ("New Zealand");

**AFFIRMING** the strategic partnership established between ASEAN and New Zealand

**NOTING** the existing bilateral air services agreements between the ASEAN Member States and New Zealand;

**AFFIRMING** that the integrity, solidarity, and integration of ASEAN be accorded priority in the realisation of an Air Services Agreement between the ASEAN Member States and New Zealand;

**PESIRING** to establish integrated, efficient, and competitive international air transportation between the ASEAN Member States and New Zealand to enhance trade, the welfare of consumers, and economic growth;

**DESIRING** to contribute to the progress of regional and international civil aviation by gradual liberalisation of air services between the ASEAN Member States and New Zealand;

**DESIRING** to ensure the highest degree of safety and security in international air transport and reaffirming their grave concern about acts or threats against the security of aircraft, which jeopardise the safety of persons or property, adversely affect the operation of air transport, and undermine public confidence in the safety of civil aviation;

**REAFFIRMING** the principles and provisions of the Convention on International Civil Aviation signed at Chicago on 7 December 1944 (hereinafter referred to as the "Chicago Convention"); and

**DESIRING** to conclude an agreement for the purpose of operating air transport between the ASEAN Member States and New Zealand;

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

## ARTICLE 1 DEFINITIONS

For the purposes of this Agreement, unless otherwise stated, the term:

- (a) Aeronautical authorities means, in the case of each ASEAN Member State, the Ministry responsible for civil aviation or any other authority or person empowered to perform such functions; and in the case of New Zealand, the Minister responsible for civil aviation, or any other authority or person empowered to perform such functions;
- (b) Agreement means the Air Services Agreement between the Governments of the Member States of the Association of Southeast Asian Nations and the Government of New Zealand, its Annexes, and any amendments thereto;

- (c) Air service, international air service, airline, and stop for non-traffic purposes have the meanings assigned to them in Article 96 of the Convention;
- (d) International air freight services means all cargo air transportation that passes through the airspace over the territory of ASEAN Member States and New Zealand.
- (e) Air transportation means the public carriage by aircraft of passengers, baggage, cargo, and mail, separately or in combination, for remuneration or hire;
- (f) Depositary means the Secretary-General of ASEAN;
- (g) Parties means any of the ASEAN Member States and New Zealand for which this Agreement is in force between;
- (h) Party means an ASEAN Member State or New Zealand for which this Agreement is in force;
- (i) Convention means the Chicago Convention, and
  - any amendment that has entered into force under Article 94(a) of the Convention and ratified by all ASEAN Member States and New Zealand; and
  - (ii) any annex or any amendment thereto adopted under Article 90 of the Convention, insofar as such annex or amendment is at any given time effective for all ASEAN Member States and New Zealand;

- (j) Designated airline means an airline which has been designated and authorised in accordance with Article 4 (Designation and Authorisation);
- (k) ICAO means the International Civil Aviation Organization;
- (I) Route schedule means the route schedule annexed to this Agreement or as amended in accordance with the provisions of Article 22 (Amendments);
- (m) Specified route means the route specified in the Route Schedule;
- (n) Tariff means any fare, rate or charge for the carriage of passengers, baggage, or cargo (excluding mail) in air transportation (including any other mode of transportation in connection therewith) charged by airlines, including their agents, and the conditions governing the availability of such fare, rate, or charge;
- (o) Territory in relation to the ASEAN Member States means the land territory, internal waters, archipelagic waters, territorial sea, the seabed and the sub-soil thereof, and the airspace over them, and in relation to New Zealand, has the meaning assigned to it in Article 2 of the Convention provided that, in the case of New Zealand, the term "territory" shall exclude Tokelau; and
- (p) User charges mean a charge made to airlines by the competent authorities, or permitted by them to be made, for the provision of airport property or facilities or of air navigation facilities, or aviation security facilities or services, including related services and facilities, for aircraft, their crew, passengers, and cargo.

#### **ARTICLE 2** SCOPE

This Agreement applies only to air services between the ASEAN Member States and New Zealand. Unless to be interpreted as applying to air services between the ASEAN Member States alone. (TEMANATI

#### ARTICLE 3 **GRANT OF RIGHTS**

- Each Party grants to the other Parties the rights 1. specified in this Agreement for the purpose of operating international air services on the routes specified in the Route Schedule (hereinafter referred to as the "agreed services").
- Subject to the provisions of this Agreement, the airlines 2. designated by each Party shall enjoy the following rights:
  - the right to fly across the territory of the other (a) Parties without landing;
  - the right to make stops in the territory of the other Parties for non-traffic purposes; and
  - the rights otherwise specified in this Agreement, including those rights stated in Annex I (Route Schedule), Annex II (Exchange of Traffic Rights) (Non-Scheduled/Charter Air and Annex Ш Services).
- 3. The airlines of each Party, other than those designated under Article 4 (Designation and Authorisation), shall also enjoy the rights specified in paragraphs 2(a) and (b). These airlines shall be required to meet other conditions prescribed under the laws, regulations, and rules

normally applied to the operation of international air services by the Party considering the application.

4. Nothing in this Agreement shall be deemed to confer on the designated airline of each Party the privilege of taking on board, in the territory of another Party, passengers, cargo, and mail carried for remuneration and destined for another point in the territory of that other Party.

# ARTICLE 4 DESIGNATION AND AUTHORISATION Party shall have the

- 1. Each Party shall have the right to designate, in writing, one or more airlines to operate the agreed services in accordance with this Agreement and to withdraw or alter such designation. Such designation shall be communicated in writing through diplomatic channels to the Depositary, who shall subsequently inform the Parties.
- 2. On receipt of such a designation, and of application from the designated airline, in the form and manner prescribed for operating authorisation and technical permission, each Party shall grant the appropriate operating authorisation and technical permission with minimum procedural delay, provided that:
  - (i) substantial ownership and effective control of that airline are vested in the Party designating the airline, nationals of that Party, or both; or
    - (ii) the designated airline is incorporated and has its principal place of business in the territory of the Party designating the airline, and that Party has and maintains effective regulatory control of that airline; and

- (b) the Party designating the airline is in compliance with the provisions set forth in Article 8 (Safety) and Article 9 (Aviation Security); and
- (c) the designated airline is qualified to meet other conditions prescribed under the laws and regulations normally applied to the operation of international air services by the Party receiving the designation.
- 3. On receipt of the operating authorisation and technical permission of paragraph 2, a designated airline may at any time begin to operate the agreed services for which it is so designated, provided that the airline complies with the applicable provisions of this Agreement.
- 4. The Parties granting the operating authorisations and technical permissions in accordance with paragraph 2 shall notify such action to the Depositary, who shall subsequently inform the Parties.

# WITHHOLDING, REVOCATION, LIMITATION AND SUSPENSION OF AUTHORISATION

- 1. Each Party shall have the right to withhold the operating authorisation and technical permissions referred to in Article 4 (Designation and Authorisation) with respect to an airline designated by another Party, and to revoke, limit, suspend, or impose conditions on such operating authorisations and technical permissions, temporarily or permanently in the event:
  - (a) the airline has failed to prove that it is qualified under Article 4 (Designation and Authorisation) paragraphs 2 (a) (i) or (ii) as applicable; or

- (b) the other Party is not maintaining and administering the standards as set forth in Article 8 (Safety) and Article 9 (Aviation Security); or
- (c) the airline fails to comply with the laws, regulations, and rules referred to in Article 6 (Application of Laws, Regulations and Rules).
- 2. Unless immediate action is essential to prevent noncompliance with paragraphs 1(b) or 1(c), the rights established in this Article shall be exercised only after consultations with the Party designating the airline, in conformity with Article 20 (Consultations).
- 3. A Party that has exercised its right to withhold, revoke, limit, suspend, or impose conditions on the operating authorisation or technical permissions of an airline in accordance with paragraph 1 shall notify the Depositary of its actions and the Depositary shall thereafter promptly inform the Parties.

# ARTICLE 6 APPLICATION OF LAWS, REGULATIONS, AND RULES

1. While entering, within, or leaving the territory of one Party, its laws, regulations, and rules relating to the operation and navigation of aircraft shall be complied with by the airlines designated by the other Parties.

While entering, within, or leaving the territory of one Party, its laws, regulations, and rules relating to the admission to or departure from its territory of passengers, crew, baggage, or cargo on aircraft (including regulations relating to entry, clearance, aviation security, immigration, passports, customs, and quarantine, or in the case of mail, postal regulations), shall be complied with by, or on behalf of, such

passengers, crew, or cargo of the airlines of the other Parties.

3. No Party shall give preference to its own or any other airline over a designated airline of the other Party application of its immigration, customs, quarantine and similar regulations, and rules. (TEMANATI

#### ARTICLE 7 **DIRECT TRANSIT**

Passengers, baggage, cargo, and mailin transit through the territory of each Party and not leaving the area of the airport reserved for such purpose shall not undergo any examination except for reasons of aviation security, narcotics control, prevention of illegal entry, or in special circumstances. Baggage, cargo, and mail in direct transit shall be exempt from customs duties and other similar taxes.

#### **ARTICLE 8** SAFETY

1.

Each Party shall recognise as valid, for the purpose of operating the air services provided for in this Agreement, certificates of airworthiness, certificates of competency, and licences issued, or validated by the Party that designates that said airline and still in force, provided that the requirements for such certificates or licences are at least equal to the minimum standards which may be established pursuant to the Convention. Each Party reserves the right, however, to refuse to recognise as valid for the purpose of flight above its own territory, certificates of competency and licences granted to or validated for its own nationals by another Party.

- Each Party may request consultations at any time concerning the safety standards maintained by another Party in areas relating to aeronautical facilities, flight crew, aircraft, and the operation of aircraft. Such consultations shall take place within 30 days of that request.
- 3. If, following such consultations, one Party finds that the said other Party does not effectively maintain and administer safety standards in the areas referred to in paragraph 2 that meet the ICAO Standards established at that time pursuant to the Convention, that other Party shall be informed of such findings and of the steps considered necessary to conform with the ICAO Standards. That other Party shall then take appropriate corrective action. Failure by the other Party to take appropriate corrective action within 15 days or such longer period as may be agreed, shall be grounds for the application of Article 5 (Withholding, Revocation, Suspension and Limitation of Authorisation).
- 4. Notwithstanding the obligations mentioned in Article 33 of the Convention, it is agreed that any aircraft operated by or, under a lease arrangement, on behalf of the airline or airlines of one Party on services to or from the territory of the other Party may, while within the territory of the other Party, be made the subject of an examination by the authorised representatives of the other Party, on board and around the aircraft to check both the validity of the aircraft documents and those of its flight crew and the apparent condition of the aircraft and its equipment (hereinafter referred to as "ramp inspection"), provided this does not lead to unreasonable delay.
- 5. If any such ramp inspection or a series of ramp inspections gives rise to serious concerns that:
  - (a) an aircraft or the operation of an aircraft does not comply with the minimum standards established at

that time pursuant to the Convention; or

(b) there is a lack of effective maintenance and administration of safety standards established at that time pursuant to the Convention,

the Party carrying out the ramp inspection shall, for the purposes of Article 33 of the Convention, be free to conclude that the requirements under which the certificate or licenses in respect of that aircraft or in respect of the flight crew of that aircraft have been issued or rendered valid, or that the requirements under which that aircraft is operated, are not equal to or above the minimum standards established pursuant to the Convention.

- 6. In the event that access for the purpose of undertaking a ramp inspection of an aircraft operated by or on behalf of the airline or airlines of one Party in accordance with paragraph 4 is denied by the representative of that airline or airlines, the other Party shall be free to infer that serious concerns of the type referred to in paragraph 5 arise and draw the conclusions referred in that paragraph.
- 7. Each Party reserves the right to suspend or vary the operating authorisation of an airline or airlines of the other Party immediately in the event the first Party concludes, whether as a result of a ramp inspection, a series of ramp inspections, a denial of access for ramp inspection, consultations, or otherwise, that immediate action is essential to the safety of an airline operation.
- 8. Any action by one Party in accordance with paragraph 7 shall be discontinued once the basis for the taking of that action ceases to exist.

9. With reference to paragraph 3, if it is determined that one Party remains in non-compliance with ICAO Standards when the agreed time period has lapsed, the Secretary-General of ICAO should be advised thereof. MANATUNAKA The latter should also be advised of the subsequent satisfactory resolution of the situation.

#### ARTICLE 9 AVIATION SECURITY

- Consistent with their rights and obligations under 1. international law, the Parties reaffirm their obligation to one another to protect the security of civil aviation against acts of unlawful interference forms an integral part of this Agreement. Without limiting the generality of their rights and obligations under international law, the Parties shall, in particular act in conformity with the provisions of the Convention on Offences and Certain Other Acts Committed on Board Aircraft signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft signed at the Hague on 16 December 1970, the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation signed at Montreal on 23 September 1971, the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation signed at Montreal on 24 February 1988, and the Convention on the Marking of Plastic Explosives for the Purpose of Detection signed at Montreal on 1 March 1991, insofar as the Parties are parties to these conventions, as well as all other conventions and protocols relating to civil aviation security of which the Parties are parties.
- 2. Upon request, the Parties shall provide all practicable assistance to one another to prevent acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, their passengers and crew,

- airports and air navigation facilities, and to address any other threat to the security of civil aviation.
- 3. The Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by the ICAO and designated as Annexes to the Convention to the extent that such security provisions are applicable to the Parties. The Parties shall require that operators of aircraft of their registry or operators of aircraft who have their principal place of business or permanent residence in their territory and the operators of airports in their territory act in conformity with such aviation security provisions.
- 4. Each Party shall observe the security provisions required by another Party for entry into, departure from, or while within, the territory of that other Party. Each Party shall ensure that adequate measures are effectively applied within its territory to protect the aircraft and to inspect passengers, crew, carry-on items, baggage, cargo, and aircraft stores prior to and during boarding, loading, deplaning, or unloading. Each Party shall also give sympathetic consideration to any request from another Party for reasonable special security measures to meet a particular threat.
- 5. When an incident or threat of an incident of unlawful seizure of civil aircraft or other unlawful acts against the safety of such aircraft, their passengers and crew, airports or air navigation facilities occurs, the Parties shall assist one another by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.
- 6. When a Party has reasonable grounds to believe that another Party has departed from the aviation security provisions of this Article, the aeronautical authorities of the first Party may request immediate consultations with the aeronautical authorities of that other Party. Failure to

reach a satisfactory agreement within 15 days from the date of receipt of such request shall constitute grounds for application of Article 5 (Withholding, Revocation, Suspension and Limitation of Authorisation). When justified by an emergency, or to prevent further non-compliance with the provisions of this Article, the first Party may take interim action prior to the expiry of 15 days.

7. Each Party shall require the airline of another Party providing service to that Party to submit a written operator security programme, which has been approved by the aeronautical authorities of the Party of that airline for acceptance.

# ARTICLE 10 TARIFFS

- 1. Each Party shall allow each airline to determine its own tariffs for the transportation of traffic.
- 2. Unless required by national laws and regulations, tariffs charged by airlines shall not be required to be filed with the aeronautical authorities of either Party. Each Party may require airlines to file tariffs for information and/or approval.
- 3. In the event that an aeronautical authority of one Party is dissatisfied with a tariff proposed or in effect for an airline of another Party, the aeronautical authorities concerned will endeavour to settle the matter through consultations in accordance with Article 20 (Consultations), if so requested by those aeronautical authorities.

#### **ARTICLE 11** FAIR COMPETITION

Each Party shall allow a fair and equal opportunity for providing the international air services governed by this Agreement. TEMANATI

#### ARTICLE 12 COMMERCIAL ACTIVITIES

In accordance with the laws and regulations of each Party, the designated airline of a Party shall have the right:

- in relation to entry, residence, and employment, to (a) bring in and maintain in the territory of the other Party managerial and other specialist staff, office equipment and other related equipment and promotional materials required for the operation of international air services;
- (b) to establish offices in the territory of the other Party for the purposes of provision, promotion, and sale of air services;
  - to engage in the sale of air services in the territory of the other Party directly and, at its discretion, through its licensed agents; to sell such air services, and any person shall be free to purchase such services in local currency of that territory or, subject to the national laws and regulations, in freely convertible currencies of other countries;
- (d) to convert and remit to the territory of its incorporation, on demand, local revenues in excess of sums locally disbursed. Conversion and

remittance shall be permitted promptly without restrictions or taxation in respect thereof at the rate of exchange applicable to current transactions and remittance in accordance with the foreign exchange regulations of the Party concerned:

- (e) to pay for local expenses, including purchases of fuel, in the territory of the other Party in local currency. At its discretion, that airline may pay for such expenses in the territory of the other Party in freely convertible currencies according to local currency regulation; and
- (f) to perform its own ground-handling in the territory of the other Party (hereinafter referred to as "self-handling") or, at its option, select among competing agents for such services in whole or in part. The rights shall be subject to considerations of safety, security, and physical or operational constraints. Where such considerations preclude self-handling, ground-handling services shall be available on an equal basis to all airlines.

## ARTICLE 13 COOPERATIVE MARKETING ARRANGEMENTS

- In operating or holding out the agreed services on the specified routes, the designated airline of each Party may, subject to national laws and regulations and policies, enter into cooperative marketing arrangements which may include, joint venture, blocked space or codesharing arrangements, whether as the operating or the non-operating airline (hereinafter referred to as the "marketing airline") with:
  - (a) an airline or airlines of the same or another Party;

(b) an airline or airlines of a third country,

provided that all participants in such arrangements hold the underlying traffic rights and appropriate authorisation and meet the requirements applied to such arrangements. For clarity, frequencies used by the marketing airline, including with airlines of a third country, shall not be counted against that marketing airline's capacity entitlement.

- 3. Before its proposed introduction, the operating or marketing airline may be required to file for approval with the aeronautical authorities of the relevant Parites any cooperative marketing arrangements entered into, in accordance with paragraph 1.
- 4. When holding out air services for sale, the marketing airline will make it clear to the purchaser of tickets for such services, at the point of sale, which airline will be the operating airline on each sector of the services and with which airline or airlines the purchaser is entering into a contractual relationship.

#### ARTICLE 14 LEASING

- 1. Each Party may prevent the use of leased aircraft for air services under this Agreement which do not comply with Article 8 (Safety) and Article 9 (Aviation Security).
- Subject to paragraph 1, the designated airline of each Party may use aircraft (or aircraft and crew) leased from any company, including other airlines, provided that:
  - (a) this would not result in a lessor airline exercising traffic rights it does not have;

- (b) that the financial benefit to be obtained by the lessor airline will not be dependent on the profit or loss of the operation of the designated airline concerned; and
- (c) that the responsibility for the continued airworthiness and the adequacy of operating and maintenance standards of any leased aircraft operated by the designated airline concerned will be established in conformity with the Convention.
- 3. A designated airline is not otherwise prohibited from providing air services using leased aircraft (or aircraft and crew) provided that any lease arrangement entered into satisfies the conditions listed in paragraph 2.

## ARTICLE 15 INTERMODAL TRANSPORT

Subject to the national laws and regulations of each Party, any designated airline and indirect providers of cargo transportation of each Party shall be permitted, without restriction, to employ in connection with international air freight services any surface transportation for cargo to or from any points within or outside the territories of the Parties, including transport to and from all airports with customs facilities, and including, where applicable, the right to transport cargo in bond under applicable laws and regulations. cargo, whether moving by surface or by air shall have access to airport customs processing and facilities. Subject to the national laws and regulations of each Party, the designated airlines may elect to perform their own surface transportation or to provide it through arrangements with other surface carriers, including surface transportation operated by other airlines and indirect providers of cargo air transportation. intermodal cargo services may be offered at a single,

through price for the air and surface transportation combined, provided that shippers are not misled as to the facts concerning such transportation.

#### ARTICLE 16 USER CHARGES

- Each Party shall not impose or permit to be imposed on the designated airline of another Party user charges higher than those imposed on its own airlines, the airlines of any other Party or non-Party operating similar international services.
- 2. Each Party shall encourage consultations on user charges between its competent charging authorities and airlines using the services and facilities provided by those charging authorities, where practicable through those airlines' representative organisations. Reasonable notice of any proposals for changes in user charges should be given to such users to enable them to express their views before changes are made. Each Party shall further encourage its competent charging authorities and such users to exchange appropriate information concerning user charges.

#### ARTICLE 17 CUSTOMS DUTIES

Each Party shall on the basis of reciprocity exempt a designated airline of another Party to the fullest extent possible under its national law from customs duties, excise taxes, inspection fees and other national duties and charges on aircraft, fuel, ground equipment, lubricating oils, consumable technical supplies, spare parts including engines, regular aircraft equipment, aircraft stores, and other items, such as printed ticket stock, air waybills, any printed material which bears the insignia of the company printed thereon and usual

publicity material distributed free of charge by that designated airline, intended for use or used solely in connection with the operation or servicing of aircraft of the designated airline of such other Party operating the agreed services.

- The exemptions granted by this Article shall apply to the items referred to in paragraph 1:
  - (a) introduced into the territory of a Party by or on behalf of the designated airline of another Party;
  - (b) retained on board aircraft of the designated airline of a Party upon arrival in or departure from the territory of another Party; or
  - (c) taken on board aircraft of the designated airline of a Party in the territory of another Party and intended for use in operating the agreed services,

whether or not such items are used or consumed wholly within the territory of the Party granting the exemption, provided the ownership of such items is not transferred in the territory of the said Party.

- 3. The regular airborne equipment as well as the materials and supplies normally retained on board the aircraft of a designated airline of a Party may be unloaded in the territory of another Party only with the approval of the customs authorities of that Party. In such case, they may be placed under the supervision of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.
- 4. The exemptions provided by this Article shall also be available where the designated airline of a Party has contracted with another designated airline, which similarly enjoys such exemptions from another Party, for the loan or transfer in the territory of that other Party of

the items specified in paragraph 1.

#### **ARTICLE 18** STATISTICS

The aeronautical authorities of each Party may provide the aeronautical authorities of another Party, upon request, with periodic statistics or other similar information relating to the traffic carried on the agreed services.

- ARTICLE 19
  APPROVAL OF SCHEDULES
  Inated airline of economics The designated airline of each Party may be required to 1. submit its envisaged flight schedules for approval to the aeronautical authorities of another Party at least 30 days prior to the operation of the agreed services. Any modification thereof shall be submitted for consideration at least 15 days prior to the operation.
- 2. For supplementary flights which the designated airline of one Party wishes to operate on the agreed services outside the approved timetable, that airline must request prior permission from the aeronautical authorities of that other Party. Such requests shall usually be submitted at least four working days prior to the operation of such flights, or in such shorter timeframe as the aeronautical authority may permit.

#### **ARTICLE 20** CONSULTATIONS

1. In the spirit of close cooperation, the aeronautical authorities of the Parties shall consult with one another from time to time with a view to ensuring the implementation of, and satisfactory compliance with, the

provisions of this Agreement. Unless otherwise agreed, such consultations shall begin at the earliest possible date, but not later than 60 days from the date the other Party or Parties receive, through diplomatic or other appropriate channels, a written request, including an explanation of the issues to be raised. When the date for consultations has been agreed, the requesting Party shall also notify all the other Parties of the consultations and the issues to be raised. Any Party may attend. Once the consultations have been concluded, all the Parties as well as the Depositary shall be notified of the results.

2. Any Party may also request to hold a Working Group Level meeting, up to Ministerial level, if and when deemed necessary, to advance the process of consultations.

## ARTICLE 21 SETTLEMENT OF DISPUTES

Should any dispute between the Parties arise, the Parties involved shall seek to resolve the dispute through consultations. In the event that no agreement is reached, it shall be settled through diplomatic channels.

#### ARTICLE 22 AMENDMENTS

Any Party may propose an amendment to this Agreement by notifying the Depositary, in writing, who shall transmit the proposal to the Parties.

2. The amendment shall be subject to the consent of the Parties and shall enter into force on the date as agreed by the Parties.

## ARTICLE 23 RELATIONSHIP WITH OTHER AGREEMENTS

- 1. This Agreement or any actions taken thereto shall not affect the rights and obligations of the Parties under any existing agreements or international conventions to which they are parties, except as provided for in paragraph 3.
- 2. Nothing in this Agreement shall prejudice the rights or the exercise of these rights by any Party under the provisions of the *United Nations Convention on the Law of the Sea* signed on 10 December 1982 at Montego Bay, in particular with regard to freedom of the high seas, rights of innocent passage, archipelagic sea lanes passage or transit passage of ships and aircraft, and consistent with the Charter of the United Nations.
- In the event of any inconsistency between a provision of 3. this Agreement and a provision of any existing bilateral or multilateral air services agreements (including any amendments thereto), by which two or more of the Parties are bound or which is not covered by this Agreement the provision which is less restrictive or more liberal in terms of air services market liberalisation or which is not covered by this Agreement, shall prevail among two or more of the Parties if they are concurrently bound by the aforesaid bilateral or multilateral air services agreements and this Agreement. If the inconsistency concerns provisions relating to safety or aviation security, the provisions prescribing a higher or more stringent standard of safety or aviation security shall prevail.

## ARTICLE 24 TERMINATION

This Agreement may be terminated by New Zealand or

ASEAN Member States collectively, by giving written notice to the Depositary, who shall promptly notify the Parties of such termination. For ASEAN Member States, the date of the collective notification will be the date of ENAWATU WAXA the tenth notification. The termination shall become effective 12 months following the date of receipt of the notification by the Depositary.

#### **ARTICLE 25** REGISTRATION

This Agreement and any amendment thereto shall be registered with the ICAO by the Depositary.

## ARTICLE 26 FINAL PROVISIONS

- This Agreement shall be deposited with the Depositary, 1. who shall promptly furnish a certified true copy thereof to each Party
- 2. Each ASEAN Member State and New Zealand shall complete its internal legal procedures necessary for the entry into force of this Agreement and shall, after the completion of its internal legal procedures, deposit its instrument of ratification, acceptance, or approval with the Depositary, who shall promptly notify the other Parties of such deposit.
- This Agreement shall enter into force on the date of deposit of the instrument of ratification, acceptance, or approval with the Depositary by at least two (2) ASEAN Member States and New Zealand and shall enter into force only among the Parties that have deposited their instrument of ratification, acceptance, or approval with the Depositary.

4. For an ASEAN Member State depositing its instrument of ratification, acceptance or approval after the date of entry into force of this Agreement pursuant to paragraph 3, the Agreement shall enter into force for that ASEAN Member State on the date of deposit of its instrument of ratification, acceptance, or approval.

**IN WITNESS WHEREOF**, the undersigned, being duly authorised thereto by their respective Governments, have signed this Agreement.

DONE at [City], [Country], this [Day] of [Month] in the Year [spelt out with Title case], in one original copy in the English Language.

For the Government of Brunei Darussalam

For the Government of New Zealand:

(Name in Bold and Caps) (Designation)

(Name in Bold and Caps) (Designation)

For the Government of the Kingdom of Cambodia:

(Name in Bold and Caps) (Designation)

For the Government of the Republic of Indonesia:

(Name in Bold and Caps) (Designation)

WINDSTRY OF TRANSPORT TE MANATUWAKA (MINISTRY OF TRANSPORT TE MINISTRY OF TRANSPORT TE MANATUWAKA (MINISTRY OF TRANSPORT TE MINISTRY OF TRANSPORT TE MANATUWAKA (MINISTRY OF TRANSPORT TE MINISTRY OF TRANSPOR For the Government of the Lao People's Democratic Republic:

(Name in Bold and Caps) (Designation)

For the Government of Malaysia:

(Name in Bold and Caps) (Designation) For the Government of the Republic of the Union of Myanmar:

(Name in Bold and Caps) (Designation)

AMMSTRY OF TRANSPORT TE MANATUWAKA AMERORI T For the Government of the Republic of the Philippines:

(Name in Bold and Caps) (Designation)

For the Government of the Republic of Singapore:

(Name in Bold and Caps) (Designation)

For the Government of the Kingdom of Thailand:

(Name in Bold and Caps) (Designation)

For the Government of the Socialist Republic of Viet Nam:

PAROACINELY RELEASED BY MINISTRY OF TRANSPORT IE MANAGERY IE MANAG

#### ANNEX I

#### **ROUTE SCHEDULE**

| The designated airline of each Party shall be allowed to operate the agreed services on the following route: |              |               |            |  |  |  |  |
|--|--------------|---------------|------------|--|--|--|--|
| A. For the designated airline of each ASEAN Member State:  |              |               |            |  |  |  |  |
| Points of  | Intermediate | Points of     | Beyond     |  |  |  |  |
| Origin   | Points       | Destination _ | Points     |  |  |  |  |
| Any points   | Any points   | Any points in | Any points |  |  |  |  |
| in an  |              | New Zealand   |            |  |  |  |  |
| ASEAN  |              | , QA          |            |  |  |  |  |
| Member   |              |               |            |  |  |  |  |
| State  |              | $O_{\chi}$    |            |  |  |  |  |
| designating  |              | 2             |            |  |  |  |  |
| the airline  | .6           |               |            |  |  |  |  |

For the designated airline of New Zealand: В.

| Points of     | Intermediate | Points of   | Beyond     |
|---------------|--------------|-------------|------------|
| Origin        | Points       | Destination | Points     |
| Any points in | Any points   | Any points  | Any points |
| New Zealand   |              | in ASEAN    |            |
| VIA.          |              | Member      |            |
| O,            |              | States      |            |

#### **Operational Flexibility**

Each designated airline may, on any or all flights and at its option:

- (a)
- combine different flight numbers within one aircraft operation; (b)
- serve intermediate and beyond point(s) in the (c) territory of the Parties on the routes in any combination and in any order; and
- omit stops at any point(s) provided that the agreed (d) services begin or terminate in the territory of the Party designating the airline,

without directional or geographic limitation and without loss of any right to carry traffic otherwise permissible under this Agreement; provided that the service serves a point in the territory of the Party designating the airline and all the points PROACTIVELY RELEASED served are international airports.

ANNEX II

ANGE OF TRAFFIC RIGHTS

shall conclude Implementing Protocols between itember States and New Zealand, which shall form an parts of this Agreement, for exchange of traffic rights, where the part of the Agreement of the

#### **ANNEX III**

#### NON-SCHEDULED/CHARTER AIR SERVICES

- 1. The designated airline of each Party shall have the right to operate non-scheduled/charter air services between the Parties. The airline must request prior permission from the aeronautical authorities of the other Party. Such requests shall be submitted at least 14 working days prior to the operation of such air services, or at such shorter notice as may be agreed by the aeronautical authority concerned.
- 2. Subject to national laws and regulations of each Party, Each Party may extend favourable consideration to applications by airlines of the other Party to carry traffic not covered by this Annex on the basis of comity and reciprocity.



## **Cabinet Economic Policy Committee**

#### Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority. AMATUWAKA

### **New Zealand - ASEAN Air Services Agreement and Protocol**

#### **Portfolio Associate Transport**

On 25 September 2024, the Cabinet Economic Policy Committee:

- **noted** that in March 2019, the then Ministers of Transport and Foreign Affairs authorised 1 officials to negotiate an air services agreement with members of the Association of Southeast Asian Nations (ASEAN);
- 2 **noted** that in September 2023, following four rounds of negotiations, officials concluded negotiations with their ASEAN counterparts on:
  - the Air Services Agreement between the Governments of the Member States of the 2.1 Association of Southeast Asian Nations and the Government of New Zealand (the Agreement), attached as Attachment 1 to the paper under ECO-24-SUB-0215;
  - 2.2 the associated Protocol 1 to the Air Services Agreement between the Governments of the Member States of the Association of Southeast Asian Nations and the Government of New Zealand on Third, Fourth and Fifth Freedom Traffic Rights between Parties (the Protocol), attached as Attachment 2 to the paper under ECO-24-SUB-0215;
- 3 **noted** that the Agreement establishes the legal framework permitting services by New Zealand and ASEAN international airlines, as well as operational provisions, doing business provisions and general treaty provisions;
- 4 **noted** that the Protocol:
  - sets out the capacity that airlines of New Zealand and ASEAN may operate, the routes that they can operate, and the traffic they may carry;
  - contains specific restrictions on New Zealand airlines that were insisted upon by some ASEAN members;
- 5 **noted** that the Agreement and the Protocol would replace New Zealand's air services agreements with each of the ASEAN members (with the exception of Brunei and Singapore where the *Multilateral Agreement on the Liberalization of International Air Transportation* is the current air services treaty);
- 6 **noted** that, in the event of any discrepancy between the Agreement and the Protocol, and the existing air services agreements, the more open provision would prevail;

- 7 **approved** the text of the Agreement and the text of the Protocol;
- 8 **agreed** that New Zealand may sign the Agreement, subject to any changes of a minor or technical nature that might arise from the verification process;
- agreed that New Zealand may sign the Protocol, subject to any changes of a minor or technical nature that might arise from the verification process;
- noted that, as they are multilateral treaties, the Agreement and Protocol are required to undergo parliamentary treaty examination in accordance with Standing Order 405;
- approved the National Interest Analysis, attached as Attachment 3 to the paper under ECO-24-SUB-0215;
- agreed that the National Interest Analysis be presented to the House of Representatives following New Zealand's signature of the Agreement and Protocol;
- agreed that New Zealand may deposit with the ASEAN Secretariat an instrument of ratification for the Agreement and an instrument of ratification for the Protocol;
- noted that the Agreement will enter into force on the date of deposit of the instrument of ratification, acceptance, or approval with the Depositary (the ASEAN Secretariat) by New Zealand and at least two ASEAN member states;
- 15 **noted** that the Protocol will enter into force on the date of deposit of the instrument of ratification, acceptance, or approval with the Depositary (the ASEAN Secretariat) by New Zealand and at least two ASEAN member states;

16 s 6(a)

authorised the Associate Minister of Transport to issue a media statement advising Cabinet's decision to approve signing and ratification by New Zealand of the Agreement and of the Protocol.

Rachel Clarke Committee Secretary

#### Present:

Hon David Seymour

Hon Chris Bishop (Chair)

Hon Shane Jones

Hon Brooke van Velden

Hon Simeon Brown

Hon Louise Upston

Hon Todd McClay

Hon Tama Potaka

Hon Matt Doocey Hon Simon Watts

Hon Melissa Lee

Holl Mellssa Lee

Hon Andrew Bayly Hon Andrew Hoggard

Hon Mark Patterson

Simon Court MP

#### Officials present from:

Office of the Prime Minister Office of Hon Simon Watts Officials Committee for ECO