

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE AERONAUTICAL AUTHORITIES OF
THE SOCIALIST REPUBLIC OF VIET NAM
AND
THE RUSSIAN FEDERATION**

Delegations representing the Aeronautical Authorities of the Socialist Republic of Viet Nam and the Russian Federation met in Ha Noi, Viet Nam from 21-22 March 2018 to discuss the air services arrangements between their countries.

The discussions were held in a friendly and constructive atmosphere and both delegations expressed their desire to promote the aeronautical relations in order to satisfy the increasing demand for traffic between the two countries.

Lists of the delegations are attached at **Appendix A**.

Both Delegations agreed on the followings:

1. Route Schedule

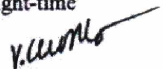
Both delegations agreed on the Route Schedule for passenger/combination operation; all-cargo services; and code-sharing operation, which are attached at **Appendix B**.

2. Capacity

2.1. For passenger/combination operation: Up to seventy (70) weekly frequencies per direction for designated airlines of each side in total, of which:

- Fourteen (14) weekly frequencies on the routes between Moscow and Ha Noi/Ho Chi Minh City;

- Thirty-five (35) weekly frequencies on the routes between Nha Trang and points in Russia excluding Moscow, Saint Petersburg with the condition that such capacity will be reduced to twenty-one (21) weekly frequencies if the airlines of the Russian Federation have not made use of capacity entitlement by October 2019. In such case the unused capacity entitlement will be allocated for other routes, other than the routes between Moscow and Ha Noi/Ho Chi Minh City. The Aeronautical Authority of Viet Nam will assure SLOTS for airlines of the Russian Federation at Cam Ranh International Airport for day-time operation in addition to night-time (00:00 to 08:00 local time);



- Twenty-one (21) weekly frequencies on other routes between Russia and Viet Nam.

2.2. For all-cargo services: Up to fourteen (14) weekly frequencies per direction for designated airlines of each side.

3. Fifth freedom traffic rights

- For passenger/combination operation:

The designated airlines of the Russian Federation may exercise the 5th freedom traffic rights between points in Viet Nam (including Da Lat city and Tuy Hoa city) excluding Ha Noi, Ho Chi Minh City, Da Nang, Nha Trang and China (excluding Beijing, Shanghai and Guangzhou) up to seven (07) weekly frequencies in total. The designated airlines of the Russian Federation are encouraged to submit their plans to operate to Tuy Hoa city and Da Lat city as soon as possible for CIQ arrangements;

The designated airlines of Viet Nam may exercise the 5th freedom traffic rights between Vladivostok, Sochi and any intermediate/beyond points subject to the Route Schedule of the Air Services Agreement up to seven (07) weekly frequencies in total.

- For all-cargo services:

The designated airlines of the Russian Federation may exercise the 5th freedom traffic rights between Ha Noi – Hong Kong up to seven (07) weekly frequencies in total.

4. Codesharing

a. In operating or offering the agreed services between and beyond Viet Nam and the Russian Federation, any designated airline of one Contracting Party may enter into block- space and code-sharing arrangements with

- an airline or airlines of the same Contracting Party, and/or
- an airline or airlines of the other Contracting Party, and/or
- an airline or airlines of any third country or countries,

provided that all airlines in such arrangements hold the appropriate authority to operate on the routes and segments concerned.

b. The marketing carrier(s) should, in respect of any ticket sold by it or them, make it clear to the purchaser at the point of sale that it is a code shared service, which airline will actually operate each sector of the service and with which airline or airlines the purchaser is entering into a contractual relationship.

c. Code-share services shall be counted against the frequency entitlement of the operating carrier only and not against that of the marketing carrier. There shall be no restrictions with regard to the number of designated airlines on a city pair basis when holding out services as a marketing carrier.

d. In addition to points of destination listed in the Annex to the Air Services Agreement, the designated airlines of one Contracting Party may provide code shared services as a marketing carrier to any points in the territory of the other Contracting Party, provided that such services are operated by a designated airline of the other Contracting Party.

e. The relevant airline has secured any necessary approvals from its own authorities, for the purposes of ensuring that the code-sharing arrangement is consistent with bilateral arrangements with any relevant third country.

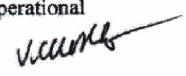
f. Code-sharing agreements will be subject to approval by Aeronautical Authorities of both sides.

5. Other matters:

- Both delegations welcomed the plan of the airlines of both sides to establish their new scheduled services between the two countries and agreed to give the most favorable conditions to support the airlines' plans.
- Both sides discussed the issue of the participation of Civil Aviation in the United Nation Organisation (ICAO) programs, related to the climate change. This discussion is reflected in the system of compensation and reduction of Carbon Offsetting Scheme for International Aviation (well-known as CORSIA). Both sides agreed to continue cooperation on the CORSIA issue in the frame of ICAO.
- Russian delegation informed Vietnamese delegation about the establishment of Volga-Dnepr Group's operational base for Asia-Pacific Region in Viet Nam. The main aim of the base is to provide services of charter cargo operations to customers across the region including unique AN-124 and IL-76 aircraft. Volga-Dnepr plans to permanently have AN-124/IL-76 in Noi Bai international airport.

The Vietnamese delegation took note of the statement and informed that such request by Volga-Dnepr Group will not be addressed due to infrastructure constraint at the airport. In addition, Vietnamese delegation proposed to consider Chu Lai airport as an alternative when necessary conditions prevail.

Volga-Dnepr will explore possibilities of Chu Lai airport as its operational base.




6. Effect of the Memorandum of Understanding:

Both delegations agreed that contents of the Memorandum of Understanding shall come into effect as from the date of its signature.

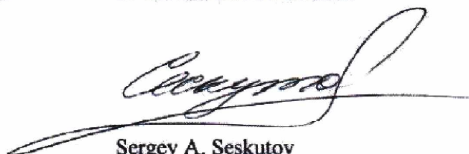
Done in Ha Noi, Viet Nam on 22 March 2018 in English.

For the Aeronautical Authority
of Viet Nam



Vo Huy Cuong
Head of Delegation

For the Aeronautical Authority
of the Russian Federation



Sergey A. Seskutov
Head of Delegation

ANNEX TO THE AGREEMENT

A. Route Schedule for Passenger and Combination Operation

1. Section I

Routes to be operated by the designated airlines of the Government of the Socialist Republic of Viet Nam in both directions:

Points of Origin	Intermediate points	Points of Destination	Points Beyond
Points in Viet Nam	Points in the third countries*	Moscow Saint- Petersburg Novosibirsk Vladivostok Ufa Sochi	Paris Frankfurt London Amsterdam Prague Berlin Munich Copenhagen Zurich Other points in the third countries*

2. Section II

Routes to be operated by the designated airlines of the Government of the Russian Federation in both directions:

Points of Origin	Intermediate points	Points of Destination	Points Beyond
Points in the Russian Federation	Points in China, excluding Beijing, Shanghai and Guangzhou; Other points in the third countries*	Ha Noi, Ho Chi Minh City, Nha Trang and two points to be freely selected by the Aeronautical Authorities of the Russian Federation	Points in the third countries*

*** shall be subject to an agreement between the Aeronautical Authorities of the Contracting Parties**

3. The designated airline(s) of either Contracting Party may, on any or all omit calling at any of the above points, provided that the agreed services on these routes start and terminate in the territory of the Contracting Party.

4. The right of the designated airline(s) of either Contracting Party to transport passengers, cargo and mail between the points in the territory of either Contracting Party and the points in the territory of Third Parties shall be subject to an agreement between the Aeronautical Authorities of the Contracting Parties.
5. Charter, extra and non-scheduled flights are subject to preliminary application of the designated airline(s), this application to be submitted at least forty eight (48) hours before departure, except weekends and holidays.
6. Any operation along Transsiberian Route Network (Transpolar, Transsiberian, Transasian Routes) shall be subject of separate agreement between the Aeronautical Authorities of the Contracting Parties.

B. Route Schedule for All-cargo services

1. Section I

Routes to be operated by the designated airlines of the Government of the Socialist Republic of Viet Nam in both directions:

Points of Origin	Intermediate points	Points of Destination	Points Beyond
Points in Viet Nam	Doha Mumbai Delhi Dubai Abu Dhabi Jeddah Other points in the third countries*	Moscow Saint- Petersburg Novosibirsk Vladivostok Ufa Sochi	Paris Frankfurt London Amsterdam Other points in the third countries*

2. Section II

Routes to be operated by the designated airlines of the Government of the Russian Federation in both directions:

Points of Origin	Intermediate points	Points of Destination	Points Beyond
Points in the Russian Federation	Taipei Singapore Seoul Hong Kong Other points in the third countries*	Ha Noi, Ho Chi Minh City, Nha Trang and two points to be freely selected by the Aeronautical Authorities of the Russian Federation	Seoul Hong Kong Singapore Los Angeles Chicago Other points in the third countries*

*** shall be subject to an agreement between the Aeronautical Authorities of the Contracting Parties**

3. The designated airline(s) of either Contracting Party may, on any or all omit calling at any of the above points, provided that the agreed services on these routes start and terminate in the territory of the Contracting Party.
4. The right of the designated airline(s) of either Contracting Party to transport passengers, cargo and mail between the points in the territory of either Contracting Party and the points in the territory of Third Parties shall be subject to an agreement between the Aeronautical Authorities of the Contracting Parties.
5. Charter, extra and non-scheduled flights are subject to preliminary application of the designated airline(s), this application to be submitted at least forty eight (48) hours before departure, except weekends and holidays.
6. Any operation along Transsiberian Route Network (Transpolar, Transsiberian, Transasian Routes) shall be subject of separate agreement between the Aeronautical Authorities of the Contracting Parties.

