SCHEDULE 2

Regulation 7

Amendment of Regulation (EC) No 1008/2008

1. Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24th September 2008 on common rules for the operation of air services in the Community is amended as follows.

- 2. In the title for "Community" substitute "United Kingdom".
- 3. In Article 1—
 - (a) for paragraph 1 substitute—

"1. This Regulation regulates the licensing of UK air carriers, the imposition of public service obligations in respect of scheduled air services and information on pricing of air services within the United Kingdom.; and"; and

(b) omit paragraph 2.

4.—(1) Article 2 is amended as follows.

- (2) In paragraph 2 for "an authority of a Member State" substitute "the authority".
- (3) In paragraph 7 omit "in a Member State".
- (4) In paragraph 8 omit the words from ", as provided in" to the end.
- (5) In paragraph 11-
 - (a) for "Community air carrier" substitute "UK air carrier"; and
 - (b) for "a competent licensing authority" substitute "the competent licensing authority".
- (6) After paragraph 11 insert—

"11A. 'qualifying air carrier' means:

- (a) a UK air carrier; or
- (b) any air carrier eligible to operate services on the route concerned under or by virtue of an agreement between the United Kingdom and another country;".
- (7) Omit paragraphs 13 and 14.
- (8) In paragraphs 18 and 19 omit "expressed in euro or in local currency".
- (9) Omit paragraphs 20 to 22.
- (10) For paragraph 26 substitute—

"26. "principal place of business" means the head office or registered office of a UK air carrier.".

- 5.—(1) Article 3 is amended as follows.
- (2) In paragraph 1—
 - (a) for "established" substitute "which has its principal place of business"; and
 - (b) for Community" substitute "United Kingdom".

(3) In paragraph 3 for "Community, national, or international law" substitute "national or international law".

6. In Article 4—

- (a) in the introductory phrase, omit "of a Member State";
- (b) in point (a) for "that Member State" substitute "the United Kingdom";

- (c) in point (b), for the words from "in accordance with" to the end, substitute "by the Civil Aviation Authority"; and
- (d) omit point (f).
- 7. In Article 5(3)—
 - (a) for "EUR 100 000" substitute "£87,000"; and
 - (b) for "EUR 3 million" substitute "£2,600,000".

8.—(1) Article 6 is amended as follows.

(2) In paragraph 2—

- (a) for "Community air carrier" substitute "UK air carrier"; and
- (b) omit the second subparagraph.
- (3) Omit paragraphs 3 and 3a.

9.—(1) Article 7 is amended as follows.

(2) In paragraph 1—

- (a) for "nationals of Member States" substitute "UK nationals"; and
- (b) for the words from "Member State of origin" to "residence" substitute "UK".

(3) In paragraph 2—

- (a) for "Member State", in each place it occurs, substitute "country"; and
- (b) for "Member States" substitute "countries".

10.—(1) Article 8 is amended as follows.

(2) In paragraph 1 for "Community air carrier", in both places it occurs, substitute "UK air carrier".

(3) In paragraph 2—

- (a) for "Commission" substitute "Secretary of State"; and
- (b) omit the words from "In case" to the end.

(4) In paragraphs 3 to 6, for "Community air carrier", in each place it occurs, substitute "UK air carrier".

- (5) In paragraph 7—
 - (a) for "Community air carriers" substitute "UK air carriers"; and
 - (b) for "Community air carrier" substitute "UK air carrier".

(6) In paragraph 8—

- (a) for "Community air carriers", in each place it occurs, substitute "UK air carriers";
- (b) for "EUR 100 000" substitute "£87,000"; and
- (c) for "EUR 3 million" substitute "£2,600,000".

11.—(1) Article 9 is amended as follows.

- (2) For "Community air carrier", in each place it occurs, substitute "UK air carrier".
- (3) In paragraph 2 omit the second subparagraph.
- (4) In paragraph 5, for "Community air carrier's" substitute "UK air carrier's".

12. In Article 10—

- (a) in paragraph 2, for the words from "authorities" to the end, substitute "authority"; and
- (b) omit paragraph 3.
- **13.**—(1) Article 12 is amended as follows.
- (2) For paragraph 1 substitute—

"1. Aircraft used by a UK air carrier shall be registered in the United Kingdom. However, when used under a dry lease or a wet lease agreement in accordance with Article 13, such aircraft may be registered in the national register either of the United Kingdom or of another country.".

(3) Omit paragraph 2.

14.—(1) Article 13 is amended as follows.

- (2) In paragraph 1—
 - (a) for "Community air carrier" substitute "UK air carrier";
 - (b) for "Community air carriers" substitute "UK air carriers";
 - (c) before "the Community" insert "the United Kingdom or"; and
 - (d) omit the words from "The Commission" to the end.
- (3) In paragraph 2—
 - (a) for "Community air carrier", in both places it occurs, substitute "UK air carrier"; and
 - (b) omit "Community or national".
- (4) In paragraph 3—
 - (a) in the introductory phrase—
 - (i) for "Community air carrier" substitute "UK air carrier", and
 - (ii) for "third country" substitute "country other than the United Kingdom or a Member State";
 - (b) in point (a)—
 - (i) for "Community air carrier" substitute "UK air carrier", and
 - (ii) omit "Community or"; and
 - (c) in point (b)—
 - (i) for "Community air carrier", in each place it occurs, substitute "UK air carrier", and
 - (ii) after "registered within the Community", in both places it occurs, insert "or the United Kingdom".
- (5) In paragraph 4—
 - (a) in the first subparagraph, for "the approval" substitute "an approval granted under paragraph 3";
 - (b) for the second subparagraph substitute—

"The competent authority may refuse to grant the approval if there is no reciprocity as regards wet leasing between the United Kingdom and the country where the wet-leased aircraft is registered."; and

(c) omit the third subparagraph.

15. In Article 14, for "Community air carrier", in both places it occurs, substitute "UK air carrier".

16. Omit Article 15.

- **17.**—(1) Article 16 is amended as follows.
- (2) In paragraph 1—
 - (a) for the words from the beginning to "airports concerned" substitute "The Secretary of State, following consultation with the airports concerned, the Government of Gibraltar, if such an airport is located there,";
 - (b) for the words from "the Community" to "on its territory", substitute "the United Kingdom or Gibraltar and an airport serving either a peripheral or development region of the United Kingdom or Gibraltar, or on a thin route to any airport in the United Kingdom or Gibraltar,"; and
 - (c) after "airport serves" insert "or of Gibraltar".
- (3) In paragraph 2—
 - (a) for "Member States concerned" substitute "Secretary of State"; and
 - (b) for "Community air carrier" substitute "qualifying air carrier".
- (4) In paragraph 3—
 - (a) for "Member State(s)" substitute "Secretary of State"; and
 - (b) in point (a), after "concerned" insert "or, as the case may be, Gibraltar".
- (5) In paragraph 4—
 - (a) for the first subparagraph substitute—

"When the Secretary of State proposes to impose a public service obligation, the Secretary of State must in writing communicate the details of the envisaged public service obligation to—

- (a) the airports concerned,
- (b) the Government of Gibraltar, if such an airport is located there, and
- (c) any qualifying air carriers operating the route in question."; and
- (b) in the second subparagraph—
 - (i) for the words from the beginning to "Union", substitute "The Secretary of State must publish an information notice in the London, Edinburgh and Belfast Gazettes:", and
 - (ii) in point (c), for "Member State concerned" substitute "Secretary of State".
- (6) Omit paragraph 5.
- (7) In paragraphs 7 and 8, for "Community air carrier" substitute "qualifying air carrier".
- (8) In paragraph 9—
 - (a) for "Community air carrier", in both places it occurs, substitute "qualifying air carrier";
 - (b) for "Member State concerned" substitute "Secretary of State"; and
 - (c) omit the second subparagraph.
- (9) In paragraph 10—
 - (a) for "Community air carrier" substitute "qualifying air carrier"; and
 - (b) for "a Member State may issue a single invitation to tender covering different routes" substitute "a single invitation to tender covering different routes may be issued".
- (10) In the first subparagraph of paragraph 12—
 - (a) for "Community air carrier", in both places it occurs, substitute "qualifying air carrier";
 - (b) for "Member State concerned" substitute "Secretary of State";
 - (c) in point (a), omit "by the Member State"; and

- (d) in point (b), for "Community air carriers" substitute "qualifying air carriers".
- (11) Omit the second subparagraph of paragraph 12.
- **18.**—(1) Article 17 is amended as follows.
- (2) Omit paragraph 2.
- (3) In paragraph 4—
 - (a) for the words from the beginning to "European Union" substitute "The Secretary of State must ensure that an invitation to tender is made known through the publication of an information notice in the London, Edinburgh and Belfast Gazettes."; and
 - (b) omit from "In case" to the end.
- (4) In paragraph 5—
 - (a) omit point (a); and
 - (b) in point (d), omit "by the Member State concerned".
- (5) In paragraph 6, for "The Member State(s) concerned" substitute "The Secretary of State".
- (6) In paragraph 7, omit "from the Member State(s) concerned".

(7) In paragraph 8, for the words from the beginning to "paragraph 7," substitute "An air carrier which has been selected under paragraph 7 may be compensated".

(8) Omit paragraphs 9 and 10.

19. Omit Articles 18 to 22.

20.—(1) Article 23 is amended as follows.

(2) In paragraph 1, for "territory of a Member State to which the Treaty applies" substitute "United Kingdom".

- (3) Omit paragraph 2.
- **21.** Omit Articles 24 to 26.

22. In the text immediately after Article 28, omit "This Regulation shall be binding in its entirety and directly applicable in all Member States".