EGYPT and SWEDEN

Agreement for the establishment of scheduled air services between and beyond their respective territories (with annex and exchange of notes). Signed at Cairo, on 12 December 1949

Official texts: Arabic, English and Swedish.

Registered by the International Civil Aviation Organization on 23 October 1951.

ÉGYPTE et SUÈDE

Accord relatif à l'établissement de services aériens réguliers entre les territoires des deux pays et au-delà (avec annexe et échange de notes). Signé au Caire, le 12 décembre 1949

Textes officiels arabe, anglais et suédois.

Enregistré par l'Organisation de l'aviation civile internationale le 23 octobre 1951.

AGREEMENT¹ BETWEEN THE GOVERNMENT No. 1466. OF SWEDEN AND THE GOVERNMENT OF EGYPT THE ESTABLISHMENT OF SCHEDULED SERVICES BETWEEN AND BEYOND THEIR RES-PECTIVE TERRITORIES. SIGNED ATCAIRO. **12 DECEMBER 1949**

The Government of Sweden and the Government of Egypt hereinafter described as the contracting parties,

Being parties to the Convention on International Civil Aviation² opened for signature at Chicago on the 7th day of December 1944 (hereinafter referred to as the "Convention"),

Considering that it is desirable to organize international air services in a safe and orderly manner and to further as much as possible the development of international co-operation in this field,

Considering also that it is desirable to stimulate international air travel, at the lowest possible rates consistent with sound economic principles, as a means of promoting friendly understanding and goodwill among peoples and securing the many indirect benefits of this form of transportation to the common welfare of both countries,

And desiring to conclude an agreement for the purpose of promoting commercial scheduled air transport services between and beyond their respective territories,

Have accordingly appointed the undersigned plenipotentiairies for this purpose, who, being duly authorised to that effect by their respective Governments, have agreed as follows:—

Article I

- 1. Each contracting party grants to the other contracting party the right to operate the air services specified in the Annex to this Agreement (hereinafter referred to as the "specified air services") on the routes specified in the said Annex (hereinafter referred to as the "specified air routes").
- 2. Subject to the provisions of this Agreement, such services may be inaugurated in all or in part, immediately or at a later date, at the option of the contracting party to whom the rights are granted.

² Came into force on 1 April 1951, by notification of the ratification given to the Government of Sweden by the Government of Egypt, in accordance with article XIX.

² United Nations, Treaty Series, Vol. 15, p. 295; Vol. 26, p. 420; Vol. 32, p. 402; Vol. 33, p. 352; Vol. 44, p. 346, and Vol. 51, p. 336.

Article II

- 1. Each contracting party shall designate in writing to the other contracting party one or more airlines for the purpose of operating, by virtue of the present Agreement the specified air services.
- 2. On receipt of the designation, the other contracting party shall, subject to the provisions of paragraph (3) of this Article and of Article III of the present Agreement, without undue delay grant to the airlines designated the appropriate operating permission.
- 3. The aeronautical authorities of one contracting party, before granting operating permission to an airline designated by the other contracting party, may require the airline to satisfy them that it is qualified to fulfill the conditions prescribed under the laws, rules and regulations which they normally apply to the operation of scheduled air services, provided that such laws, rules and regulations do not conflict with the provisions of the Convention or of the present Agreement.
- 4. At any time after the provisions of paragraphs (1) and (2) of this Article have been complied with, an airline so designated and authorised may begin to operate the specified air services.

Article III

- 1. Each contracting party shall have the right to refuse to accept the designation of an airline and to withhold or revoke the grant to an airline of the rights specified in Article V of the present Agreement or to impose such conditions as it may deem necessary on the exercise by an airline of those rights 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 the contracting party designating the airline.
- 2. Each contracting party shall have the right to suspend the exercise by an airline of the rights specified in Article V of the present Agreement or to impose such conditions as it may deem necessary on the exercise by an airline of those rights in any case where the airline fails to comply with the laws, rules and regulations of the contracting party granting these rights or otherwise to operate in accordance with the conditions prescribed in the present Agreement. Such unilateral action, however, shall not take place before the intention to do so is notified to the other contracting party and consultation between the aeronautical authorities of both contracting parties has not led to mutual agreement within a period of 28 days from the date of said notification.

Article IV

- 1. The laws, rules and regulations of one contracting party, especially those relating to entry into or departure from its territory, of aircraft engaged in international air navigation or to the operation and navigation of such aircraft while within its territory, shall apply to aircraft of the designated airlines of the other contracting party.
- 2. The laws, rules and regulations of one contracting party, especially those relating to entry into or departure from its territory of passengers, crew, or cargo of aircraft (such as regulations relating to entry, clearance, immigration, passports, customs, quarantine and exchange regulations) shall be applicable to the passengers, crew and cargo of the aircraft of the designated airlines of the other contracting party, while in the territory of the former contracting party.

Article V

- 1. In the operation of the specified air services, each contracting party grants the designated airlines of the other contracting party, subject to the provisions of Articles VI and VII, the right of putting down and taking on in the territory of one contracting party, international traffic originating in or destined for the territory of the other contracting party or of a third country.
- 2. Paragraph (1) of this Article shall not be deemed to confer on the airlines of one contracting party the right to take up, in the territory of the other contracting party, passengers, cargo or mail carried for remuneration or hire and destined for another point in the territory of that other contracting party, whatever the origin or the ultimate destination of such traffic.
- 3. Both contracting parties being parties of the International Air Services Transit Agreement,¹ and as long as they remain parties to that agreement, recognize that in virtue of the said agreement they grant each other the right:
 - (a) to fly across their territories without landing.
 - (b) to land in their territories for non-traffic purposes.

Article VI

- 1. There shall be a fair and equal opportunity for the designated airlines of each contracting party to operate on the specified air routes between their respective territories.
- 2. The air services provided by the designated airlines of either contracting party shall retain as their primary objective the provision, at a reasonable load

¹ United Nations, Treaty Series, Vol. 84, p. 389.

factor, of capacity adequate to the current and reasonably anticipated traffic demands between the territory of the contracting party designating the airlines and the countries of ultimate destination of the traffic.

3. In the operation of the specified air services of either contracting party the combined capacity provided by the designated airlines of both contracting parties shall be maintained in reasonable relationship to the requirements of the public for air transportation.

Article VII

In the operation of the specified air services the rights granted to the airlines designated by either contracting party shall not be exercised abusively to the detriment or disadvantage of any airline of the other contracting party, operating on all or part of the same route.

Article VIII

Fuel and lubricating oils introduced into or taken on board aircraft in the territory of one contracting party, by or on behalf of the designated airlines of the other contracting party and remaining on board on departure from the last airport of call in the territory of the first contracting party shall, subject to compliance in other respects with the customs regulations of the first contracting party, be exempt from customs duties, inspection fees and similar charges imposed in the territory of the first contracting party.

This treatment shall be in addition to that accorded under Article 24 of the Convention.

Article IX

- 1. Each contracting party shall cause its designated airlines to provide to the aeronautical authorities of the other contracting party, as long in advance as practicable, copies of time-tables, rate schedules and all other similar relevant information concerning the operation of the specified air services and copies of all modifications of such time-tables, rate schedules and information.
- 2. Each contracting party shall cause its designated airlines to provide to the aeronautical authorities of the other contracting party statistics relating to the traffic carried on their air services to, from or through the territory of the other contracting party showing the origin and destination of the traffic.

Article X

When, for the purpose of economy of onward carriage of through traffic, aircraft of different capacity are used by a designated airline of one contracting party on different sections of a specified air route, with the point of change in the territory of the other contracting party, such change of aircraft should not

be inconsistent with the provisions of the Agreement relating to the capacity of the air services and the carriage of traffic. In such cases the second aircraft shall be scheduled to provide a connecting service with the first aircraft, and shall await its arrival, except in the case of operational necessity.

Article XI

- 1. Rates shall be fixed at a reasonable level, due regard being paid to all relevant factors, including cost of economical operations, reasonable profit, difference of characteristics of service (including standards of speed and accommodation) and the rates charged by the other scheduled air service operators on the route concerned or part thereof.
- 2. The rates to be charged by any of the airlines designated under this Agreement in respect of traffic on any of the specified air routes between the territories of the two contracting parties, or between the territory of a third country and the territory of one of the contracting parties shall be fixed either:
 - (a) In accordance with such rate resolutions as may be adopted by an airlines organisation to which the designated airlines, under this Agreement, are members, and accepted for that purpose by the two contracting parties; or
 - (b) by agreement between the airlines designated by both contracting parties to operate the agreed services where these airlines are not members of the same airlines organisation, or where no resolution as referred to in 2 (a) above has been adopted; provided that, if either contracting party has not designated an airline in respect of any of the specified air routes and rates for that route have not been fixed in accordance with paragraph 2 (a) above, the airlines designated by the other contracting party to operate on that route may fix the rates therefor.
- 3. Rates so fixed shall be submitted for approval by the aeronautical authorities of the two contracting parties and shall become effective thirty days after their receipt by the said aeronautical authorities unless either authority has given notice of disapproval.
- 4. In the event that rates are not fixed in accordance with para. 2 above or that the aeronautical authorities of either contracting party disapprove of the rates so fixed, the contracting parties themselves shall endeavour to reach agreement and shall take all necessary steps to give effect to such agreement. Should the contracting parties fail to agree, the dispute shall be dealt with in accordance with Article XVI. Pending the settlement of the dispute by agreement or until it is decided under Article XVI, the rates already established, or, if no rates have been established, reasonable rates, shall be charged by the airlines concerned.

Article XII

This Agreement shall be registered with the Council of the International Civil Aviation Organization set up by the Convention.

Article XIII

In a spirit of close collaboration, the aeronautical authorities of the two contracting parties will consult each other on the request of either authority for the purpose of ensuring the observance of the principles and the fulfilment of the provisions set out in this Agreement and will exchange such information as is necessary for that purpose.

Article XIV

If a general multilateral convention on traffic rights for scheduled international air services comes into force in respect of both contracting parties, the present Agreement shall be amended so as to conform with the provisions of such convention.

Article XV

If either of the contracting parties considers it desirable to modify the terms of the Annex to this Agreement, it may request consultation between the aeronautical authorities of the two contracting parties, and in that event such consultation shall begin within a period of sixty days from the date of the request. Modifications agreed between these authorities will come into effect when they have been confirmed by an exchange of notes through diplomatic channel.

Article XVI

Without prejudice to Article XVII of this Agreement:

- 1. If any dispute arises between the contracting parties relating to the interpretation or application of the present Agreement, the contracting parties shall, in the first place, endeavour to settle it by negotiation between themselves.
- 2. If the contracting parties fail to reach a settlement by negotiation, within ninety days;
 - (a) They may agree to refer the dispute for decision to an arbitral tribunal appointed by agreement between them or to some other person or body; or
 - (b) If they do not agree or, if, having agreed to refer the dispute to an arbitral tribunal, they cannot reach agreement as to its composition within thirty days, either contracting party may submit the dispute for decision to the Council of the International Civil Aviation Organization.

- 3. The contracting parties undertake to comply with any decision given under paragraph 2 of this Article.
- 4. If and so long as either contracting party or a designated airline of either contracting party, fails to comply with a decision given under para. 2 of this Article, the other contracting party may limit, withhold or revoke any rights which it has granted by virtue of the present Agreement to the contracting party in default or to the designated airlines of that contracting party or to the designated airline in default.

Article XVII

Either contracting party may at any time give notice to the other, if it desires to terminate this Agreement, such notice shall be simultaneously communicated to the Council of the International Civil Aviation Organization. If such notice is given, this Agreement shall terminate twelve months after 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 days after the receipt of the notice by the Council of the International Civil Aviation Organization.

Article XVIII

- 1. For the purpose of this Agreement the term "aeronautical authorities" shall mean, in the case of the Egyptian Government, the Director General of Civil Aviation for the time being, and any person or body authorised to perform any functions presently exercised by the said Director or similar functions, and, in the case of Sweden, the Royal Board of Civil Aviation, Stockholm, and any person or body authorised to perform any functions presently exercised by the said authority or similar functions.
- 2. The term "designated airlines" shall mean the air transport enterprises which the aeronautical authorities of one of the contracting parties have notified in writing to the aeronautical authorities of the other contracting party as being the airlines designated by it for the operation of the specified air services.
- 3. The Annex to this Agreement shall be deemed to be part of the Agreement and all references to the "Agreement" shall include references to the Annex, except where otherwise expressly provided.

Article XIX

This Agreement shall enter into force as soon as the Egyptian Government has notified the Swedish Government of their ratification of this Agreement.

IN WITNESS THEREOF the undersigned plenipotentiaries, being duly authorised thereto by their respective Governments, have signed the present agreement and have affixed thereto their seals.

Done at Cairo the 12th day of December 1949, in the Arabic, Swedish and English languages, each of which shall be of equal authenticity.

For the Royal Government of Sweden: (Signed) W. BAGGE

For the Royal Government of Egypt:
(Signed) HUSSEIN SIRRY PACHA

ANNEX

A

- 1. The airlines designated by the Government of Egypt shall be entitled to operate air services in both directions on each of the routes specified, and to land for traffic purposes in the Swedish territory at the points specified in this paragraph:
- (a) Routes terminating in Swedish territory:Cairo-Rome-Milan-Zurich-Frankfurt-Amsterdam-Copenhagen-Stockholm.
- (b) Routes traversing Swedish territory:

 To be determined at a later date.
- 2. The airlines designated by the Government of Sweden shall be entitled to operate air services in both directions on each of the routes specified, and to land for traffic purposes in Egypt at the points specified in this paragraph:
- (a) Routes terminating in Egyptian territory:
 Stockholm-Copenhagen-Amsterdam and/or Frankfurt and/or Munich-Geneva
 and/or Zurich-Milan and/or Rome and/or Athens-Cairo.
- (b) Routes traversing Egyptian territory:
 - Stockholm-Copenhagen-Amsterdam-Zurich-Rome-Athens-Cairo-Khartoum-Nairobi-Johannesburg and/or Capetown;
 - Stockholm Copenhagen Frankfurt Geneva Rome Cairo Karachi Calcutta -Bangkok.

В

In case the designated airlines of either contracting party do not handle their own traffic in the territory of the other contracting party through their own office and by their own personnel, the airlines will be free to assign such functions to an organisation of their choice approved by the aeronautical authorities of the other contracting party and bearing, whenever possible, the nationality of that authority.

W. B.

H.P.

EXCHANGE OF NOTES

I

The Plenipotentiary of the Swedish Government to the Plenipotentiary of the Egyptian Government

Sir,

I have the honour to refer to the Air Transport Agreement signed between the Government of Sweden and the Government of Egypt and to inform you that the Swedish Government, in accordance with article II (a) of the Agreement, designate AB Aerotransport (ABA) to operate the routes specified in the Annex to the Agreement.

In this connection, and with reference to the corresponding Agreements signed between the Government of Egypt and the Governments of Denmark¹ and Norway² respectively, I have the honour to confirm on behalf of my Government the following understanding reached in the course of the negotiations which led to the signature of the Agreement:

1. AB Aerotransport (ABA)—co-operating with Det Danske Luftfartselskab (DDL) and Det Norske Luftfartselskap A/S (DNL) under the designation of Scandinavian Airlines System (SAS)—may operate the routes specified in the Annex to the Agreement with aircraft, crews and equipment belonging to one or both of the other airlines.

As long as this co-operation scheme is pursued the AB Aerotransport (ABA) will operate the specified air routes only as a member of Scandinavian Airlines System (SAS).

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 shall 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) shall accept full responsibility under the Agreement therefor.

Accept, Sir, the assurances of my highest consideration.

(Signed) W. BAGGE

¹ United Nations, Treaty Series, Vol. 95, p. 197.

² United Nations, Treaty Series, Vol. 95, p. 157.

II

The Plenipotentiary of the Egyptian Government to the Plenipotentiary of the Swedish Government

Sir,

I have the honour to acknowledge the receipt of your letter of today in the following terms:

[See note I]

Accept, Sir, the assurances of my highest consideration.

(Signed) HUSSEIN SIRRY PACHA