

MEMORANDUM OF UNDERSTANDING

Delegations representing the Government of India and the Civil Aviation Authority of Russia met in New Delhi on 20/21 February 2006, to discuss matters relating to the Air Transport Agreement between the two countries. The talks were held in a friendly and cordial atmosphere. The composition of the two delegations is given in Appendix "A".

2. After extensive discussions, the two delegations agreed as follows :

2.1 Passenger/Combination Services


2.1.1 Points of Call

- i) The designated airline(s) of Russia shall be entitled to operate to/from 3 (three) additional points of call in India – Amritsar, Ahmedabad and Goa.
- ii) The designated airline(s) of India shall be entitled to operate to/from 3 (three) additional points of call of choice in Russia – to be specified by the Indian side at a later date.

2.1.2 Fifth Freedom Traffic Rights.

- i) So long as the designated airline(s) of India do not operate services to/through the 6th point of choice in Russia, the designated airline(s)

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of India shall be provisionally entitled to exercise additional full 5th freedom traffic rights between Moscow on the one hand and any 2 (two) points of choice of the Indian side on the other : one point in the CIS countries and one point in the Gulf countries, excluding points in the Gulf to which Aeroflot operates scheduled services.

2.1.3 Route Schedule

The existing Annex (containing the Route Schedules of the two sides) to the Air Transport Agreement shall be replaced with a revised Annex, which will contain the revised Route Schedules for passenger/combination services of the two sides, as given in Appendix "B".

2.1.4 Capacity Entitlements

- i) The designated airline(s) of India shall be entitled to operate 46 (forty six) frequencies per week in each direction, with any aircraft of capacity equal to or less than the capacity of a B747 aircraft, to/through the points of call in Russia available to the Indian side.
- ii) The designated airline(s) of Russia shall be entitled to operate 46 (forty six) frequencies per week in each direction, with any aircraft of capacity equal to or less than the capacity of a B747 aircraft, to/through the points of call in India available to the Russian side, as follows :



Between		
Points in Russia	Points in India	Frequencies per Week
Moscow	Delhi	14
Moscow	Mumbai	8
St Petersburg	Delhi	3
St Petersburg	Mumbai	3
Any Points in Russia	Kolkata	7
Any Points in Russia	Goa	7
Any Points in Russia	Amritsar	2
Any Points in Russia	Ahmedabad	2
Total		46

2.1.5 Commercial Arrangements

- i) Operations of first 12 frequencies per week in each direction on the Moscow/Delhi & vice versa route and first 5 frequencies per week in each direction on the Moscow/Mumbai & vice versa route, by the designated airline(s) of Russia, will be covered by the existing terms and conditions of the Commercial Agreement between Aeroflot and Air India. This requirement shall cease on 01 January, 2010.
- ii) Commercial Arrangements will not be bilaterally mandated for any additional operations over and above the operations specified in para 2.1.5(i) above - including the exercise of intermediate and/or beyond 5th freedom traffic rights as may be agreed by the two sides - by the designated airline(s) of the two sides.

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All-Cargo Services

2.2.1 The designated airline(s) of both Parties shall be permitted to operate all-cargo freighter services from any point(s) in the territory of the Party designating the airline(s) to any point(s) in the territory of the other Party, via any point(s) and beyond to any point(s) and vice versa, with full 3rd, 4th and 5th freedom traffic rights. Such services may be operated with any aircraft and without any frequency limitation.

2.3 Overflights

2.3.1 The designated airline(s) of both Parties shall be entitled to overfly the territory of the other Party on the promulgated ATS routes, as per their respective schedules.

3. Safety

3.1 Both delegations agreed to abide by ICAO Annexes 6 and 8 regarding Airworthiness and Safety respectively.

4. Age of Pilots

4.1 The Indian delegation stated that, in accordance with ICAO guidelines, DGCA, India, has recently permitted its airlines to utilize the services of professional pilots up to the age of 65 years. Under the Gazette Notification dated 17 November, 2005 (copy at Appendix "C"), issued in this regard, a pilot is permitted to act as a Pilot-in-command or a Co-pilot

till he/she has attained the age of 65 years, subject to his/her being physically fit and provided that the aircraft is operated in a multi-crew environment and the other pilot is less than 60 years of age. In view of this, the Indian delegation requested the Russian delegation to grant permission to the Indian carriers to operate their aircraft to, through, and over the territory of Russia with one of the pilots up to the age of 65 years, in accordance with the Gazette Notification.

- 4.2 The Russian delegation advised that they would support India's request for the grant of the required permissions with the concerned authorities.

5. **Taxes**

- 5.1 The Indian delegation referred to the Code Share/Block Space Agreement between Air India and Aeroflot on the Moscow/Delhi & vice versa and Moscow/Mumbai & vice versa routes and apprised the Russian delegation that, at Moscow airport, the airport taxes payable by passengers travelling on Air India tickets are much higher than those payable by passengers travelling on Aeroflot tickets on the same flight. This places Air India at a commercial disadvantage and goes against the spirit of the Bilateral Air Transport Agreement between the two countries.

- 5.2 The Russian delegation assured that the matter regarding the higher airport taxes payable by passengers travelling on Air India tickets will be taken up with the concerned authorities in Russia for early resolution.



5.3 Both delegations agreed that all taxes should be levied on the Indian/Russian carriers in Russia/India based on the principle of reciprocity and subject to the local laws and regulations.


6. **Visa for Indians**

6.1 The Indian side raised the issue regarding problems faced by Indians in obtaining Russian visa expeditiously. The Russian side agreed to take up the matter with the concerned authorities with a view to amicably address this issue.

7. **Kazan-Baku-Delhi Services**

7.1 The Russian delegation requested for permission to operate services to the routing Kazan/Baku/Delhi & vice versa, within the available entitlements to/from Delhi. The Indian delegation noted the request and agreed to revert through a separate diplomatic communication.

8. Both delegations agreed that this Memorandum of Understanding shall come into force with immediate effect and shall supersede existing bilateral arrangements, to the extent applicable.


Leader of Indian Delegation


Leader of Russian Delegation

List of Indian Delegation

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| 1. | Mr. R. K. Singh
Joint Secretary
Ministry of Civil Aviation | Leader |
| 2. | Mr. P.K. Chattopadhyay
Joint Director General
Directorate General of Civil Aviation | Member |
| 3. | Mr. M.P. Gavai
Director (ITP)
Ministry of External Affairs | Member |
| 4. | Mrs. S. Lalwani
Director (P&IR),
Air India Ltd. | Member |
| 5. | Mr. D. S. Shinde
Asst. General Manager
Air India Ltd. | Member |
| 6. | Mr. Pankaj Bhargava
Manager (Russia & CIS)
Air India Ltd. | Member |



List of Russian Delegation

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| 1. | Mr. G.V. Loschenov
Deputy Director, Department of the State
policy in the field of civil aviation, geodesy and cartography
Ministry of Transport of the Russian
Federation | Leader |
| 2. | Mr. D. E. Savchenko
Senior Expert, Department for State
policy in the field of civil aviation, geodesy and cartography
Ministry of Transport of the Russian
Federation | Member |
| 3. | Mr. I.N. Regush
AEROFLOT | Member |
| 4. | Ms. N.V. Pechinkina
TRANSAERO | Member |
| 5. | Mr. A.V. Leonov
VOLGA-DNEPR | Member |
| 6. | Mr. Yu. A. Lavrentiev
RUSSKOE NEBO (Russian Sky) | Member |
| 7. | Mr. V.P. Demidov
AIR UNION | Member |
| 8. | Ms. E.V. Rogova
PULKOVO | Member |
| 9. | Mr. Yu. B. Badmaev
PULKOVO | Member |
| 10. | Mr. V.V. Ilyushin
ATLANT SOYUZ | Member |
| 11. | Mr. R.I. Guliex
Air Tatarstan | Member |
| 12. | Dr. Igor V. Ivliev
General Manager
Aeroflot Russian Airlines in India | Member |

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| 13. | Ms. N.V. Nazarova
Volga-Dnepr Airlines | Member |
| 14. | Mr. Vladimir V. Chryssanthov
First Secretary, Russian Embassy | Member |
| 15. | Mr. Denis G. Kudryashov
Attache, Russian Embassy | Member |



ANNEX
TO THE AIR TRANSPORT AGREEMENT
BETWEEN
THE GOVERNMENT OF INDIA
AND
THE GOVERNMENT OF THE RUSSIAN FEDERATION

1. Routes which shall be operated by the designated airline(s) of India with passenger/combination aircraft in both directions:

Points in India	Intermediate Points	Points in the Russian Federation	Points Beyond
Route 1			
Any points in India	To be agreed	Moscow, St Petersburg, 3 rd point to be specified	Points in Europe
Route 2			
Any points in India	Nil	4 th , 5 th & 6 th points to be specified	Nil

2. Routes which shall be operated by the designated airline(s) of the Russian Federation with passenger/combination aircraft in both directions:

Points in the Russian Federation	Intermediate Points	Points in India	Points Beyond
Route 1			
Any points in the Russian Federation	To be agreed	Delhi, Kolkata, Mumbai	Points in Asia
Route 2			
Any points in the Russian Federation	Nil	Goa, Amritsar, Ahmedabad	Nil

Notes :

- a) The right of the designated airline of one Contracting Party to transport passenger, cargo and mail between the points in the territory of the other Contracting Party and points in the territory of a third country shall be subject to agreement between the Aeronautical Authorities of the Contracting Parties.

- b) Intermediate points and points beyond referred to in paragraphs (1) and (2) above may be omitted by the designated airline(s) at its discretion.
- c) Intermediate and/or beyond points other than those specified in its route schedule may be served by the designated airline(s) of either Contracting Party but without exercising traffic rights between such points and points in the territory of the other Contracting Party.
- d) The designated airline(s) of the Russian Federation shall be entitled to operate to Delhi and Kolkata on the same flight subject to no traffic rights being exercised between Delhi and Kolkata. The designated airline(s) of India shall be entitled to operate to Moscow and St Petersburg on the same flight subject to no traffic rights being exercised between Moscow and St Petersburg.
- e) Any types of co-operative marketing arrangements such as joint operation and code-sharing operations with the airlines of third countries are subject to special agreement between the Aeronautical Authorities of both countries.
- f) While considering matters related to charter flights of non-designated airlines on agreed routes between the Contracting Parties operated by their designated airlines, the Contracting Parties shall take into account the interest of the designated airlines so as not to affect unduly their opportunity to offer services on the above mentioned routes.

