#### No. 18332

### UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND and SWEDEN

## Agreement relating to air services (with annex and exchange of notes). Signed at Oslo on 26 January 1979

Authentic text; English.

Registered by the United Kingdom of Great Britain and Northern Ireland on 26 February 1980.

## ROYAUME-UNI DE GRANDE-BRETAGNE ET D'IRLANDE DU NORD et SUÈDE

Accord relatif aux services aériens (avec annexe et échange de notes). Signé à Oslo le 26 janvier 1979

Texte authentique: anglais.

Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 26 février 1980.

# AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE KINGDOM OF SWEDEN RELATING TO AIR SERVICES

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Sweden,

Resolved to further improve the opportunities for travel between their respective territories by promoting the continuing growth of air transport on an economical and efficient basis,

Being parties to the Convention on international civil aviation<sup>2</sup> and the International Air Services Transit Agreement opened for signature at Chicago on 7 December 1944,<sup>3</sup> and

Desiring to conclude an Agreement complementary to the said Convention and Transit Agreement, for the purpose of replacing the Agreement between the two Governments for air services between and beyond their respective territories signed at London on 27 November 1946,<sup>4</sup> as amended on 23 June 1952,<sup>5</sup>

Have agreed as follows:

#### Article 1. DEFINITIONS

For the purpose of this Agreement unless the text otherwise requires:

- (a) "Convention" means the Convention on international civil aviation, opened for signature at Chicago on 7 December 1944, and includes:
- (i) Any amendment thereto which has entered into force under article 94 (a) thereof and has been ratified by both Contracting Parties; and
- (ii) Any annex or any amendment thereto adopted under article 90 of that Convention, insofar as such amendment or annex is at any given time effective for both Contracting Parties.
- (b) The term "aeronautical authorities" means, in the case of the Government of the United Kingdom, the Secretary of State for Trade and, in the case of the Government of Sweden, the Board of Civil Aviation (Luftfartsverket) or, in both cases, any person or body authorized to perform the functions of the abovementioned authorities.
- (c) The term "designated airline" means an airline which has been designated in accordance with article 3 of this Agreement.
- (d) The terms "territory", "air service", "international air service", "air-line" and "stop for non-traffic purposes" have the meaning laid down in articles 2 and 96 of the Convention.

<sup>&</sup>lt;sup>1</sup> Came into force on 26 January 1979 by signature, in accordance with article 16.

<sup>&</sup>lt;sup>2</sup> United Nations, *Treaty Series*, vol. 15, p. 295. For the texts of the Protocols amending this Convention, see vol. 320, pp. 209 and 217; vol. 418, p. 161; vol. 514, p. 209; vol. 740, p. 21; vol. 893, p. 117; vol. 958, p. 217, and vol. 1008, p. 213.

<sup>&</sup>lt;sup>3</sup> *Ibid.*, vol. 84, p. 389.

<sup>4</sup> Ibid., vol. 11, p. 229.

<sup>&</sup>lt;sup>5</sup> Ibid., vol. 151, p. 81, and vol. 1195, No. A-162.

(e) "Agreement" means this Agreement, its annex, and any amendments thereto.

#### Article 2. GRANT OF RIGHTS

- 1. Each Contracting Party grants to the other Contracting Party the following rights in respect of its scheduled international air services:
- (a) The right to fly across its territory without landing; and
- (b) The right to make stops in its territory for non-traffic purposes.
- 2. Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement for the purpose of operating scheduled international air services on the routes specified in the appropriate section of the schedule annexed to this Agreement. Such services and routes are hereafter called "the agreed services" and "the specified routes" respectively. The airlines designated by each Contracting Party may make stops in the territory of the other Contracting Party at the points specified for each route in the appropriate section of the schedule annexed to this Agreement for the purpose of taking on board and discharging passengers, cargo or mail, separately or in combination, on scheduled international air services.
- 3. Nothing in paragraph (2) of this article shall be deemed to confer on the airlines of one Contracting Party the right to take on board, in the territory of the other Contracting Party, passengers, cargo and mail carried for hire or reward and destined for another point in the territory of that other Contracting Party.

#### Article 3. Designation of Airlines

- 1. Each Contracting Party shall have the right to designate in writing to the other Contracting Party one or more airlines for the purpose of operating the agreed services on the specified routes. Each Contracting Party shall also have the right by written notification to the other Contracting Party to withdraw the designation of any such airline and to designate another one.
- 2. On receipt of such designations the other Contracting Party shall, subject to the provisions of paragraphs (3) and (4) of this article, without delay grant to the designated airline the appropriate operating authorisation.
- 3. The aeronautical authorities of one Contracting Party may require an airline designated by the other Contracting Party to satisfy them that it is qualified to fulfil the conditions prescribed under the laws and regulations normally and reasonably applied to the operation of international air services by such authorities in conformity with the provisions of the Convention.
- 4. Each Contracting Party shall have the right to refuse to grant the operating authorisation referred to in paragraph (2) of this article, or to impose such conditions as it may deem necessary on the exercise by a designated airline of the rights specified in article 2 of this Agreement, in any case where the said Contracting Party is not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or in its nationals.
- 5. When an airline has been so designated and authorised, it may begin to operate the agreed services, provided that the airline complies with the applicable provisions of this Agreement.

## Article 4. REVOCATION, SUSPENSION AND IMPOSITION OF CONDITIONS

- 1. Each Contracting Party shall have the right to revoke an operating authorisation or to suspend the exercise of the rights specified in article 2 of this Agreement by an airline designated by the other Contracting Party, or to impose such conditions as it may deem necessary on the exercise of these rights:
- (a) In any case where it is not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or in nationals of such Contracting Party; or
- (b) In the case of failure by that airline to comply with the laws or regulations of the Contracting Party granting these rights; or
- (c) In case the airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement.
- 2. Unless immediate revocation, suspension or imposition of the conditions mentioned in paragraph 1 of this article is essential to prevent further infringements of laws or regulations, such right shall be exercised only after consultation with the other Contracting Party.

#### Article 5. Customs duties

- 1. Aircraft operated in international air services by the designated airlines of either Contracting Party, their regular equipment, fuel, lubricants, consumable technical supplies, spare parts including engines, and aircraft stores including but not limited to such items as food, beverages and tobacco, which are on board such aircraft, shall be relieved on the basis of reciprocity from all customs duties, national excise taxes, and similar national fees and charges not based on the cost of services provided, on arriving in the territory of the other Contracting Party, provided such equipment and supplies remain on board the aircraft.
- 2. There shall also be relieved from the duties, fees and charges referred to in paragraph (1) of this article, with the exception of charges based on the cost of the service provided:
- (a) Aircraft stores, introduced into or supplied in the territory of a Contracting Party, and taken on board, within reasonable limits, for use on outbound aircraft engaged in an international air service of a designated airline of the other Contracting Party;
- (b) Spare parts including engines introduced into the territory of a Contracting Party for the maintenance or repair of aircraft used in an international air service of a designated airline of the other Contracting Party; and
- (c) Fuel, lubricants and consumable technical supplies introduced into or supplied in the territory of a Contracting Party for use in an aircraft engaged in an international air service of a designated airline of the other Contracting Party, even when these supplies are to be used on a part of the journey performed over the territory of the Contracting Party in which they are taken on board.
- 3. Equipment and supplies referred to in paragraphs (1) and (2) of this article may be required to be kept under the supervision or control of the appropriate authorities.
- 4. The reliefs provided for by this article shall also be available in situations where the designated airlines of one Contracting Party have entered into arrange-

ments with another airline or airlines for the loan or transfer in the territory of the other Contracting Party of the items specified in paragraphs (1) and (2) of this article provided such other airline or airlines similarly enjoy such reliefs from such other Contracting Party.

#### Article 6. AVIATION SECURITY

The Contracting Parties agree to provide maximum aid to each other with a view to suppressing unlawful seizure of aircraft and other unlawful acts against aircraft, airports and air navigation facilities, and threats to aviation security. The Contracting Parties reaffirm their commitments under and shall have regard to the provisions of the Convention on offences and certain other acts committed on board aircraft, signed at Tokyo on 14 September 1963,¹ the Convention for the suppression of unlawful seizure of aircraft, signed at The Hague on 16 December 1970² and the Convention for the suppression of unlawful acts against the safety of civil aviation, signed at Montreal on 23 September 1971.³ The Contracting Parties shall also have regard to applicable aviation security provisions established by the International Civil Aviation Organization. When incidents or threats of unlawful seizure of aircraft or other unlawful acts against aircraft, airports or air navigation facilities occur, the Contracting Parties shall expedite and facilitate all communications intended to terminate such incidents rapidly and safely.

#### Article 7. CAPACITY PROVISIONS

- 1. There shall be fair and equal opportunity for the airlines of both Contracting Parties to operate the agreed services on the routes specified in the schedule to this Agreement.
- 2. In operating the agreed services the airlines of each Contracting Party shall take into account the interests of the airlines of the other Contracting Party so as not to affect unduly the services which the latter provide.
- 3. The capacity to be provided by the airlines designated by the two Contracting Parties shall be closely related to the requirements for the carriage of passengers and cargo including mail on the specified routes.
- 4. In applying the principle established under paragraph (3) of this article the services operated by a designated airline shall have as their primary objective the provision, at a reasonable load factor, of capacity adequate to meet the current and reasonably anticipated demand for the carriage of air traffic on the agreed services.
- 5. The Contracting Parties shall from time to time enter into appropriate understandings for implementing the above principles.

#### Article 8. TARIFFS

The provisions of the International Agreement on the procedure for the establishment of tariffs for scheduled air services signed at Paris on 10 July 1967<sup>4</sup> shall apply to tariffs charged by the designated airlines of the two Contracting Parties for carriage between their territories, for so long as they remain

<sup>&</sup>lt;sup>1</sup> United Nations, Treaty Series, vol. 704, p. 219.

<sup>&</sup>lt;sup>2</sup> *Ibid.*, vol. 860, p. 105.

<sup>&</sup>lt;sup>3</sup> Ibid., vol. 974, p. 177.

<sup>4</sup> Ibid., vol. 696, p. 31.

parties to the said Agreement. The two Contracting Parties may agree on supplementary arrangements for implementing these provisions with regard to such tariffs.

#### Article 9. Transfer of Earnings

Each designated airline shall have the right to convert and remit to its country on demand local revenues in excess of sums locally disbursed. Conversion and remittance shall be permitted without restrictions at the rate of exchange applicable to current transactions which is in effect at the time such revenues are presented for conversion and remittance.

#### Article 10. EXCHANGE OF STATISTICS

The aeronautical authorities of one Contracting Party shall supply to the aeronautical authorities of the other Contracting Party at the latter's request such periodic or other statements of statistics as may be reasonably required for the purpose of reviewing the capacity provided on the agreed services by the designated airlines of the first Contracting Party. Such statements shall include all information required to determine the amount of traffic carried by the airlines on the agreed services and the origin and destination of such traffic.

#### Article 11. Consultations

Either Contracting Party may at any time request consultations on the implementation, interpretation, application or amendment of this Agreement or compliance with this Agreement. Such consultations, which may be between aeronautical authorities, shall begin within a period of sixty (60) days from the date the other Contracting Party receives the request, unless otherwise agreed by the Contracting Parties.

#### Article 12. AMENDMENT

Any amendments or modifications of this Agreement agreed by the Contracting Parties shall come into effect when confirmed by an exchange of diplomatic notes.

#### Article 13. SETTLEMENT OF DISPUTES

- 1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall in the first place endeavour to settle it by negotiation.
- 2. If the Contracting Parties fail to reach a settlement by negotiation, they may agree to refer the dispute for decision to some person or body; if they do not so agree the dispute shall, at the request of either Contracting Party, be submitted for decision to a tribunal of three arbitrators, one to be nominated by each Contracting Party and the third to be appointed by the two so nominated. Each of the Contracting Parties shall nominate an arbitrator within a period of sixty (60) days from the date of receipt by either Contracting Party from the other of a notice through diplomatic channels requesting arbitration of the dispute by such a tribunal and the third arbitrator shall be appointed within a further period of sixty (60) days. If either of the Contracting Parties fails to nominate an arbitrator within the period specified, or if the third arbitrator is not appointed within the period specified, the President of the Council of the International Civil Aviation Organ-

ization may, at the request of either Contracting Party, appoint an arbitrator or arbitrators as the case requires. The third arbitrator shall be a national of a State other than the United Kingdom, Sweden, Denmark or Norway and shall act as president of the arbitral body.

3. The Contracting Parties shall comply with any decision given under paragraph (2) of this article.

#### Article 14. TERMINATION

Either Contracting Party may at any time give notice to the other Contracting Party of its decision to terminate this Agreement; such notice shall be simultaneously communicated to the International Civil Aviation Organization. In such case the Agreement shall terminate on the first day of April or the first day of November whichever is first reached after the expiry of twelve months from the date of receipt of the notice by the other Contracting Party, unless the notice to terminate is withdrawn by agreement before the expiry of this period. In the absence of acknowledgement of receipt by the other Contracting Party, notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization.

#### Article 15. REGISTRATION

This Agreement and any amendment thereto shall be registered with the International Civil Aviation Organization.

#### Article 16. ENTRY INTO FORCE

This Agreement will enter into force on the date of signature.

IN WITNESS WHEREOF, the undersigned, being duly authorised by their respective Governments, have signed this Agreement.

DONE, in duplicate, at Oslo this 26 day of January, 1979, in the English language.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

A. T. LAMB

For the Government of the Kingdom of Sweden:

FINN BÖRJESON

#### ANNEX

#### ROUTE SCHEDULE

#### Section I

Routes to be operated by the designated airline or airlines of the United Kingdom:

(a) Points of departure (b)
Points of destination

Any point or points in the United Kingdom and the Channel Islands

Any point or points in Sweden

#### Section II

Routes to be operated by the designated airline or airlines of Sweden:

(a)
Points of departure

(b)
Points of destination

Any point or points in Sweden

Any point or points in the United Kingdom and the Channel Islands

NOTES TO THE ROUTE SCHEDULE. 1. The selection of points to be served shall be in accordance with criteria to be agreed by the Contracting Parties.

- 2. A designated airline may combine on the same service any number of points in column (a) with not more than two points in column (b).
- 3. A designated airline of the United Kingdom may combine services on routes provided in this schedule with routes between the United Kingdom and Denmark and/or Norway but without traffic rights between points in Sweden and points in Denmark and Norway.
- 4. A designated airline of Sweden may combine services on routes provided in this schedule with services on routes to Dublin and/or Reykjavik but without traffic rights between points in the United Kingdom and Dublin and Reykjavik.
- 5. The combination of services permitted by notes 2, 3 and 4 above shall be in accordance with arrangements to be agreed by the Contracting Parties.

#### **EXCHANGE OF NOTES**

I

The Chargé d'affaires a.i. of the Royal Swedish Embassy, Oslo, to Her Majesty's Ambassador at Oslo

## ROYAL SWEDISH EMBASSY OSLO

January 26, 1979

Your Excellency,

With reference to the Air Services Agreement signed today between the Government of the Kingdom of Sweden and the Government of the United Kingdom of Great Britain and Northern Ireland, I have the honour to notify you that, in accordance with article 3 of the Agreement, the Swedish Government designate AB Aerotransport (ABA) to operate the routes specified in the annex attached to the Agreement.

In this connection I have the honour to confirm, on behalf of my Government, the following understanding:

1. Notwithstanding the provisions of article 4 of the Agreement, AB Aerotransport (ABA) co-operating with Det Danske Luftfartselskab A/S (DDL) and Det Norske Luftfartselskap A/S (DNL) under the style of Scandinavian Airlines System (SAS), may operate services under the Agreement with aircraft, crews

and equipment of either or both of the other two airlines. While services are operated under the style of SAS, services may not be operated by ABA as an individual company.

2. In so far as AB Aerotransport (ABA) employ aircraft, crews and equipment of the other airlines participating in the Scandinavian Airlines System (SAS), the provisions of the Agreement will apply to such aircraft, crews and equipment as though they were the aircraft, crews and equipment of AB Aerotransport (ABA) and the competent Swedish authorities and AB Aerotransport (ABA) will accept full responsibility under the Agreement therefor.

If the Government of the United Kingdom agree to these arrangements, I have the honour to suggest that this letter and Your Excellency's reply in the same sense shall be regarded as placing on record the understanding of our two Governments on this matter.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

FINN BÖRJESON

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Her Majesty's Ambassador at Oslo to the Chargé d'affaires a.i. of the Royal Swedish Embassy, Oslo

#### BRITISH EMBASSY OSLO

26 January 1979

Sir.

I have the honour to acknowledge receipt of your letter of today which reads as follows:

#### [See note I]

I have the honour to inform you that the understanding set forth in your letter is acceptable to the Government of the United Kingdom of Great Britain and Northern Ireland and that the Government of the United Kingdom agrees that your letter and my letter shall be regarded as placing on record the Agreement of our two Governments on this matter.

I avail myself of this opportunity to renew to you the assurances of my highest consideration.

A. T. LAMB