

Provisions for the Conduct of the IATA Traffic Conferences

I. ESTABLISHMENT OF TRAFFIC CONFERENCES

1. The following Traffic Conferences are established for passenger matters:
 - (i) Passenger Procedures Conferences, with worldwide authority, comprising:
 - Passenger Services Conference
 - Passenger Agency Conference
 - (ii) Passenger Tariff Coordinating Conferences comprising:
 - a) Conferences having authority with respect to traffic within the individual geographical area indicated by the numeral in its name, as follows:
 - Passenger Tariff Conference 1
 - Passenger Tariff Conference 2
 - Passenger Tariff Conference 3
 - b) Conferences having authority with respect to traffic between the geographical areas indicated by the numerals in its name, as follows:
 - Passenger Tariff Conference 1 / 2
 - Passenger Tariff Conference 2 / 3
 - Passenger Tariff Conference 3 / 1
 - Passenger Tariff Conference 1 / 2 / 3
2. The following Traffic Conferences are established for cargo matters:
 - (i) Cargo Procedures Conferences, with worldwide authority, comprising:
 - Cargo Services Conference
 - Cargo Agency Conference

- (ii) Cargo Tariff Coordinating Conferences comprising:
 - (a) Conferences having authority with respect to traffic within the individual geographical area indicated by the numeral in its name, as follows:
 - Cargo Tariff Conference 1
 - Cargo Tariff Conference 2
 - Cargo Tariff Conference 3
 - b) Conferences having authority with respect to traffic between geographical areas indicated by the numerals in its name, as follows:
 - Cargo Tariff Conference 1/2
 - Cargo Tariff Conference 2/3
 - Cargo Tariff Conference 3/1
 - Cargo Tariff Conference 1/2/3
- 3. The geographical areas referred to in Paragraphs 1 and 2 hereof are identified on a master map on file with the Director General and described as follows:
 - Area 1** — Encompassing all of the North and South American continents and the islands adjacent thereto, Greenland, Bermuda, the West Indies and islands of the Caribbean Sea, the Hawaiian Islands (including Midway and Palmyra).
 - Area 2** — Encompassing all of Europe (including that part of the Union of Soviet Socialist Republics in Europe) and the islands adjacent thereto, Iceland, the Azores, all of Africa and the islands adjacent thereto, Ascension Island, that part of Asia lying west of and including Iran.
 - Area 3** — Encompassing all of Asia and the islands adjacent thereto except the portion included in Area 2, all of the East Indies, Australia, New Zealand and the islands adjacent thereto, the islands of the Pacific Ocean except those included in Area 1.
- 4. The Secretary may, when required, convene a composite meeting of two or more Traffic Conferences.
- 5. Each Tariff Coordinating Conference shall for voting purposes comprise a number of sub-areas as set out in the First Schedule hereto.

6. The Board of Governors may increase or decrease the number of Traffic Conferences and change the names, alter the boundaries and determine the respective headquarters thereof.
7. Sub-areas may be altered by the Board of Governors.
8. (i) The Board of Governors may at the request of two or more voting Members of a Tariff Coordinating Conference or a sub-area operating Third and Fourth Freedom services therein direct that no further meetings of that Conference or sub-area be held for such period or periods of time as the Board of Governors may in its absolute discretion determine, in which event the obligations resulting from membership of that Conference or sub-area shall be suspended for the period or periods so determined.
- (ii) The Board of Governors shall at the request of a majority of the voting Members of a Tariff Coordinating Conference or a sub-area operating Third and Fourth Freedom services therein direct that no further meetings of that Conference or sub-area be held for such period or periods of time as the Board of Governors may in its absolute discretion determine, in which event the obligations resulting from membership of that Conference or sub-area shall be suspended for the period or periods so determined.
- (iii) Any such suspension may be modified, or terminated, by the Board of Governors at any time if conditions so warrant.

II. MEMBERSHIP

All Conferences

1. There shall be two classes of Members of Traffic Conferences, voting Members and non-voting Members.
2. (i) An Associate Member of IATA may elect to become a non-voting Member of any Traffic Conference.
- (ii) An Associate Member which has so elected to become a non-voting Member of a Traffic Conference shall:
 - a) be bound by all requirements set forth in Traffic Conference resolutions relating to announcement, advertising and sales of agreed fares and rates or to the disclosure of information concerning IATA Traffic meetings;
 - b) be entitled to attend as an observer meetings of the Traffic Conferences and Working Groups at which voting Members are permitted to have observers; and

- c) be authorized to receive on request documentation normally provided to voting Members, other than Cost Committee reports.
3. Upon termination of membership in IATA the former Member's membership of each Traffic Conference shall likewise terminate but such former Member shall remain liable for Traffic Conference dues in respect of the period up to and including 31 December of the year in which membership ceased.

Procedures Conferences

4. Each Active Member of IATA which operates a scheduled commercial international air transport service for the carriage of passengers shall be a voting Member of the Passenger Procedures Conferences.
5. Each Active Member of IATA which operates a scheduled commercial international air transport service for the carriage of cargo shall be a voting Member of the Cargo Procedures Conferences.

Tariff Coordinating Conferences

6. (i) Each Active Member of IATA shall elect whether or not to participate in Passenger Tariff Coordinating Conferences within 30 days of such Member's admission to IATA Membership.
- (ii) Each Active Member of IATA which has elected to participate in Passenger Tariff Coordinating Conferences and which operates a scheduled commercial international air transport service for the carriage of passengers under Third and Fourth Freedom rights within a Passenger Tariff Conference and sub-area thereof shall be a voting Member of that Conference and of that sub-area.
- (iii) Each Active Member of IATA which has elected to participate in Passenger Tariff Coordinating Conferences and which operates a scheduled commercial international air transport service for the carriage of passengers under Fifth Freedom rights within a Passenger Tariff Conference and sub-area thereof may if it so desires elect to become a voting Member of that Conference and of that sub-area.
- (iv) An Active Member which has elected to participate in Passenger Tariff Coordinating Conferences and is a voting Member of a Passenger Tariff Conference, may elect to become a voting Member of a Passenger Tariff Conference in which it does not operate a scheduled commercial international air transport service, provided such Conference bears the numeral of one of the geographical areas of the Conference in which such Member is a voting Member.

- (v) An Active Member of IATA which has elected to participate in Passenger Tariff Coordinating Conferences and which is ineligible for voting Membership of a particular Passenger Tariff Conference may elect to become a non-voting Member of that Conference.
- 7.
- (i) Each Active Member of IATA shall elect whether or not to participate in Cargo Tariff Coordinating Conferences within 30 days of such Member's admission to IATA Membership.
 - (ii) Each Active Member of IATA which has elected to participate in Cargo Tariff Coordinating Conferences and which operates a scheduled commercial international air transport service for the carriage of cargo under Third and Fourth Freedom rights within a Cargo Tariff Conference and sub-area thereof shall be a voting Member of that Conference and of that sub-area.
 - (iii) Each Active Member of IATA which has elected to participate in Cargo Tariff Coordinating Conferences and which operates a scheduled commercial international air transport service for the carriage of cargo under Fifth Freedom rights within a Cargo Tariff Conference and sub-area thereof may if it so desires elect to become a voting Member of that Conference and of that sub-area.
 - (iv) An Active Member which has elected to participate in Cargo Tariff Coordinating Conferences and is a voting Member of a Cargo Tariff Conference, may elect to become a voting Member of a Cargo Tariff Conference in which it does not operate a scheduled commercial international air transport service, provided such Conference bears the numeral of one of the geographical areas of the Conference in which such Member is a voting Member.
 - (v) An Active Member of IATA which has elected to participate in Cargo Tariff Coordinating Conferences and which is ineligible for voting membership of a particular Cargo Tariff Conference may elect to become a non-voting Member of that Conference.
8. If a Member ceases to operate every service which qualifies such Member for membership of a particular Tariff Conference or sub-area, that Member's membership of such Conference or sub-area shall cease at the close of business on 31 December of the year in which the qualification ceases.
- 9.
- (i) Each Member shall inform the Secretary in writing in a form and manner to be prescribed by the Secretary of each election made by such Member under the foregoing provisions of this Section.
 - (ii) To be valid each election to participate, and any revocation of an election not to participate, must reach the Secretary not later than the last day of

any calendar month for effectiveness on the first day of the next but one calendar month. Each such election shall remain valid for a minimum period of one year.

- (iii) Subject to the provisions of paragraph (ii) above an election to participate may be revoked by a subsequent election not to participate which must reach the Secretary not later than 30 June in any year for effectiveness at the close of business on the following 31st day of December.
 - (iv) The Secretary shall as soon as practicable circulate to all Active Members of IATA particulars of every election made by any Member under this paragraph.
 - (v) Notwithstanding the foregoing provisions of this paragraph, a Member may revoke its election to participate within 30 days after circulation by the Secretary of particulars of any election not to participate made by any other Member hereunder, such revocation to take effect at the close of business on the following 31st day of December; provided, however, that with respect to a Member's initial election to participate following implementation of these Provisions in accordance with Section XVI hereof, a revocation of such election to participate shall take effect thirty days after its notification to the Secretary.
 - (vi) If any dispute arises as to a Member's election under this Section or with regard to the effective date thereof or of the termination of such election or membership of a particular Conference or sub-area the matter shall be referred to the Board of Governors whose decision shall be final.
10. (i) The Secretary shall include in the agenda of each Conference meeting a list of Members of such Conference and of each sub-area thereof distinguishing between voting and non-voting Members.
- (ii) Any Member disputing such listing shall appeal to the Chairman of the Traffic Conference in question and the Secretary. Their determination shall be final and binding for that meeting. If further disputed the matter shall be resolved for future meetings by the Board of Governors.

III. OBSERVERS

1. The Director General may invite the Secretariat of the International Civil Aviation Organization (ICAO), the Commission of the European Communities, the Secretariat of regional organizations of government Civil Aviation Authorities, the Secretariat of regional organizations of scheduled airlines, and any Government formally expressing a requirement to attend, to be represented by one or more observers at any appropriate Traffic Conference sessions.

2. Such observers shall be entitled to receive Conference documentation (including minutes) upon request made to the Secretary.
3. Under rules to be established by that Conference, the Passenger Services Conference or the Cargo Services Conference may invite any person to attend any meeting or session of its Conference as an observer. Attendance fees to be paid by such observers may be established by the Secretary of the Conference from time to time.
4. Such observers shall be invited not to disclose to the public or to the Press any information concerning Conference meetings or the progress or conduct thereof, for the duration of the Conference.

IV. TERMS OF REFERENCE

All Conferences

1. The aims, objects and purposes of the Traffic Conferences shall be those of IATA, and nothing contained herein nor action taken pursuant hereto shall be inconsistent with the Articles of Association of IATA.
2. The terms of reference of any Traffic Conference may be altered by the Board of Governors.

Procedures Conferences

3. (i) The Passenger Services Conference shall take action on matters relating to passenger services including passenger and baggage handling, documentation, procedures, rules and regulations, reservations, ticketing, schedules and automation standards.

(ii) The Passenger Agency Conference shall take action on matters relating to relationships between airlines and recognized passenger sales agents and other intermediaries but excluding remuneration levels.
4. (i)¹ The Cargo Services Conference shall be responsible for the development and maintenance of standards for cargo industry procedures. The Conference shall adopt and maintain Resolutions, Industry Standards and Recommended Practices, provided that authority to adopt amendments to Recommended Practices may be delegated to a permanent subgroup of the Conference; debate and develop common industry positions on broad cargo services issues; promote the effective and efficient implementation of cargo industry standards; exchange industry information; provide direction to, elect members of, and biennially review the mandate of permanent subgroups.

¹ The U.S. DOT approved and immunized this Paragraph upon the condition that the Cargo Services Conference shall not take action to develop rates, charges and/or related conditions.

- (ii) The Cargo Agency Conference shall take action on matters relating to relationships between airlines and intermediaries engaged in the sale and/or processing of international air cargo but excluding remuneration levels.

Tariff Coordinating Conferences

5. Subject as hereinafter provided each Passenger Tariff Coordinating Conference shall concern itself with the analysis of relevant operating costs and take action to develop passenger fares and related conditions in respect of the area of authority of such Conference.
6. A Composite meeting of Passenger Tariff Conferences shall take action on those matters and practices relating to fare construction and currency rules (other than those which by their own terms are applicable only to one Passenger Tariff Conference), conditions of service, baggage allowance and charges, remuneration levels of recognized passenger sales intermediaries, and such other matters as may be referred to it by any Passenger Tariff Conference.
7. Subject as hereinafter provided each Cargo Tariff Coordinating Conference shall concern itself with the analysis of relevant operating costs and take action to develop cargo rates and related conditions in respect of the area of authority of such Conference.
8. A Composite meeting of Cargo Tariff Conferences shall take action on those matters and practices relating to rate construction and currency rules (other than those which by their own terms are applicable only to one Cargo Tariff Conference), remuneration levels of intermediaries engaged in the sale and/or processing of international air cargo and such other matters as may be referred to it by any Cargo Tariff Conference.
9. Any action with reference to rates for the carriage of air mail shall be restricted to recommendations for the carriage of mail by foreign air carriers.

V. ACCREDITED REPRESENTATIVES

1. Each voting Member shall accredit in writing to the Secretary one representative to each Traffic Conference. Each appointment of such accredited representative shall be duly executed by the Chief Executive of the Member, and shall certify that the appointee has full power and authority to bind the appointing Member on any matter properly before the Traffic Conference, and that the appointee has full power and authority to designate an alternate to act in his place and stead and to delegate to such alternate such power and authority to bind the appointing Member.
2. A duly accredited representative may appoint as alternate to act in his place and stead at any meeting a responsible employee of such Member; provided that no

such person shall be recognised as the alternate of a representative unless there is on file with the Secretary, or is presented at the time a written designation, signed by such representative, delegating to such person the power and authority of such representative to act on Traffic Conference matters; provided further that in the case of two or more Members being engaged in joint operations, the alternate may be an employee of any such Member engaged in such joint operations. Such designation of an alternate shall be valid until revoked or replaced by another designation.

VI. MEETINGS

1. Regular meetings of each Traffic Conference shall be held not less frequently than once every two years at a time determined by the preceding meeting. The place of such meetings shall be determined by the Director General after considering any recommendations of the Conference.
2. The subjects to be dealt with on the agenda of such regular meetings shall be in conformity with the Terms of Reference of such Conference.
3. All other meetings shall be considered as special meetings. Such special meetings shall be called by the Secretary, whenever and for such time, place or purpose as the Director General or the Board of Governors may direct.
4. The Secretary shall give at least 90 days' notice by mail, telegram or cable to each Member of a Tariff Conference before the date fixed for any regular meeting, and such notice shall contain the date, the place and the provisional agenda of the meeting, except that only fifteen days' notice of a special meeting requested by the Director General or the Board of Governors need be given.
5. Any voting Member desiring to have a matter placed before a Tariff Conference including new Agenda Items may make request therefor by presenting such matter in adequate written detail to the Secretary not less than 40 days prior to the meeting describing clearly the problem and recommended solution and including any necessary documentation to support it. Additionally any voting Member may, if essential and unavoidable, make submissions to a Tariff Conference up to termination of business on the second day of the Conference provided that such submissions relate only to items already included in the agenda. The Secretary and Chairman shall determine the eligibility of such submissions provided that in the event of dispute of such decision the Tariff Conference shall determine the eligibility of the submission by simple majority vote. The Secretary shall place on the agenda for the meeting all matters that have been so presented.
6. Thirty days prior to regular meetings of each Tariff Conference, and not less than 15 days prior to the date of a special meeting, a copy of the final agenda shall be mailed by the Secretary to each Member of such Conference. Only business

included on the agenda and submissions received by no later than the termination of business on the second day of the conference may be acted upon at that meeting.

7. The agenda shall designate the matters upon which action may be properly taken at the meeting to which the agenda is referable, and the matters upon which discussion only can be had. It shall furthermore set forth such matters at sufficient length to enable Members to consider prior to the meeting what action should be taken thereon, and shall specify by whose request each matter has been placed on the agenda.
8. ²The Services Conferences and the Agency Conferences shall establish procedures regulating the notice of call to be given for each meeting and the preparation and circulation of the agenda, distinguishing, if necessary, between items for action and items for discussion. Pending the establishment of such procedures, Paragraphs 4, 5, 6 and 7 hereof shall also apply to such Conferences on the basis that references therein to Tariff Conferences were references to the Services Conferences or Agency Conferences, as the case may require.
9. One-third of the representatives of the voting Members of a Tariff Conference, and one-fifth of the representatives of the voting members of a Services Conference or Agency Conference which have nominated an Accredited Representative to such Conference, or their respective designated alternates acting in their place and stead, shall constitute the quorum at any meeting of the Traffic Conference concerned; provided always that if the agenda for a particular meeting of a Tariff Conference is limited to matters of concern to one sub-area the quorum for such meeting shall be 50 per cent of the voting Members of the sub-area in question. In the event a Tariff Conference meeting is convened for less than a full sub-area, there shall be a quorum if 80 per cent of the Third/Fourth Freedom voting Members operating between the countries for which the meeting has been convened are present at the Conference meeting. If the meeting is convened between countries where there are four or less Third/Fourth Freedom voting Members, there shall be a quorum if the majority of those voting Members are present at the Conference meeting. At any meeting of a Traffic Conference, if the required quorum is not obtained, the meeting shall be deferred sine die. However, voting members present at such meeting may convene as a policy group of the Conference to assist the Conference by discussing and reviewing all items on the agenda which would have been discussed had a quorum been present, provided that any recommendation with respect to such

² The Special Meeting of the Agency and Services Conferences during 1979 agreed to the following procedures: the formal covering notice will be issued not less than 90 days prior to commencement of the meeting; deadline for submission of Agenda Items to the Secretary of the Procedures Conference concerned will be 75 days prior to commencement of the meeting; the Agenda will be issued not less than 60 days prior to commencement of the meeting.

items shall be submitted to the full Conference by mail/cable, as provided in Section IX of these Provisions.

10. Non-voting Members may be present throughout Traffic Conference meetings but shall not be heard while business designated for action is under consideration, unless authorised by the Chairman.
11. ³The Passenger Services Conference or the Cargo Services Conference may at its discretion, hold joint meetings of that Conference, or authorize joint meetings of its Committees, Boards or Working Groups, with committees of the Air Transport Association of America and affiliated associations. Such joint meeting may adopt their own rules of procedure which may not be inconsistent with these Provisions. Action of the Conference at a joint meeting shall only be taken by a vote of the Services Conference.

VII. INPUT FROM THIRD PARTIES

1. Any person shall have the right to receive copies of the agenda of any Traffic Conference subject to payment of reasonable charges therefor to be established by the Secretary from time to time.
2. Any person may submit a specific written proposal on any subject or matter pending before the Conference to the Secretary who shall refer such proposal to the appropriate Conference. The Secretary will inform the proponent of the action taken and the outcome thereof.
3. If any such person is desirous of making an oral presentation in support of his written submission, he shall so inform the Secretary in writing, with an indication of the points to be made in the presentation. All such requests shall be considered by the Secretary in conjunction with the Chairman of the Traffic Conference, who shall jointly determine whether such request shall be conceded having regard to the importance of the subject matter of the submission, the practicability or otherwise of including the substance of the oral presentation in the written submission, the number of other requests and the time and convenience of the Conference.
4. Written submissions and oral presentations shall be made in conformity with administrative procedures established by the Secretary from time to time.

³ The U.S. DOT approved and immunised this Paragraph upon the condition that the joint meetings shall not develop or discuss any fares, rates, charges or related conditions.

** An Industry Standard sets forth procedures where uniformity among all Members is considered necessary for interline service but because of their developmental, technological or operational nature not all carriers follow these procedures. As a Member needs to be aware whether its interline partner is using the procedure, Members keep their interline partners advised through the Secretary of the Conference.*

*** A Recommended Practice sets forth procedures which will facilitate the interlining of traffic among Members but where uniformity of the procedures is not considered essential.*

5. For the purposes of paragraphs 2 and 3 of this Section, the expression “person” shall exclude (i) any person qualified for membership of IATA which has not become an Active or Associate Member of IATA, and (ii) any Active or Associate Member of IATA which has elected not to participate in Tariff Coordinating Conferences. This paragraph shall not apply to the Passenger Services Conference nor the Cargo Services Conference.

VIII. TRAFFIC CONFERENCE ACTION — VOTING

All Conferences

1. ⁴Only action in the form of a resolution of a Traffic Conference shall be binding upon the Members thereof, and no statement in the minutes of a meeting shall be construed as binding action upon such Members. The intended date of commencement of effectiveness of each resolution and of expiry thereof shall be prescribed by the Conference.
2. Where a Member certifies in writing with respect to any action taken by a Traffic Conference that such action would require it to contravene an applicable law or regulation or official policy of the State of which such Member is a national, the Member shall not be bound thereby, and each other Member, upon receiving notice thereof from the Secretary, shall have the right to indicate to the Secretary whether it will continue to be bound thereby. Notice given under this Paragraph shall continue until withdrawn in writing by the Member or until the expiry date of the resolution(s) concerned.
3. Each voting Member of a Traffic Conference shall have only one vote, to be cast by its duly accredited representative, or by that representative’s duly accredited alternate. There shall be no voting by proxy. Abstention or failure to vote on the

⁴ The Executive Committee has formally issued by mail vote, with effect of 10 May 1988, the following interpretations of Section VIII, Paragraph 1.

1. “The Executive Committee having taken note of the view of the U.S. DOT that all determinations with respect to fares, rates and charges, and their conditions of applicability, are capable of having a binding effect on Members inter alia through government action, is issuing the following interpretation of Section VIII, Paragraph 1 of the Provisions which states that ‘only action in the form of a resolution of a traffic conference shall be binding upon the Members thereof.’”
“Section VIII, Paragraph 1 requires that all determinations of fares, rates and charges, and their conditions of applicability, shall be by resolution only.”
2. “The Executive Committee, having taken note of condition 3 imposed on the provisions by U.S. Government action and the limitations thereby imposed on the putting into effect of resolutions fixing rates, fares or charges prior to submission thereof and approval by the U.S. authorities and recognising that such conditions are taken in U.S. law to have the force of amendments to the Provisions, is further interpreting as follows: Section VIII, Paragraph 1 of the Provisions which states that ‘the intended date of commencement of effectiveness of each resolution ... shall be prescribed by the Conference’:”
“Taking into account condition 3 to the Provisions and the prior action of the Conference as expressed in Resolution 001, Section VIII, Paragraph 1 requires that any resolution fixing rates, fares or charges, as to which prior approval by the U.S. Government is required, shall be declared effective only upon, and to the extent of, approval by the U.S. Government. Section VIII, Paragraph 1 also requires that Members acting in accordance with the Provisions shall put such agreements into effect only upon, and in accordance with, such declarations of effectiveness.”

part of any accredited representative (or his alternate) who is present at the meeting shall be deemed to be an affirmative vote except as hereinafter provided.

4. The provisions of Paragraphs 8 and 12 of this Section shall not apply to matters of procedure at the Conference or the administration thereof which may be passed by a simple majority of the Members present and voting.
5. Industry Standards* may be adopted at a meeting of a Services Conference by an 80 per cent majority of the voting Members of that Conference present and voting. In the vote on Industry Standards by the Passenger Services Conference, abstentions shall not be counted. In the vote on Industry Standards by the Cargo Services Conference, abstentions shall be considered an affirmative vote. Notwithstanding Paragraph 1 of this Section, Industry Standards shall be binding on every Member of the Conference as though expressly agreed by such Member, unless a Member, at any time, informs the Secretary of the Conference by written notice that it is not bound by that Industry Standard. A Member of the Conference which has elected not to be bound by an Industry Standard may elect to be bound by that Industry Standard at any time by notice to the Secretary of the Conference. The Secretary of the Conference shall keep Members currently advised of all notices received advising that a Member elects not to be bound by an Industry Standard or that it subsequently elects to be bound by an Industry Standard. An Industry Standard may not amend any provision contained in a Resolution adopted by the Conference.
6. A recommended practice** may be adopted at any meeting of a Services Conference by a majority of two-thirds of the voting Members present and voting. Abstentions shall not count in the vote. Recommended Practices are for guidance of Members of the Conferences and are not binding on them.

Procedures Conferences

7. Any action taken by the Procedures Conferences in accordance with these Provisions shall be binding upon every Active Member of IATA to the same extent as though expressly agreed by such Member.
8. Resolutions may only be passed at any meeting of a Procedures Conference upon the unanimous affirmative vote of all voting Members present at the meeting, provided always that when a proposed Resolution is concerned only with a matter affecting one or more of the Areas referred to in Section I Paragraph 3 such Resolution may be passed on the unanimous affirmative vote of all voting Members of such Area or Areas as the case may be.

* An Industry Standard sets forth procedures where uniformity among all Members is considered necessary for interline service but because of their developmental, technological or operational nature not all carriers follow these procedures. As a Member needs to be aware whether its interline partner is using the procedure, Members keep their interline partners advised through the Secretary of the Conference.

** A Recommended Practice sets forth procedures which will facilitate the interlining of traffic among Members but where uniformity of the procedures is not considered essential.

Tariff Coordinating Conferences

9. Except as hereinafter otherwise provided, any action taken by a Passenger Tariff Conference in accordance with these Provisions shall be binding upon every Active Member of IATA which has elected to participate in Passenger Tariff Coordinating Conferences to the same extent as though expressly agreed to by such Member.
10. Except as hereinafter otherwise provided, any action taken by a Cargo Tariff Conference in accordance with these Provisions shall be binding upon every Active Member of IATA which has elected to participate in Cargo Tariff Coordinating Conferences to the same extent as though expressly agreed to by such Member.
11. Except with respect to Member's initial election to participate following implementation of these Provisions in accordance with Section XVI hereof, a Member which subsequently elects to participate in Tariff Coordinating Conferences, shall, notwithstanding anything to the contrary herein, only be bound by action taken at, and after, a Tariff Conference held subsequent to the effectiveness of the Member's election to participate.
12. Except as hereinafter provided, resolutions may only be passed at any meeting of a Tariff Coordinating Conference upon the unanimous affirmative vote of all voting Members present at the meeting.
13. The unanimous vote of the voting Members of a sub-area present at a meeting shall be deemed action by the Conference unless 20 per cent or more or 5 whichever is the greater of all other voting Members of such Conference present at the meeting cast negative votes. Any Member which casts such a negative vote may declare at the same time that any Resolution adopted will not apply to services to or from the country under whose flag it operates.
14. A negative vote shall not be cast against a resolution to revalidate a pre-existing fare, rate or charge resolution unless the Member concerned has submitted for the agenda either a proposed change to the resolution or has given prior notice of intention not to revalidate the resolution. The foregoing prohibition shall not apply if the Conference adopts a correlated change in or does not revalidate a related resolution. The Chairman of the Tariff Conference in which such voting takes place shall determine the eligibility of the Members to vote under this paragraph as well as the effect of the vote on any resolution.
15. If the Chairman of a Tariff Coordinating Conference, after consultation with the Director General, declares that a Conference agreement cannot be achieved, two or more Members may reach an agreement provided that:

- (i) ⁵at least 80 per cent of the total number of voting Members operating Third/Fourth Freedom services between the countries between which the agreement is to apply are present at the meeting;
- (ii) all voting Members present at the meeting operating Third/Fourth Freedom services between the countries between which the agreement is to apply are parties to such agreement;
- (iii) such action is not opposed by a majority of the voting Members of the Conference in which the agreement is to apply which are present at the meeting;
- (iv) said agreement is not inconsistent with any effective unanimous Conference resolution determining the fares, rates, charges or conditions of service within the area.

An agreement reached in accordance with the provisions of this paragraph shall be deemed to be action of the Conference. It shall be binding on those Members who are party to it and upon those Members not present at the Conference who operate Third/Fourth or Fifth Freedom Services between the countries between which the agreement is to apply. Any other Member may by notice to the Secretary declare itself to be bound by such agreement.

16. ⁶If the Chairman of a Tariff Coordinating Conference, having reviewed the possible forms of agreement authorised by these Provisions and after consultation with the Director General, declares that a Conference agreement cannot be achieved, the Chairman may:

- (i) recess the Conference;
- (ii) extend any existing agreement for the area/sub-area concerned for a single period of up to 90 days;
- (iii) reconvene the Conference in high level policy session to review those issues preventing agreement.

⁵ The Executive Committee at its 118th Meeting (Amsterdam, March 1981) issued the following interpretation of Section VIII Paragraph 15 (i):

“That where an area/sub-area of the Tariff Coordinating Conferences consists of four or less Third/Fourth Freedom voting Members, the requirement in Section VIII, Paragraph 15 (i) of the Provisions for the Conduct of the IATA Traffic Conferences shall be interpreted as permitting a Limited Agreement if the majority of those voting Members are present at the Conference.”

⁶ The U.S. DOT has approved and immunised Paragraph 16 upon the condition that any extension of prior agreements under sub-paragraph (ii) be filed with the DOT for appropriate action and that no such extension be made effective until DOT approval or absent DOT approval.

17. ⁷(i) Any Member may, not earlier than 30 days after the intended effectiveness date of a fare or rate agreement and upon giving not less than 60 days notice, introduce innovative fares or rates between the country of which it is a national carrier and another country to or from which it operates provided that it considers a market change has or will have effect after such intended effectiveness date. Any such action shall be taken by notification in writing to the Secretary.
- (ii) Any such notification shall only be given jointly after prior agreement between the Member airlines of each country concerned if the laws or regulations of such countries permit such agreement.
- (iii) Any fares or rates so notified will remain in effect until a date prescribed at the next meeting of the Tariff Conference concerned, and will be available to all Members, subject to the conditions attached to the fares or rates and to normal routing controls, except that with respect to passenger fares stopovers will not be permitted.
- (iv) Any other Member may, within 15 days of the date of circulation of the notification by the Secretary, request that a meeting be convened of the Tariff Conference concerned, which will then be convened within 20 days of the receipt of the request. If unanimous agreement is not reached within 5 days of the commencement of the special meeting, the fares or rates so notified will, nevertheless, become effective 60 days after the date of the notification; provided that any Member who so desires, may rescind the agreement in the Tariff Conference or sub-area concerned, in which case the Resolutions involved shall cease to be effective 60 days after the date of notification referred to in subparagraph 17 (i) above.
- (v) Any other Member will be able to make corresponding changes to fares or rates between a different pair of countries competitively related to the two countries involved in the original notification, and may request the same effectiveness date as for the original notification. In the event that the fares or rates covered by the induced notification fail to receive government approval, despite the fact that the fares or rates covered by

⁷ At its 113th meeting (Lusaka, March 1980), the Executive Committee issued the following interpretation of Section VIII Paragraph 17:

“At the request of the Director General, and pursuant to Section XIV of the Provisions for the Conduct of IATA Traffic Conferences, the Executive Committee has addressed the application of Section VIII (17) of the Provisions to routes involving transportation to/from the U.S.A. and U.S. territories to be approved by any member of the relevant Conference other than the carrier proposing the innovative fare or rate.”

“The Executive Committee interprets Section VIII (17) (ii) to exempt Member airlines from the need for joint notification for innovative fares and rates involving transportation to/from the U.S.A. and U.S. territories. In the view of the Executive Committee, the U.S. antitrust laws do not permit agreement on joint notification within the meaning of Section VIII (17) (ii). Thus, the Executive Committee confirms that for all routes to/from the U.S.A., innovative fare and rate proposals by one Member carrier need not be approved by any other Member or members of the Conference.”

the original notification had received government approval, the Member originating the induced notification may request that a meeting be convened, and if agreement is not achieved at that meeting, may rescind the fares or rates agreement in the Tariff Conference concerned.

- (vi) Except as referred to in the preceding paragraphs, the foregoing procedures will not alter the effectiveness of the fares or rates agreement in the Tariff Conference concerned.
- (vii) Any Tariff Coordinating Conference or sub-area thereof may by simple majority recommend to the Board of Governors that implementation of the procedures set forth in this Paragraph be deferred for such period as the Board of Governors shall determine, provided that deferment shall not be permitted with respect to Tariff Coordinating Conferences and sub-areas thereof involving transportation to/from Canada, the U.S.A. and U.S. territories.

IX. ACTION BY MAIL/CABLE

1. Any Traffic Conference may adopt Resolutions by mail vote and Services Conferences may also adopt Industry Standards and Recommended Practices by mail vote. Such matters may be submitted to the voting Members of the appropriate Conference by the Secretary, for action by mail vote, in the following circumstances:
 - (i) upon the majority vote of voting Members represented at any meeting of that Conference; or
 - (ii) upon request in writing to the Secretary by a voting Member of the Conference; or
 - (iii) following a decision of a policy group convened under Section VI, Paragraph (9) of these Provisions; or
 - (iv) upon the request of the Director General.
2. Matters submitted to the voting Members of a Traffic Conference for mail vote shall be mailed by the Secretary to the accredited representative of each voting Member by air mail. A copy thereof shall also be sent to the accredited representative of each non-voting Member of the Traffic Conference.
3. The voting period shall be 21 days. The length of the voting period may be extended upon the authority of the Secretary. In voting on Resolutions, abstentions and failure to vote within the prescribed period shall be deemed to constitute an affirmative vote.

4. Except as provided in paragraph 5 hereof, in the case of a mail vote within a Procedures Conference or a Tariff Conference a resolution shall only be adopted upon the unanimous affirmative vote of all voting Members of the Conference.
5. In the case of a mail vote relating to an agreement reached in accordance with Section VIII paragraph 15 a resolution shall only be adopted upon the unanimous affirmative vote of all Members party to such an agreement.
6. The Services Conferences may adopt Industry Standards by an affirmative vote of 80 per cent of voting Members which have voted within the prescribed period and Recommended Practices by a two-thirds affirmative vote of the voting Members which have voted within the prescribed period. In voting on Industry Standards abstentions shall count affirmative in the voting by the Cargo Services Conference but shall not be counted in the voting by the Passenger Services Conference. In voting on Recommended Practices abstentions shall not be counted in the vote.
7. In cases of urgency the Director General may authorise a mail vote to be conducted by cable in which event a shorter voting period than 21 days may be established.

X. COMMITTEES AND WORKING GROUPS

1. A Cost Committee is hereby established which shall analyse costs periodically, shall make observations thereon to the Traffic Conferences and shall develop other cost/financial data as requested by the Traffic Conferences or the Director General.
2. (i) The following Committees with their terms of reference are established within the Passenger Services Conference:
 - A. **Reservations Committee** — To develop recommendations on all procedures and policy issues relating to reservations rules and regulations, including transmission of reservations services for use by customers and agents.
 - B. **Passenger Forms and Procedures Committee** — To develop recommendations to simplify and improve manual and automated passenger ticketing, documentation, rules and procedures.
 - C. **Airport Services Committee** — To develop recommendations to simplify and improve passenger and baggage handling, procedures, forms, regulations, and automated systems and message standards. To provide overall policy direction and general management for airport services standards and procedures. The Committee shall publish its recommendations concerning ramp services in the IATA Airport Handling Manual (Recommended Practice 1690). Amendments to the Manual shall be by a majority vote of all ASC Members and IATA Members specifying an interest in receiving this information.

(ii) The following Committees with their terms of reference are established within the Passenger Agency Conference:

- A. **Passenger Agency Procedures Committee** — To develop recommendations with respect to passenger agency procedures.
- B. **Bank Settlement Plan Committee** — To develop recommendations on all matters relating to the IATA Standard Bank Settlement Plans.
- C. **Passenger Agency Training Committee** — To develop and promote training programmes and publications suitable for passenger sales agency personnel needs with a view to establishing recognised standards of professional competence in the industry.

3. (i) The following Committee with its terms of reference is established within the Cargo Services Conference:

Cargo Services Conference Management Group — To oversee and manage the ongoing work programmes of the CSC; to establish and implement policy and strategy on behalf of CSC; to advise on and monitor Member and Secretariat resource utilisation.

(ii) The following Committees with their terms of reference are established within the Cargo Agency Conference:

- A. **Cargo Agency Procedures Committee** — To develop recommendations with respect to cargo agency procedures.
- B. **Cargo Accounts Settlement System Committee** — To develop recommendations on all matters relating to the IATA Cargo Accounts Settlement System.
- C. **Cargo Agency Training Committee** — To develop and promote training programmes and publications suitable for cargo agency personnel needs with a view to establishing recognised standards of professional competence in the industry.

4. Notwithstanding the terms of reference given in Paragraphs 2 and 3 above, the Committees defined in Sub-paragraphs 2(i) and 3(i) may approve and adopt those Industry Standards and Recommended Practices which have been allocated to a specific Committee by the applicable Services Conference and which are duly on the agenda for the Committee meeting and within the terms of reference of the Committee. Industry Standards shall be adopted by a unanimous vote of the voting Members present and voting. In the vote on Industry Standards by the Passenger Services Conferences, abstentions shall not be counted in the vote. In the vote on

Industry Standards by the Cargo Services Conferences, abstentions shall be considered an affirmative vote. Recommended Practices shall be adopted if agreed by two-thirds majority of voting Members present and voting; abstentions shall not count in the vote. Voting rights shall be extended to any Active Member nominating a representative to attend a Committee meeting. Such nomination shall be made by the Conference Accredited Representative. Agenda proposals which are not agreed at a Committee meeting may be placed on the agenda of the next meeting of the appropriate Services Conference, provided that further consideration of the matter by the Services Conference shall first require consent of the Conference by majority vote.

5. (i) With the exception of the Bank Settlement Plan Committee, the Committees referred to in Paragraphs (2) and (3) above shall consist of not more than 18 members based insofar as practicable upon numerical relationships as follows: —

Members based	
in geographical area 1	6
Members based	
in geographical area 2	9
Members based	
in geographical area 3	<u>3</u>
	18

(ii) The Passenger Agency Conference may adjust the maximum membership of the Bank Settlement Plan Committee to take account of the number of operational Bank Settlement Plans in individual countries or areas. Membership of the Committee shall bear a reasonable relationship to the geographical distribution of the individual Bank Settlement Plans.

(iii) Appointment of members of such Committees shall be made by the appropriate Procedures Conference from nominations by Members. A majority of members of a Committee or their respective designated alternates acting in their place and stead shall constitute the quorum at any meeting of such Committees.

6. Unless otherwise determined by the Committee or the appropriate Procedures Conference, regular meetings of each Committee shall be held at a time determined by the preceding meeting of the Committee. Special meetings may be called upon written request of a majority of the appointed members of the Committee or a majority of the Members of the responsible Conference or the Director General.
7. Notice of any meeting of a Committee other than the Cost Committee shall be given by the Secretary of the Committee to all members thereof at least 60 days prior to the date of the meeting, requesting submission of items for the agenda not later than 45 days prior to the date of the meeting, unless a shorter or longer period has

been established by the appropriate Procedures Conference. The agenda and documentation for such meetings shall be dispatched to Committee members and to all Members of the appropriate Procedures Conference at least 30 days prior to the date of the meeting, unless a shorter or longer period has been established by the appropriate Procedures Conference by a majority vote.

8. The Board of Governors may establish other Committees or disband existing Committees.
9. Notwithstanding the foregoing provisions of this Section any Traffic Conference may by resolution establish Boards or Panels to administer the provisions of such resolution. Any Traffic Conference may also establish such ad hoc Working Groups and Task Forces as it considers necessary or desirable for the efficient discharge of its responsibilities. Any ad hoc Working Group or Task Force shall be disbanded after completion of its assigned task.
10. Notwithstanding the foregoing provisions of this Section, a Services Conference may establish other Committees or disband existing Committees; establish Boards or Panels to administer the provisions of a Resolution, Industry Standard or Recommended Practice; and also establish such ad hoc Working Groups or Task Forces as it considers necessary or desirable for the efficient discharge of its responsibilities. Any ad hoc Working Group or Task Force shall be disbanded after completion of its assigned task. The Services Conference shall further establish the Terms of Reference of such Committees, Boards, Panels and Working Groups and Task Forces.
11. ⁸(i) Any person may be invited to give technical assistance at any meeting of the following:
 - a Committee established pursuant to Paragraph 2 or Paragraph 3 of this Section,
 - a Board established by Resolution of a Procedures Conference,
 - an ad hoc Working Group established pursuant to Paragraph 9 of this Section,
 - upon such conditions as may be established by the appropriate Procedures Conference.
- (ii) Unless otherwise provided in these Provisions or by Resolution of the appropriate Procedures Conference, voting rights shall not be extended to such persons and may only be exercised by members of the Committee, Board or Working Group concerned.

⁸ The U.S. DOT has approved and immunised this Paragraph with respect to its application to the Services Conferences but disapproved it, without prejudice, with respect to its application to the Agency Conferences.

12. Committees, Boards and Working Groups shall not establish sub-committees or groups without prior reference to the Traffic Conference or the Director General.
13. The duties of Working Groups shall be prescribed at the time of the creation thereof.
14. Persons serving as members of Committees, Boards and Working Groups shall, while serving in such capacity, be deemed to represent the Traffic Conference, and not the Member of IATA by whom they are employed.
15. A majority of members or their properly designated alternate acting in their place and stead shall constitute the quorum at any meeting of a Committee.
16. All Members of a Services Conference may attend any meeting of a Committee of that Conference as observers without voting rights except any voting Member may vote on Industry Standards and Recommended Practices.
17. A Committee of a Services Conference may invite any person to attend any session of a meeting of a Committee of that Conference as an observer. Attendance fees to be paid by any persons invited to attend as observers may be established by the Secretary of that Conference from time to time.
18. The provisions of Section VII of these Provisions regarding input from third parties at meetings of Traffic Conferences shall equally apply to Committees and Boards of the Services Conferences.
19. Decisions of a Committee of a Services Conference shall be by majority vote of those members of the Committee present and voting; except in the adoption of Industry Standards and Recommended Practices the voting shall be as described in Paragraphs 4 and 16 of this Section. Decisions of a Board created by a Services Conference shall be by a majority affirmative vote of its members present and voting unless the Resolution, Industry Standard or Recommended Practice establishing the Board prescribe otherwise. Voting of a Working Group of a Services Conference shall be by majority of its members present and voting unless its Terms of Reference prescribe otherwise.

XI. OFFICERS

1. Each Traffic Conference shall have two officers: a Chairman and a Secretary.
2. The Director General shall appoint the Chairman for each Traffic Conference meeting from a list of names prepared by the Traffic Committee and approved by the Board of Governors.
3. The Secretary and the staff for each Traffic Conference shall be provided by the Director General and shall be employees of IATA, independent of any of the Members of IATA.

4. The Chairman of a Traffic Conference shall preside at all meetings of that Traffic Conference. In the absence or unavailability of the Chairman the Director General shall appoint another Chairman to preside at the meeting; in the absence of such appointment by the Director General the meeting shall elect by a majority vote and by secret ballot its Acting Chairman for that meeting.
5. The Secretary shall keep records and shall perform such duties as are required of him hereunder and such other duties as are required of him by the Traffic Conference and by authority of the Director General. The Chairman and Secretary shall advise the Director General of action taken at a Traffic Conference meeting.
6. Each Conference shall appoint the Chairman and Vice-Chairman of each of its Committees, Boards or Working Groups. The Secretary of each Committee, Board or Working Group shall be provided by IATA.

XII. COMPLIANCE

1. Each Member of IATA shall comply in all respects with the provisions of these Regulations.
2. Each Member of IATA shall comply with the resolutions of the Procedures Conferences.
3. Each Member which has elected to participate in any Passenger Tariff Coordinating Conference as a voting or non-voting Member shall comply with the resolutions of all Passenger Tariff Coordinating Conferences binding upon it.⁹
4. Each Member which has elected to participate in any Cargo Tariff Coordinating Conference as a voting or non-voting Member shall comply with the resolutions of all Cargo Tariff Coordinating Conferences binding upon it.⁹

XIII. DEFINITIONS

In these Provisions the following expressions shall have the meanings assigned to them unless the context otherwise requires: —

Third, Fourth and Fifth Freedom — For the purpose of these Provisions, the Third, Fourth and Fifth Freedoms are to be understood in the sense of the Definition of such Freedoms contained in the International Air Transport Agreement signed at Chicago on 7 December 1944. However, all references therein to the nationality of aircraft shall be deemed to refer to the nationality of the airline concerned.

XIV. INTERPRETATION

Any questions of interpretation of these Provisions shall be resolved by the Board of Governors.

⁹ The words 'binding upon it' have been reincorporated in accordance with DOT Order 89-4-50.

XV. AMENDMENTS

These Provisions may be amended at any time by the Board of Governors.

The First Schedule

Tariff Conference 1 Mexico sub–area, that is between USA (excluding Puerto Rico and the Virgin Islands, US) and Canada on the one hand and Mexico on the other.

Tariff Conference 1 Caribbean sub–area, that is:

- a) between USA (excluding Puerto Rico and the Virgin Islands, US) on the one hand and Bermuda, Bahamas, The Caribbean Islands, Guyana, Suriname, French Guiana on the other;
- b) between Canada and Mexico on the one hand and Bermuda, Bahamas, The Caribbean Islands (including Puerto Rico and the Virgin Islands, US), Guyana, Suriname, French Guiana on the other;
- c) (i) within the area composed of Bermuda, Bahamas, The Caribbean Islands (including Puerto Rico and the Virgin Islands, US);
(ii) between the area referred to in (i) above on the one hand and Guyana, Suriname and French Guiana on the other.

Tariff Conference 1 Longhaul sub–area, that is:

- a) between the USA, Canada, Mexico on the one hand and Central America and South America on the other;
- b) between Bermuda, Bahamas, The Caribbean Islands, Guyana, Suriname and French Guiana on the one hand and Central America and South America on the other;
- c) between Central America on the one hand and South America on the other;
- d) within Central America.

NOTE: For the purpose of definition of the ‘Caribbean’ and ‘Longhaul’ areas the following are defined as follows:

- a) **The Caribbean Islands’**
Anguilla, Antigua and Barbuda, Aruba, Barbados, Bonaire, Cayman Islands, Cuba, Curacao, Dominica, Dominican Republic, Grenada, Guadeloupe, Haiti, Jamaica, Martinique, Montserrat, Saba, Sint Eustatius, St. Kitts–Nevis, Saint Lucia, St. Maarten, St. Vincent and the Grenadines, Trinidad and Tobago, Turks and Caicos Islands, Virgin Islands (British).
- b) **‘Central America’**
Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua.

c) **'South America'**

Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Panama, Paraguay, Peru, Uruguay, Venezuela.

Tariff Conference 1 Within South America sub-area, that is within the area composed of Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, French Guiana, Guyana, Panama, Paraguay, Peru, Suriname, Uruguay, Venezuela.

Tariff Conference 2 Within Europe sub-area, that is within the area composed of Albania, Algeria, Andorra, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Gibraltar, Greece, Hungary, Iceland, Ireland/Republic of, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia (FYROM), Malta, Moldova/Republic of, Monaco, Montenegro, Morocco, Netherlands, Norway, Poland, Portugal, Romania, Russian Federation (West of the Urals), San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Tunisia, Turkey, Ukraine, United Kingdom.

Tariff Conference 2 Within Middle East sub-area, that is within the area composed of Bahrain, Egypt, Iran/Islamic Republic of, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Palestinian Territories, Qatar, Saudi Arabia, South Sudan, Sudan, Syrian Arab Republic, United Arab Emirates, Yemen.

Tariff Conference 2 Within Africa sub-area, that is within the area composed of Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo (Democratic Republic of), Congo (Republic of), Côte d'Ivoire, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mayotte, Mozambique, Namibia, Niger, Nigeria, Reunion, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, Swaziland, Tanzania/United Republic, Togo, Uganda, Zambia, Zimbabwe.

Tariff Conference 2 Europe — Middle East sub-area, that is between the area defined as the 'Tariff Conference 2 Within Europe' sub-area, and the area defined as the 'Tariff Conference 2 Within Middle East' sub-area.

Tariff Conference 2 Europe — Africa sub-area, that is between the area defined as the 'Tariff Conference 2 Within Europe' sub-area and the area defined as the 'Tariff Conference 2 Within Africa' sub-area.

Tariff Conference 2 Middle East — Africa sub-area, that is between the area defined as the 'Tariff Conference 2 Within Middle East' sub-area and the area defined as the 'Tariff Conference 2 Within Africa' sub-area.

Tariff Conference 3 South Asian Subcontinent sub-area, that is within the area composed of Afghanistan, Bangladesh, Bhutan, India (including Andaman Islands), Maldives, Nepal, Pakistan, Sri Lanka.

Tariff Conference 3 South East Asia sub-area, that is within the area composed of Brunei Darussalam, Cambodia, China, Chinese Taipei, Christmas Island, Cocos (Keeling) Islands, Guam, Hong Kong, Indonesia, Kazakhstan, Kyrgyzstan, Lao People's Democratic Republic, Macau, Malaysia, Marshall Islands, Micronesia, Mongolia, Myanmar, Northern Mariana Islands (includes Mariana Islands except Guam), Palau, Philippines, Russian Federation (East of the Urals), Singapore, Tajikistan, Thailand, Turkmenistan, Uzbekistan, Viet Nam.

Tariff Conference 3 South West Pacific sub-area, that is within the area composed of American Samoa, Australia, Cook Islands, Fiji, French Polynesia, Kiribati, Nauru, New Caledonia, New Zealand, Niue, Norfolk Island, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu, Wallis and Futuna Islands.

Tariff Conference 3 Japan/Korea sub-area, that is within the area composed of Japan and Korea.

Tariff Conference 3 South Asian Subcontinent — South East Asia sub-area, that is between the area defined as the 'Tariff Conference 3 South Asian Subcontinent' sub-area and the area defined as the 'Tariff Conference 3 South East Asia' sub-area.

Tariff Conference 3 South Asian Subcontinent — South West Pacific sub-area, that is between the area defined as the 'Tariff Conference 3 South Asian Subcontinent' sub-area and the area defined as the 'Tariff Conference 3 South West Pacific' sub-area.

Tariff Conference 3 South Asian Subcontinent — Japan/Korea sub-area, that is between the area defined as the 'Tariff Conference 3 South Asian Subcontinent' sub-area and the area defined as the 'Tariff Conference 3 Japan/Korea' sub-area.

Tariff Conference 3 South East Asia — South West Pacific sub-area, that is between the area defined as the 'Tariff Conference 3 South East Asia' sub-area and the area defined as the 'Tariff Conference 3 South West Pacific' sub-area.

Tariff Conference 3 South East Asia — Japan/Korea sub-area, that is between the area defined as the 'Tariff Conference 3 South East Asia' sub-area and the area defined as the 'Tariff Conference 3 Japan/Korea' sub-area.

Tariff Conference 3 South West Pacific — Japan/Korea sub-area, that is between the area defined as the 'Tariff Conference 3 South West Pacific' sub-area and the area defined as the 'Tariff Conference 3 Japan/Korea' sub-area.

Tariff Conference 1/2 North Atlantic — Europe sub-area, that is between USA, Canada, Mexico (for passenger matters only), Puerto Rico, Saint Pierre and Miquelon, Virgin Islands, US and the area defined as the 'Tariff Conference 2 Within Europe' sub-area.

Tariff Conference 1/2 North Atlantic — Middle East sub-area, that is between USA, Canada, Mexico (for passenger matters only), Puerto Rico, Saint Pierre and Miquelon,

Virgin Islands, US and the area defined as the 'Tariff Conference 2 Within Middle East' sub-area.

Tariff Conference 1/2 North Atlantic — Africa sub-area, that is between USA, Canada, Mexico (for passenger matters only), Puerto Rico, Saint Pierre and Miquelon, Virgin Islands, US and the area defined as the 'Tariff Conference 2 Within Africa' sub-area.

Tariff Conference 1/2 Mid Atlantic — Europe sub-area, that is between the area composed of Anguilla, Antigua and Barbuda, Aruba, Bahamas, Barbados, Bonaire, Belize, Bermuda, Bolivia, Cayman Islands, Colombia, Costa Rica, Cuba, Curacao, Dominica, Dominican Republic, Ecuador, El Salvador, French Guiana, Grenada, Guadeloupe, Guatemala, Guyana, Haiti, Honduras, Jamaica, Martinique, Mexico (for cargo matters only), Montserrat, Saba, Sint Eustatius, Nicaragua, Panama, Peru, St. Kitts-Nevis, Saint Lucia, St. Maarten, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, Turks and Caicos Islands, Venezuela, Virgin Islands (British) and the area defined as the 'Tariff Conference 2 Within Europe' sub-area.

Tariff Conference 1/2 Mid Atlantic — Middle East sub-area, that is between the Tariff Conference 1 area defined in the 'Mid Atlantic-Europe' sub-area and the area defined as the 'Tariff Conference 2 Within Middle East' sub-area.

Tariff Conference 1/2 Mid Atlantic — Africa sub-area, that is between the Tariff Conference 1 area defined in the 'Mid Atlantic-Europe' sub-area and the area defined as the 'Tariff Conference 2 Within Africa' sub-area.

Tariff Conference 1/2 South Atlantic — Europe sub-area, that is between the area composed of Argentina, Brazil, Chile, Paraguay, Uruguay and the area defined as the 'Tariff Conference 2 Within Europe' sub-area.

Tariff Conference 1/2 South Atlantic — Middle East sub-area, that is between the area composed of Argentina, Brazil, Chile, Paraguay, Uruguay and the area defined as the 'Tariff Conference 2 Within Middle East' sub-area.

Tariff Conference 1/2 South Atlantic — Africa sub-area, that is between the area composed of Argentina, Brazil, Chile, Paraguay, Uruguay and the area defined as the 'Tariff Conference 2 Within Africa' sub-area.

Tariff Conference 1/2/3 North Atlantic — South Asian Subcontinent sub-area, that is between USA, Canada, Mexico for passenger matters only, Puerto Rico, Virgin Islands, US and the area defined as the 'Tariff Conference 3 South Asian Subcontinent' sub-area.

Tariff Conference 1/2/3 North Atlantic — South East Asia sub-area, that is between USA, Canada, Mexico for passenger matters only, Puerto Rico, Virgin Islands, US and the area defined as the 'Tariff Conference 3 South East Asia' sub-area.

Tariff Conference 1/2/3 North Atlantic — Japan/Korea sub-area, that is between USA, Canada, Mexico for passenger matters, between USA, Canada, Puerto Rico, Virgin Islands,

US, for cargo matters and the area defined as the 'Tariff Conference 3 Japan/Korea' sub-area.

Tariff Conference 1/2/3 North Atlantic — South West Pacific sub-area, that is between USA, Canada, Mexico for passenger matters, between USA, Canada, Puerto Rico, Virgin Islands, US, for cargo matters and the area defined as the 'Tariff Conference 3 South West Pacific' sub-area.

Tariff Conference 1/2/3 Mid Atlantic — South Asian Subcontinent sub-area, that is between the Tariff Conference 1 area defined in the 'Tariff Conference 1/2 Mid Atlantic–Europe' sub-area and the area defined as the 'Tariff Conference 3 South Asian Subcontinent' sub-area.

Tariff Conference 1/2/3 Mid Atlantic — South East Asia sub-area, that is between the Tariff Conference 1 area defined in the 'Tariff Conference 1/2 Mid Atlantic–Europe' sub-area and the area defined as the 'Tariff Conference 3 South East Asia' sub-area.

Tariff Conference 1/2/3 Mid Atlantic — Japan/Korea sub-area, that is between the Tariff Conference 1 area defined in the 'Tariff Conference 1/2 Mid Atlantic–Europe' sub-area and the area defined as the 'Tariff Conference 3 Japan/Korea' sub-area.

Tariff Conference 1/2/3 Mid Atlantic — South West Pacific sub-area, that is between the Tariff Conference 1 area defined in the 'Tariff Conference 1/2 Mid Atlantic–Europe' sub-area and the area defined as the 'Tariff Conference 3 South West Pacific' sub-area.

Tariff Conference 1/2/3 South Atlantic — South Asian Subcontinent sub-area, that is between the area composed of Argentina, Brazil, Chile, Paraguay, Uruguay and the area defined as the 'Tariff Conference 3 South Asian Subcontinent' sub-area.

Tariff Conference 1/2/3 South Atlantic — South East Asia sub-area, that is between the area composed of Argentina, Brazil, Chile, Paraguay, Uruguay and the area defined as the 'Tariff Conference 3 South East Asia' sub-area.

Tariff Conference 1/2/3 South Atlantic — Japan/Korea sub-area, that is between the area composed of Argentina, Brazil, Chile, Paraguay, Uruguay and the area defined as the 'Tariff Conference 3 Japan/Korea' sub-area.

Tariff Conference 1/2/3 South Atlantic — South West Pacific sub-area, that is between the area composed of Argentina, Brazil, Chile, Paraguay, Uruguay and the area defined as the 'Tariff Conference 3 South West Pacific' sub-area.

Tariff Conference 2/3 and 1/2/3 via Tariff Conference 1 Europe — South Asian Subcontinent sub-area, that is between the area defined as the 'Tariff Conference 2 Within Europe' sub-area and the area defined as the 'Tariff Conference 3 South Asian Subcontinent' sub-area.

Tariff Conference 2/3 and 1/2/3 via Tariff Conference 1 Europe — South East Asia sub-area, that is between the area defined as the ‘Tariff Conference 2 Within Europe’ sub-area and the area defined as the ‘Tariff Conference 3 South East Asia’ sub-area.

Tariff Conference 2/3 and 1/2/3 via Tariff Conference 1 Europe — South West Pacific sub-area, that is between the area defined as the ‘Tariff Conference 2 Within Europe’ sub-area and the area defined as the ‘Tariff Conference 3 South West Pacific’ sub-area.

Tariff Conference 2/3 and 1/2/3 via Tariff Conference 1 Europe — Japan/Korea sub-area, that is between the area defined as the ‘Tariff Conference 2 Within Europe’ sub-area and the area defined as the ‘Tariff Conference 3 Japan/Korea’ sub-area.

Tariff Conference 2/3 and 1/2/3 via Tariff Conference 1 Middle East — South Asian Subcontinent sub-area, that is between the area defined as the ‘Tariff Conference 2 Within Middle East’ sub-area and the area defined as the ‘Tariff Conference 3 South Asian Subcontinent’ sub-area.

Tariff Conference 2/3 and 1/2/3 via Tariff Conference 1 Middle East — South East Asia sub-area, that is between the area defined as the ‘Tariff Conference 2 Within Middle East’ sub-area and the area defined as the ‘Tariff Conference 3 South East Asia’ sub-area.

Tariff Conference 2/3 and 1/2/3 via Tariff Conference 1 Middle East — South West Pacific sub-area, that is between the area defined as the ‘Tariff Conference 2 Within Middle East’ sub-area and the area defined as the ‘Tariff Conference 3 South West Pacific’ sub-area.

Tariff Conference 2/3 and 1/2/3 via Tariff Conference 1 Middle East — Japan/Korea sub-area, that is between the area defined as the ‘Tariff Conference 2 Within Middle East’ sub-area and the area defined as the ‘Tariff Conference 3 Japan/Korea’ sub-area.

Tariff Conference 2/3 and 1/2/3 via Tariff Conference 1 Africa — South Asian Subcontinent sub-area, that is between the area defined as the ‘Tariff Conference 2 Within Africa’ sub-area and the area defined as the ‘Tariff Conference 3 South Asian Subcontinent’ sub-area.

Tariff Conference 2/3 and 1/2/3 via Tariff Conference 1 Africa — South East Asia sub-area, that is between the area defined as the ‘Tariff Conference 2 Within Africa’ sub-area and the area defined as the ‘Tariff Conference 3 South East Asia’ sub-area.

Tariff Conference 2/3 and 1/2/3 via Tariff Conference 1 Africa — South West Pacific sub-area, that is between the area defined as the ‘Tariff Conference 2 Within Africa’ sub-area and the area defined as the ‘Tariff Conference 3 South West Pacific’ sub-area.

Tariff Conference 2/3 and 1/2/3 via Tariff Conference 1 Africa — Japan/Korea sub-area, that is between the area defined as the ‘Tariff Conference 2 Within Africa’ sub-area and the area defined as the ‘Tariff Conference 3 Japan/Korea’ sub-area.

Tariff Conference 3/1 North and Central Pacific — South Asian Subcontinent sub-area, that is between all countries in Tariff Conference 1 and the area defined as ‘Tariff Conference 3 South Asian Subcontinent’ sub-area.

Tariff Conference 3/1 North and Central Pacific — South East Asia sub-area, that is between all countries in Tariff Conference 1 and the area defined as ‘Tariff Conference 3 South East Asia’ sub-area.

Tariff Conference 3/1 North and Central Pacific — Japan/Korea sub-area, that is between all countries in Tariff Conference 1 and Japan/Korea.

Tariff Conference 3/1 South Pacific sub-area, that is between all countries in Tariff Conference 1 and the area defined as ‘Tariff Conference 3 South West Pacific’ sub-area.

ADDENDUM No. 1

By mail vote 1/2006, effective 9 November 2006, the Board of Governors adopted the following addendum:

Notwithstanding anything contained in these Provisions, the Board of Governors of IATA has determined that the sole purposes of the Tariff Conferences are to consider and take action on IATA multilateral interlinable fares, rates and related conditions. They are not to discuss or take action to develop on-line tariffs nor are discussions permissible concerning individual airline's costs, pricing strategies or marketing plans. The Tariff Conferences have no authority to discuss or reach agreement on the allocation of markets; the division or sharing of traffic; the division or sharing of revenue; or, the number of flights or capacity to be offered in any market. Any discussion regarding such matters or concerning any other competitively sensitive topics is strictly prohibited.

ADDENDUM No. 2

WHEREAS from time to time, those IATA Member airlines which do not participate in the Tariff Coordinating activities of IATA express interest in such participation;

and

WHEREAS familiarization with, and educational experience of, those activities will assist those Members in the decision-making process and enhance the possibility of additional participation in the Tariff Coordinating activities;

IT IS RESOLVED that the Provisions for the Conduct of the IATA Traffic Conferences are amended by the inclusion of the following Addendum:

“Notwithstanding any Section of these Provisions for the Conduct of the IATA Traffic Conferences:

- 1) The Director General of IATA is authorized to permit any IATA Member not already participating in the Tariff Coordinating activities of IATA to participate in Passenger and/or Cargo Tariff Coordinating Conferences for familiarization and educational purposes for a non-renewable maximum period of one year.
- 2) Such IATA Member wishing to so participate in Tariff Coordinating Conferences shall submit written application to the Director General indicating:
 - a) the Conference type (Passenger and/or Cargo) and the Conference areas in which it wishes to participate;
 - b) its acceptance of the conditions of participation as outlined in this Addendum.
- 3) The obligations and rights of such Member so participating shall be:
 - a) to appoint an Accredited Representative to each Conference;
 - b) to submit matters for the agenda of the Conference in accordance with Section VI, Paragraph (5), of the Provisions;
 - c) to participate in discussions.
- 4) The financial obligations of such Member so participating shall be limited to a share of the direct expenses of the Tariff Conferences concerned, calculated in accordance with the established procedures for participants in Tariff Coordinating Conferences.”

ADDENDUM No. 3¹⁰

WHEREAS the Regulations of the European Economic Community relating to air transport and, inter alia, to consultations on tariffs on scheduled air services, provide for a group exemption for such consultations on tariffs relating to routes between European Community airports, but impose a number of conditions to be fulfilled in order to benefit from the exemption; and

WHEREAS it is necessary to amend the Provisions for the Conduct of IATA Traffic Conferences in order to comply with these conditions:

IT IS RESOLVED that the Provisions for the Conduct of the IATA Traffic Conferences are amended by the inclusion of the following Addendum:

“Notwithstanding any Section of these Provisions for the Conduct of the IATA Traffic Conferences:

- 1) The Director General of IATA shall — subject to receipt of notification in accordance with Paragraph 2 of this Addendum — invite any airlines which:
 - a) operate, or have applied to operate, scheduled commercial international air transport services for the carriage of passengers and/or cargo between airports of the European Economic Community; and
 - b) are not IATA Members who have elected to participate in Passenger or Cargo Tariff Coordinating Conferences, as appropriate;

to participate in any TC2 Tariff Coordinating Conference held under these Provisions which shall include fares/rates and related conditions solely for application to transportation on scheduled air services between airports within the European Economic Community. To the extent any such Conference shall address fares/rates and related conditions solely for application to transportation on scheduled air services between airports within the European Economic Community, an airline invited pursuant to this Addendum shall participate as a voting Member. To the extent any such Conference shall address any other

¹⁰ ¹⁰Addendum 3 was approved and immunized by the U.S. DOT for a period of one year from the date of service of DOT Order 89-8-20 (17 August 1989); the approval and immunity was renewed by Order 90-8-40 for a further period of one year, i.e. until 23 August 1991, and by Order 91-8-29 for a period coextensive with the review of the Provisions in Docket 46928 subject to the following conditions:

- (a) “Notwithstanding any provision in the Provisions for the Conduct of the IATA Traffic Conferences, or in any other IATA agreement, any resolution or draft proposal of a Tariff Coordinating Conference held under the provisions of Addendum 3 shall not be binding, i.e. they will be without prejudice to the rights of any participant to act independently, both in putting forward tariff proposals for approval independently of the other participants and in fully applying such tariffs after they have been approved;” and
- (b) “The approval shall not constitute approval of, or grant of immunity to, any agreement that may be reached as a result of meetings held pursuant to Addendum 3.”

matters, an airline invited pursuant to this Addendum shall be entitled to participate as an observer.

- 2) Notwithstanding Paragraph 1 above, this Addendum shall also apply with respect to routes, scheduled air transport services, fares/rates and related conditions between European Economic Community airports and airports in those other States having concluded an agreement with the European Economic Community providing for the application of the Community air transport regulations, including the block exemption for tariff consultations, to their respective territories; it shall also apply with respect to routes, scheduled air transport services, fares/rates and related conditions between airports in those other States where the agreement with the European Economic Community so provides.
- 3) Airlines eligible to participate in Tariff Coordinating Conferences under this Addendum shall notify the Director General, in writing, of their wish to so participate. Such notification shall be deemed a consent to payment of a reasonable share of the cost of the Conferences in which such airlines shall be invited to participate. The Director General shall determine how such costs shall be shared taking into account the direct costs of such meetings plus the overhead of Tariff Coordination.
- 4) The Sections of the Provisions for the Conduct of the IATA Traffic Conferences relating to Tariff Coordinating Conferences shall apply, except as varied herein.”