No. 2863

UNITED STATES OF AMERICA
and
ISRAEL

Air Transport Agreement (with annex). Signed at Hakirya, on 13 June 1950

Exchange of notes rectifying the Hebrew text of the above-mentioned Agreement. Hakirya and Tel Aviv, 21 February 1951

Official texts of the Agreement: English and Hebrew.

Official text of the exchange of notes: English.

Registered by the United States of America on 12 July 1955.

ÉTATS-UNIS D'AMÉRIQUE
et
ISRAËL

Accord relatif aux transports aériens (avec annexe). Signé à Hakirya, le 13 juin 1950

Échange de notes rectifiant le texte hébreu de l'Accord susmentionné. Hakirya et Tel-Aviv, 21 février 1951

Textes officiels de l'Accord: anglais et hébreu.

Texte officiel de l'échange de notes: anglais.

Enregistrés par les États-Unis d'Amérique le 12 juillet 1955.

No. 2863. AIR TRANSPORT AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF ISRAEL. SIGNED AT HAKIRYA, ON 13 JUNE 1950

The Government of the United States of America and the Government of Israel,

Desiring to conclude an Agreement for the purpose of promoting direct air communications concerning their respective territories,

Have accordingly appointed authorized representatives for this purpose, who have agreed as follows :

Article 1

For the purposes of the present Agreement, and its Annex,[2] except where the text provides otherwise :

(A) The term "aeronautical authorities" shall mean in the case of the United States of America, the Civil Aeronautics Board or any person or agency authorized to perform the functions exercised at the present time by the Civil Aeronautics Board and, in the case of Israel, the Ministry of Transport and Communications or any person or agency authorized to perform the functions exercised at present by the said Ministry of Transport and Communications.

(B) The term "territory" shall have the meaning given to it by Article 2 of the Convention on International Civil Aviation, signed at Chicago on December 7, 1944[3].

(C) The term "designated airline" shall mean the air transport enterprise or 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 the airline designated by the first contracting party in accordance with Article III of this Agreement for the route specified in such notification.

(D) The definitions contained in paragraphs (a), (b) and (d) of Article 96 of the Convention on International Civil Aviation signed at Chicago on December 7, 1944 shall be applied to the present Agreement.

[1] Came into force on 13 June 1950, as from the date of signature, in accordance with article XIII.

[2] See p. 114 of this volume.

[3] United Nations, *Treaty Series*, Vol. 15, p. 295; Vol. 26, p. 420; Vol. 32, p. 402; Vol. 33, p. 352; Vol. 44, p. 346; Vol. 51, p. 336; Vol. 139, p. 469; Vol. 178, p. 418, and Vol. 199, p. 362.

Article II

Each contracting party grants to the other contracting party the rights as specified in the Annex hereto necessary for establishing the international civil air routes and services therein described, whether such services be inaugurated immediately or at a later date at the option of the contracting party to whom the rights are granted.

Article III

Each of the air services so described may be placed in operation as soon as the contracting party to whom the rights have been granted by Article II to designate an airline or airlines for the route concerned has authorized an airline for such route, and the contracting party granting the rights shall, subject to Article VII hereof, be bound to give the appropriate operating permission to the airline or airlines concerned; provided that the airlines so designated may be required to qualify before the competent aeronautical authorities of the contracting party granting the rights under the laws and regulations normally applied by these authorities before being permitted to engage in the operations contemplated by this Agreement; and provided that in areas of hostilities or of military occupation, or in areas affected thereby, such operations shall be subject to the approval of the competent military authorities.

Article IV

In order to prevent discriminatory practices and to assure equality of treatment, both contracting parties agree that :

(*a*) Each of the contracting parties may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control. Each of the contracting parties agrees, however, that these charges shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

(*b*) Fuel, lubricating oils and spare parts introduced into the territory of one contracting party by or on behalf of the designated carrier of the other contracting party, and intended solely for use by aircraft of the airlines of such other contracting party shall, with respect to the imposition of customs duties, inspection fees or other national duties or charges by the contracting party whose territory is entered, be accorded the same treatment as that applying to national airlines engaged in international air transport and to airlines of the most-favored-nation.

(*c*) The fuel, lubricating oils, spare parts, regular equipment and aircraft stores retained on board civil aircraft of the airlines of one contracting party authorized to operate the routes and services described in the Annex shall, upon arriving in or leaving the territory of the other contracting party, be exempt from customs, inspection fees or similar duties or charges, even though such supplies be used or consumed by such aircraft on flights in that territory.

Article V

Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one contracting party, and still in force, shall be recognized as valid by the other contracting party for the purpose of operating the routes and services described in the Annex, provided that the requirements under which such certificates or licenses were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Convention on International Civil Aviation. Each contracting party reserves the right, however, to refuse to recognize, for the purposes of flight above its own territory, certificates of competency and licenses granted to its own nationals by another State.

Article VI

(*a*) The laws and regulations of one contracting party relating to the admission to 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 be applied to the aircraft of the airlines designated by the other contracting party, and shall be complied with by such aircraft upon entering or departing from or while within the territory of the first party.

(*b*) The laws and regulations of one contracting party as to the admission to or departure from its territory of passengers, crew, or cargo of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs, and quarantine shall be complied with by or on behalf of such passengers, crew or cargo of the airlines designated by the other contracting party upon entrance into or departure from, or while within the territory of the first party.

Article VII

Notwithstanding the provisions of Article IX hereof, each contracting party reserves the right to withhold or revoke the exercise of the rights specified in the Annex to this Agreement by a carrier designated by the other contracting

party in the event that it is not satisfied that substantial ownership and effective control of such carrier are vested in nationals of the other contracting party, or in case of failure by such carrier to comply with the laws and regulations referred to in Article VI hereof, or otherwise to perform its obligations hereunder, or to fulfill the conditions under which the rights are granted in accordance with this Agreement and its Annex.

Article VIII

This Agreement and all contracts connected therewith shall be registered with the International Civil Aviation Organization.

Article IX

Either of the contracting parties may at any time notify the other of its intention to terminate the present Agreement. Such a notice shall be sent simultaneously to the International Civil Aviation Organization. In the event such communication is made, this Agreement shall terminate one year after the date of receipt of the notice to terminate, unless by agreement between the contracting parties the communication under reference is withdrawn before the expiration of that time. If the other contracting party fails to acknowledge receipt, notice shall be deemed as having been received 14 days after its receipt by the International Civil Aviation Organization.

Article X

In the event either of the contracting parties considers it desirable to modify this Agreement or its Annex, it may request consultation between the competent authorities of both contracting parties, such consultation to begin within a period of sixty days from the date of the request. When these authorities mutually agree on new or revised conditions affecting the Agreement or its Annex, their recommendation on the matter will come into effect after they have been confirmed by an exchange of diplomatic notes.

Article XI

If a general multilateral air transport Convention accepted by both contracting parties enters into force, the present Agreement shall be amended so as to conform with the provisions of such Convention.

Article XII

Except as otherwise provided in this Agreement or its Annex, any dispute between the contracting parties relative to the interpretation or application of

this Agreement or its Annex, which cannot be settled through consultation, shall be submitted for an advisory report to a tribunal of three arbitrators, one to be named by each contracting party, and the third to be agreed upon by the two arbitrators so chosen, provided that such third arbitrator shall not be a national of either contracting party. Each of the contracting parties shall designate an arbitrator within two months of the date of delivery by either party to the other party of a diplomatic note requesting arbitration of a dispute; and the third arbitrator shall be agreed upon within one month after such period of two months. If the third arbitrator is not agreed upon, within the time limitation indicated, the vacancy thereby created shall be filled by the appointment of a person designated by the President of the Council of ICAO, from a panel of arbitral personnel maintained in accordance with the practice of ICAO. The executive authorities of the contracting parties will use their best efforts under the powers available to them to put into effect the opinion expressed in any such advisory report. A moiety of the expenses of the arbitral tribunal shall be borne by each party.

Article XIII

This Agreement, including the provisions of the Annex thereto, will come into force on the day it is signed.

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

DONE at Hakirya this 13th day of June, 1950, in duplicate in the English and Hebrew language, each of which shall be of equal authenticity.

For the Government of the United States of America :
James G. McDONALD

[SEAL]

For the Government of Israel :
M. SHARETT

[SEAL]

ANNEX

Section I

The Government of Israel grants to the Government of the United States of America the right to conduct air transport services by one or more air carriers of United States nationality designated by the latter country on the routes, specified in Schedule One attached, which transit or serve commercially the territory of Israel.

Section II

The Government of the United States of America grants to the Government of Israel the right to conduct air transport services by one or more air carriers of Israel nationality designated by the latter country on the routes, specified in Schedule Two attached, which transit or serve commercially the territory of the United States of America.

Section III

One or more air carriers designated by each of the contracting parties under the conditions provided in this Agreement will enjoy, in the territory of the other contracting party, rights of transit and of stops for non-traffic purposes, as well as the right of commercial entry and departure for international traffic in passengers, cargo and mail at the points enumerated on each of the routes specified in the Schedules attached.

Section IV

Changes made by either contracting party in the routes described in the Schedules attached except those which change the points served by these airlines in the territory of the other contracting party shall not be considered as modifications of the Annex. The aeronautical authorities of either contracting party may therefore proceed unilaterally to make such changes, provided, however, that notice of any change is given without delay to the aeronautical authorities of the other contracting party.

If such other aeronautical authorities find that, having regard to the principles set forth in Section VIII of the present Annex, interests of their air carrier or carriers are prejudiced by the carriage by the air carrier or carriers of the first contracting party of traffic between the territory of the second contracting party and the new point in the territory of a third country, the authorities of the two contracting parties shall consult with a view to arriving at a satisfactory agreement.

Section V

The air transport facilities available hereunder to the public shall bear a close relationship to the requirements of the public for such transport.

Section VI

There shall be a fair and equal opportunity for the carriers of the contracting parties to operate on any route between their respective territories (as defined in the Agreement) covered by this Agreement and Annex.

Section VII

In the operation by the air carriers of either contracting party of the trunk services described in the present Annex, the interest of the air carriers of the other contracting party shall be taken into consideration so as not to affect unduly the services which the latter provides on all or part of the same routes.

Section VIII

It is the understanding of both contracting parties that services provided by a designated air carrier under the present Agreement and Annex shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country of which such air carrier is a national and the country of ultimate destination of the traffic. The right to embark or disembark on such services international traffic destined for and coming from third countries at a point or points on the routes specified in the present Annex shall be applied in accordance with the general principles of orderly development to which both contracting parties subscribe and shall be subject to the general principle that capacity should be related :

(*a*) to traffic requirements between the country of origin and the countries of destination;
(*b*) to the requirements of through airline operation; and
(*c*) to the traffic requirements of the area through which the airline passes after taking account of local and regional services.

Section IX

(A) The determination of rates in accordance with the following paragraphs shall be made at reasonable levels, due regard being paid to all relevant factors, such as cost of operation, reasonable profit, and the rates charged by any other airlines, as well as the characteristics of each service.

(B) The rates to be charged by the airlines of either contracting party between points in the territory of the United States and points in Israeli territory referred to in the attached Schedules shall, consistent with the provisions of the present Agreement and its Annex, be subject to the approval of the aeronautical authorities of the contracting parties, who shall act in accordance with their obligations under the present Annex, within the limits of their legal powers.

(C) Any rate proposed by the airline or airlines of either contracting party shall be filed with the aeronautical authorities of both contracting parties at least thirty (30) days before the proposed date of introduction; provided that this period of thirty (30) days may be reduced in particular cases if so agreed by the aeronautical authorities of both contracting parties.

(D) The Civil Aeronautics Board of the United States having approved the traffic conference machinery of the International Air Transport Association (hereinafter called IATA), for a period ending in June 1952, any rate agreements concluded through this machinery during this period and involving United States airlines will be subject to approval of the Board. Rate agreements concluded through this machinery may also be required to be subject to the approval of the aeronautical authorities of Israel pursuant to the principles enunciated in paragraph (B) above.

(E) The contracting parties agree that the procedure described in paragraphs (F), (G) and (H) of this Section shall apply :

1. If, during the period of the Civil Aeronautics Board's approval of the IATA traffic conference machinery, either any specific rate agreement is not approved within

a reasonable time by either contracting party, or a conference of IATA is unable to agree on a rate, or

2. At any time no IATA machinery is applicable, or

3. If either contracting party at any time withdraws or fails to renew its approval of that part of the IATA traffic conference machinery relevant to this Section.

(F) In the event that power is conferred by law upon the aeronautical authorities of the United States to fix fair and economic rates for the transport of persons and property by air on international services and to suspend proposed rates in a manner comparable to that in which the Civil Aeronautics Board at present is empowered to act with respect to such rates for the transport of persons and property by air within the United States, and corresponding powers are available to the aeronautical authorities of Israel, each of the contracting parties shall thereafter exercise its authority in such manner as to prevent any rate or rates proposed by one of its airlines for services from the territory of one contracting party to a point or points in the territory of the other contracting party from becoming effective if in the judgment of the aeronautical authorities of the contracting party whose airline or airlines is or are proposing such rate, that rate is unfair or uneconomic. If one of the contracting parties on receipt of the notification referred to in paragraph (C) above is dissatisfied with the rate proposed by the airline or airlines of the other contracting party, it shall so notify the other contracting party prior to the expiry of the first fifteen (15) of the thirty (30) days referred to, and the contracting parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each contracting party will exercise its statutory authority to put such rate into effect as regards its airline or airlines.

If agreement has not been reached at the end of the thirty (30) day period referred to in paragraph (C) above, the proposed rate may, unless the aeronautical authorities of the country of the airline concerned see fit to suspend its application, go into effect provisionally pending the settlement of any dispute in accordance with the procedure outlined in paragraph (H) below.

(G) Until such power is available to the aeronautical authorities of both the United States and Israel, if one of the contracting parties is dissatisfied with any rate proposed by the airline or airlines of either contracting party for services from the territory of one contracting party to a point or points in the territory of the other contracting party, it shall so notify the other prior to the expiry of the first fifteen (15) of the thirty (30) day period referred to in paragraph (C) above, and the contracting parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each contracting party will use its best efforts to cause such agreed rate to be put into effect by its airline or airlines.

It is recognized that if no such agreement can be reached prior to the expiry of such thirty (30) days, the contracting party raising the objection to the rate may take such steps as it may consider necessary to prevent the application of the offending rate with respect to its territory.

(H) When in any case under paragraph (F) and (G) above the aeronautical authorities of the two contracting parties cannot agree within a reasonable time upon the appropriate rate after consultation initiated by the complaint of one contracting party concerning the proposed rate or an existing rate of the airline or airlines of the other contracting party, the terms of Article XII of this Agreement shall apply.

Section X

It is the intention of both contracting parties that there should be regular and frequent consultation between their respective aeronautical authorities (as defined in the Agreement) and that there should thereby be close collaboration in the observance of the principles and the implementation of the provisions outlined in the present Agreement and Annex.

SCHEDULE

1. An airline or airlines designated by the Government of the United States shall be entitled to operate air services on the air routes specified via intermediate points, in both directions, and to make scheduled landings at Lydda on the following route :

The United States of America via Eire, France, Switzerland, Italy, Spain, Portugal, Greece, and/or North Africa to Israel and beyond.

2. An airline or airlines designated by the Government of Israel shall be entitled to operate air services on the air routes specified via intermediate points, in both directions, and to make scheduled landings at New York on the following route :

Israel via Greece, Italy, Switzerland, France, the United Kingdom, and Eire to the United States.

3. Points on any of the specified routes may at the option of the designated airline or airlines be omitted on any or all flights.

M. S. J. G. McD.

EXCHANGE OF NOTES RECTIFYING THE HEBREW TEXT OF THE AIR TRANSPORT AGREEMENT OF 13 JUNE 1950[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF ISRAEL. HAKIRYA, AND TEL AVIV, 21 FEBRUARY 1951

I

The Israeli Minister for Foreign Affairs to the American Chargé d'Affaires ad interim

MINISTRY FOR FOREIGN AFFAIRS

HAKIRYA, ISRAEL

Hakirya, 21 February 1951

Sir,

I have the honour to bring to your attention the fact that the Hebrew text of the Air Transport Agreement between the Government of Israel and the Government of the United States of America, signed at Hakirya on 13 June, 1950,[1] contains the following typographical errors :

1. In Article 5, line 5 : שוים should read : שוות
2. In Article 8 : בארגון הבינלאומי של התעופה האזרחית
   should read : בארגון הבינלאומי לתעופה אזרחית
3. In Article 9, line 3 : הארגון הבינלאומי של התעופה האזרחית
   should read : הארגון הבינלאומי לתעזפה אזרחית
4. In Article 9, line 8 : הארגון הבינלאומי של התעופה האזרחית
   should read : הארגון הבינלאומי לתעופה אזרחית
5. In Article 13, line 6 : שניהם should read : שתיהן
6. In Annex, Paragraph 3, line 5 : מטענים should read : מטען
7. In Annex, Paragraph 9, section ג (c), line 4 : שבתקופה זאת
   should read : שהתקופה הזאת

In drawing your attention to these errors I should like to suggest, on behalf of my Government, that they be considered as rectified by the present Note, and that this Note and your acknowledgement hereof shall be regarded as an

[1] See p. 106 of this volume.

additional agreement between our two Governments, forming an integral part of the Agreement of 13 June, 1950.

Please accept, Sir, the renewed assurances of my high consideration.

M. SHARETT
Minister for Foreign Affairs

Mr. R. Ford, Chargé d'Affaires ad interim
American Embassy
Tel Aviv

II

The American Chargé d'Affaires ad interim to the Israeli Minister for Foreign Affairs

AMERICAN EMBASSY

No. 31

Tel Aviv, Israel, February 21, 1951

Excellency :

I have the honor to acknowledge the receipt of Your Excellency's note dated February 21, 1951, reading as follows :

[*See note I*]

I have the honor to inform Your Excellency, in reply, that the Government of the United States accepts the corrections as made in your note and agrees to the proposal that the present exchange of notes shall be regarded as an additional agreement between our two Governments, forming an integral part of the agreement of June 13, 1950.

Please accept, Excellency, the renewed assurances of my highest consideration.

Richard FORD
Chargé d'Affaires ad interim

His Excellency Mr. Moshe Sharett
Minister for Foreign Affairs
Hakirya
