

multiple designation but with single designation on a city-pair basis where the change to a Community Carrier designation would not allow for more than one carrier and make no practical difference. While each of the Member States now has its own designated carriers flying to a third country under individual bilateral agreements, multiple designation of Community carriers on a Community country-pair or a city-pair basis, with the combination of all their current traffic rights to a third country, would significantly alter the existing balance of benefits and opportunities in favour of Community carriers. There is also the related issue of "substantial ownership and effective control" of the designated Community airlines, whereby the nationality of a carrier is no longer identified with its state of registration.

Certificates of Airworthiness and Competency and Licences: We would assume that these would continue to be issued by the country of registration in the Community.

Competition: Standard bilateral agreements do not include provisions on competition or, more correctly, on possible conflicts between national competition laws or codes of conduct. The affirmation of competition rules is becoming concomitant with deregulation and liberalization. This is an emerging problem, and indeed ICAO has put forward guidelines to deal with this. We have yet to see how the Community Council will deal with the consequential implications of the Saeed case where the EJC ruled against concerted practices between airlines governed by agreements between a