

No. 939

**DENMARK
and
ICELAND**

**Air Transport Agreement (with annex and exchange of notes). Signed
at Reykjavik, on 22 March 1950**

Official texts: Danish and Icelandic.

Registered by the International Civil Aviation Organization on 5 October 1950.

**DANEMARK
et
ISLANDE**

**Accord relatif aux transports aériens (avec annexe et échange de notes).
Signé à Reykjavik, le 22 mars 1950**

Textes officiels danois et islandais.

Enregistré par l'Organisation de l'aviation civile internationale le 5 octobre 1950.

TRANSLATION — TRADUCTION

No. 939. AIR TRANSPORT AGREEMENT¹ BETWEEN DENMARK AND ICELAND. SIGNED AT REYKJAVIK, ON 22 MARCH 1950

The Danish Government and the Icelandic Government, having determined to conclude an agreement concerning air communications between Denmark and Iceland, have agreed upon the following provisions:

Article I

Each Contracting Party grants to the other Contracting Party the rights specified in the annex hereto necessary for establishing the air services therein described. The services may be inaugurated immediately or at a later date, at the option of the Contracting Party to whom the rights are granted.

Article II

(a) Each of the air services which one Contracting Party has granted to the other the right to establish may be brought into operation as soon as the latter Contracting Party has designated an airline or airlines to operate the service concerned. The Contracting Party granting these rights shall subject to the provisions of article VI below, be bound without delay to grant the necessary operating permission to the airline or airlines so designated.

(b) Before giving the airline or airlines so designated permission to inaugurate the services specified in the present Agreement, the Contracting Party granting these rights may require it (them) to establish that it (they) fulfil(s) the conditions prescribed by the laws and regulations in force in its territory.

Article III

In order to prevent discriminatory practices and to assure equality of treatment:

(a) It is agreed by each of the Contracting Parties that any charges it may impose upon the airlines of the other Contracting Party for the use of its airports and other facilities may not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services;

¹ Came into force on 22 March 1950, as from the date of signature, in accordance with article XI.

(b) Fuel, lubricating oils and spare parts introduced into the territory of one Contracting Party by or for the account of an airline designated by the other Contracting Party solely for use by its aircraft shall enjoy the same treatment as national airline or airlines of the most favoured nation with respect to customs duties, inspection fees or other national duties or charges;

(c) Fuel, lubricating oils, spare parts, regular equipment and stores retained on board civil aircraft of the airline of one Contracting Party authorized to operate the routes described in the annex shall, upon arriving in or leaving the territory of the other Contracting Party, be exempt from customs duties, inspection fees or similar charges, even though such supplies are used or consumed by such aircraft during flights over that territory.

Article IV

Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one Contracting Party shall be recognized as valid by the other Contracting Party for the purpose of operating the services described in the annex. Each Contracting Party reserves the right, however, to refuse to recognize the validity, for the purpose of flight over its own territory, of certificates of competency and licences granted to its own nationals by another State.

Article V

(a) The laws and regulations of one Contracting Party relating to the entry into or departure from its territory of aircraft engaged in international services or to the operation and navigation of such aircraft while within its territory shall apply to aircraft of the airline(s) of the other Contracting Party.

(b) Passengers, crews and consignors of goods by air shall, either in person or through a third person acting in their behalf or for their account, comply with the laws and regulations in force in the territory of each of the Contracting Parties respecting the entry, stay and departure of passengers, crews or cargo, such as regulations relating to entry, departure, immigration, passports, customs and quarantine.

Article VI

Each Contracting Party reserves the right to withhold permission from an airline designated by the other Party or to revoke such permission in any case in which it is not satisfied that principal ownership and effective control of the designated airline are vested in nationals of the other Contracting Party, or in

case of failure by the airline to comply with the laws and regulations of the State in the territory of which it is operating, as described in article V above, or otherwise to perform its obligations under this Agreement.

Article VII

This Agreement and any contract connected therewith shall be registered with the International Civil Aviation Organization.

Article VIII

If either of the Contracting Parties should desire to modify any provision of the annex to this Agreement, it may request the discussion of such modification between the competent authorities of the Contracting Parties. Such consultation shall begin within a period of sixty days from the date of the request. Any modification on which the authorities may agree shall take effect after its confirmation by exchange of notes.

If a general multilateral air convention should come into force with respect to the two Contracting Parties, they shall enter into consultations with a view to ensuring that the provisions of this Agreement and of the annex thereto conform with the provisions of that convention.

Article IX

(a) The Contracting Parties agree to submit to arbitration any dispute regarding the interpretation or application of this Agreement or of the annex thereto which it has not been found possible to settle by direct negotiation.

(b) Any such dispute may be referred to the Council of the International Civil Aviation Organization established in accordance with the Convention¹ on International Civil Aviation signed at Chicago on 7 December 1944.

(c) The Contracting Parties may however agree to settle the dispute by reference either to an arbitration tribunal or to some other person or body designated by them.

(d) The Contracting Parties undertake to comply with the decision given.

Article X

Either Contracting Party may give notice to the other if it desires to terminate this Agreement. If such notice is given, the Agreement shall terminate twelve months after the date receipt of the notice by the other Contracting Party, unless the notice is withdrawn by mutual agreement before the expiry of this period.

¹ United Nations, *Treaty Series*, Volume 15, page 295; Volume 26, page 420; Volume 32, page 402; Volume 33, page 352; Volume 44, page 346, and Volume 51, page 336.

Article XI

This Agreement shall enter into force on the date of its signature.

IN FAITH WHEREOF the undersigned representatives, being duly authorized by their respective Governments, have signed the present Agreement.

DONE at Reykjavik, this 22nd day of March 1950, in two copies, in the Danish and Icelandic languages, both texts being equally authentic.

For the Government of Denmark:

(Signed) Bodil BEGTRUP

Envoy Extraordinary and Minister Plenipotentiary
of Denmark in Iceland

For the Government of Iceland:

(Signed) Bjarni BENEDIKTSSON

Minister for Foreign Affairs of Iceland

ANNEX

I

The Danish Government grants the Icelandic Government the right to operate the air services specified below, in both directions, through one or more airlines designated by the Iceland Government:

(1) Reykjavik—Copenhagen.

(2) Reykjavik—Prestwick and/or London—Copenhagen.

Passengers, cargo and mail for carriage between Copenhagen and London may not be picked up or discharged in Copenhagen or London.

(3) Reykjavik—Stavanger and/or Oslo and/or Gothenburg—Copenhagen.

(4) Reykjavik—Faroës—Prestwick.

One or more of these services may be extended to Stockholm and to Finland.

II

The Icelandic Government grants the Danish Government the right to operate the air services described below, in both directions, through one or more airlines designated by the Danish Government:

(1) Copenhagen—Reykjavik, if desired via Faroës.

(2) Copenhagen—Prestwick—Reykjavik, if desired via Faroës.

(3) Copenhagen—Stavanger—Reykjavik.

(4) Copenhagen—Reykjavik—New York and/or Chicago and/or Montreal via intermediate points.

One or more of these services may be extended to Greenland.

III

The airlines designated by each of the Contracting Parties shall enjoy in the territory of the other Contracting Party rights of transit and non-traffic stop as well as the right to pick up and discharge international traffic in passengers, mail and cargo on the services set forth above.

IV

The two Contracting Parties agree:

(a) That the transport capacity provided by the airlines of the two countries shall be related to traffic requirements;

(b) That the airlines of the two countries, on routes operated by both, shall take into account their reciprocal interests so as not to affect unduly their respective services;

(c) That in the operation of the services set forth in this annex the primary objective shall be the provision of capacity adequate to the traffic requirements between the country to which the airline belongs and the country of destination of the traffic;

(d) That the right to pick up and discharge, at the specified points and on the specified routes, international traffic destined for or coming from third countries shall be exercised in accordance with the general principles of orderly development recognized by the two Governments and on condition that capacity shall be established in relation to:

1. Traffic requirements between the country of origin and the country of destination;
2. The need for the economic operation of long-distance services;
3. The traffic requirements of the areas through which the airline passes, taking into account local and regional services.

V

Tariffs shall be established at reasonable rates, special regard being paid to reasonable economy of operation, normal profits and the characteristics of each service, such as conditions of speed and accommodation.

In fixing these tariffs regard shall be paid to the recommendations of the International Air Transport Association (IATA).

In the absence of recommendations from the association, the Danish and the Icelandic airlines shall jointly agree on the tariffs for passengers and freight to be applied on the sections of routes operated by both lines, after consultation, where necessary, with the airlines of third countries operating all or part of the same routes.

The tariffs shall be submitted to the competent aeronautical authorities of the two countries for approval.

Should the airlines fail to reach agreement on the establishment of tariffs or regarding the determination of transport capacity, the competent aeronautical authorities of the two countries shall endeavour to reach a satisfactory solution.

In the last resort the matter shall be referred to arbitration in accordance with article IX of this Agreement.

EXCHANGE OF NOTES

The following notes were exchanged simultaneously with the signing of the Agreement:

I

ROYAL DANISH LEGATION

Reykjavik, 22 March 1950

Your Excellency:

With reference to the Air Transport Agreement between Denmark and Iceland signed today, I have the honour to inform you that the Danish Government in accordance with article II of the Agreement has designated Det Danske Luftfartselskab (DDL) to operate the services set forth in section II of the annex to the Agreement.

In this connexion I have the honour to confirm on behalf of my Government that in the course of the negotiations leading to the signature of the Agreement it was agreed as follows:

1. Det Danske Luftfartselskab (DDL), which is operated jointly with Det Norske Luftfartselskab (DNL) and Aktiebolaget Aerotransport (ABA) under the name of Scandinavian Airlines System (SAS), may operate services for which permission has been granted under the Agreement with aircraft, crews and equipment belonging to either of the two other airlines or to both.

2. In so far as Det Danske Luftfartselskab (DDL) employs aircraft, crews and equipment belonging to the other airlines incorporated in the Scandinavian Airlines System (SAS), the provisions of the agreement shall apply to such aircraft, crews and equipment in the same way as if they belonged to Det Danske Luftfartselskab (DDL) and the competent Danish aeronautical authorities and Det Danske Luftfartselskab (DDL) assume full responsibility therefor in accordance with this Agreement.

I have the honour, etc.

(Signed) Bodil BEGRUP

His Excellency Mr. Bjarni Benediktsson
Minister for Foreign Affairs,
Reykjavik

II

MINISTRY OF FOREIGN AFFAIRS

Reykjavik, 22 March 1950

Your Excellency

With reference to the Air Transport Agreement between Iceland and Denmark signed today, I have the honour to inform you that the Icelandic Government, in accordance with article II of the Agreement, has designated Flugfélag Islands h/f and Loftleidir h/f to operate the services set forth in section I of the annex to the Agreement.

In this connexion I have the honour to confirm on behalf of my Government that in the course of the negotiations leading to the signature of the Agreement it was agreed as follows:

[See note I, paragraphs 1 and 2]

I have the honour, etc.

(Signed) Bjarni BENEDIKTSSON

Mrs. Bodil Begtrup
Envoy of Denmark
Reykjavik