#### **UNCLASSIFIED**



**BRIEFING** 

1 April 2021 OC210013

Hon Michael Wood

Minister of Transport

Action required by: Tuesday, 13 April 2021

Hon Nanaia Mahuta

Minister of Foreign Affairs

Air Services: Ecuador; Rwanda; and Sweden

# **Purpose**

- Seek your approval, jointly with the Minister of Foreign Affairs, to lodge with the Cabinet Economic Development Committee the accompanying paper relating to air services agreements (ASAs) with Ecuador, Rwanda and Sweden.
- Cabinet approval is required to sign international treaties, including ASAs.

# Open skies agreement with Ecuador and Rwanda

- By way of correspondence, officials have negotiated open skies ASAs with Ecuador and Rwanda.
- The ASAs will create new opportunities for code-share services, and strengthen New Zealand's connectivity with South America and Africa respectively.

## **Enhanced air services arrangements with Sweden**

- New Zealand signed open skies ASAs with each of Denmark, Norway and Sweden in 2001. The three countries negotiate as a bloc in view of their shared ownership of Scandinavian Airlines System (SAS).
- Each of the three countries subsequently sought changes to the ASAs to provide for European Union (EU) requirements on member countries when negotiating with non-EU members. Of most significance are the provisions relating to the ownership of airlines, e.g., EU airlines may be owned by nationals of any EU or European Free Trade Association country.

#### **Next steps**

- The Cabinet Manual requires that you consult the Minister of Foreign Affairs on all proposals relating to international treaties. Therefore, we propose that you refer the attached paper to the Minister of Foreign Affairs.
- The previous Minister of Foreign Affairs granted waivers from the parliamentary treaty
  examination process in respect of the Ecuador and Rwanda ASAs, and in respect of the
  treaty instrument to enter into force the amendments with Sweden.

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- We propose that the Cabinet Economic Development Committee consider the finalised paper at its meeting on 19 May 2021.
- Once Cabinet has approved the ASAs with Ecuador and Rwanda, we will work with the Ministry of Foreign Affairs and Trade to identify suitable signing opportunities.
- The amendments to the ASA with Sweden will enter into force through an exchange of diplomatic notes.

### Recommendations

We recommend you:

Contacts Name

Tom Forster, Manager – Economic Regulation

Ken Hopper, Senior Licensing Adviser

note that the attached paper seeks Cabinet's approval to sign open skies Air Services Agreements with Ecuador and Rwanda, and enter into force various air services amendments negotiated with Sweden, and agree to refer the paper to the Minister of Foreign Affairs as required by Cabinet Manual rule 5.14, prior to lodging the paper for Cabinet's consideration.

Yes / No

Tom Forster Manager, Economic Regulation		Hon Michael Wood Minister of Transport		
/ / 2021		/ / 2021		
Hon Nanaia Mahuta Minister of Foreign Affairs				
/ / 2021				
Minister's office to complete:	☐ Approved		□ Declined	
	☐ Seen by Ministe	r	☐ Not seen by Minister	
Comments	☐ Overtaken by ev	vents		

Telephone

First contact