NATIONAL TERRITORY? CAN SOVEREIGNTY IN THE GRANT OF OVERFLIGHTS BE SEPARATED FOM THE GRANT OF LANDING RIGHTS? ANSWERS TO THESE QUESTIONS ARE NEITHER OBVIOUS OR YET CLEAR. If one assumes that sovereignty rests with each Member State but is exercised collectively by the Community, does that mean that the Community as such is the Contracting Party? Does this then mean that there is a common air space for purposes of negotiation with third countries? If so, let us consider the implications for the key provisions of a bilateral agreement. How do we reconcile the obligations of Member States under current bilateral agreements with the prospective measures under an EC common air transport policy and common or unified air transport market? There are many questions but few clear answers, let Alone solutions.

<u>GRANT OF RIGHTS</u>: THE RIGHT TO FLY WITHOUT LANDING ACROSS ITS TERRITORY. WE WOULD ASSUME "ITS TERRITORY" COVERS THE COMBINED AREA OF THE TWELVE MEMBER STATES. BUT WHO GRANTS THESE RIGHTS (AND WHO CAN SUSPEND OR REVOKE THEM)? IS THE AUTHORITY VESTED IN THE COMMUNITY AND DELEGATED TO THE

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