

association agreements between the Community and third countries (to wit, the agreement with Turkey), a union of states or an international organization (to wit, the agreement with countries of the Lome Convention).

Where the situation becomes unclear is in the matter of sovereignty which is the cornerstone of the Convention and of bilateral air services agreements.

Article I of the Convention states that "every State has complete and exclusive sovereignty over the airspace above its territory", and, therefore, the right to grant or deny access to its airspace. In view of the provisions envisaging the operation of cabotage services by Community carriers, in January 1993, Member States would appear to retain their external sovereignty in 1993, and possibly beyond. Moreover, there is no reference in existing regulations or in the policy objectives in their preambles, which indicate the abolition of third-, fourth- and fifth-freedom services. This would suggest that they would not, therefore, be ceding their individual status as Contracting States of the Chicago Convention, or their sovereignty over national airspace, at least by 1 January 1993. Here the question arises whether under the Chicago Convention cabotage once extended by one to the other Member States, can be confined within the Community. Article 7 of the Convention states that "each Contracting State undertakes not to enter into any arrangements which specifically grant any such privilege or an exclusive basis to any other State or an airline of any other State, and not to obtain any such exclusive privilege from any other State". While this provision has not yet been tested in this specific context, under the Dispute