

No. 3034

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**UNITED STATES OF AMERICA  
and  
NORWAY**

**Exchange of notes constituting an agreement amending the  
Agreement of 6 October 1945 between the Governments  
of those two countries relating to air transport services.  
Washington, 6 August 1954**

*Official text: English.*

*Registered by the United States of America on 30 November 1955.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
NORVÈGE**

**Échange de notes constituant un accord modifiant l'Accord  
relatif aux transports aériens conclu le 6 octobre 1945  
entre les Gouvernements des deux pays. Washington,  
6 août 1954**

*Texte officiel anglais.*

*Enregistré par les États-Unis d'Amérique le 30 novembre 1955.*

No. 3034. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND NORWAY AMENDING THE AGREEMENT OF 6 OCTOBER 1945<sup>2</sup> BETWEEN THE GOVERNMENTS OF THOSE TWO COUNTRIES RELATING TO AIR TRANSPORT SERVICES. WASHINGTON, 6 AUGUST 1954

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I

*The Secretary of State to the Norwegian Ambassador*

DEPARTMENT OF STATE  
WASHINGTON

August 6, 1954

Excellency:

I have the honor to refer to discussions which have recently taken place in Washington concerning the revision of the Air Transport Agreement between the United States of America and Norway, signed October 6, 1945,<sup>2</sup> so as to include capacity principles, provisions relative to rates and the accompanying articles relating to consultation and arbitration procedures.

It is proposed that the following articles be agreed to between the Government of the United States and the Government of Norway for incorporation in the Air Transport Agreement signed October 6, 1945.

*Article 10*

There shall be a fair and equal opportunity for the airlines of each contracting party to operate on any route covered by this Agreement.

*Article 11*

In the operation by the airlines of either contracting party of the trunk services described in this Agreement, the interest of the airlines 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.

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<sup>1</sup> Came into force on 6 August 1954 by the exchange of the said notes.

<sup>2</sup> United Nations, *Treaty Series*, Vol. 122, p. 319.

*Article 12*

The air services made available to the public by the airlines operating under this Agreement shall bear a close relationship to the requirements of the public for such services.

It is the understanding of both contracting parties that services provided by a designated airline under the present Agreement shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country of which such airline is a national and the countries 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 this Agreement 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 ultimate destination of the traffic;
- (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.

*Article 13*

Rates to be charged on the routes provided for in this Agreement shall be reasonable, due regard being paid to all relevant factors, such as cost of operation, reasonable profit, and the rates charged by any other carriers, as well as the characteristics of each service, and shall be determined in accordance with the following paragraphs:

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

(B) Any rate proposed by an airline 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 each contracting party.

(C) During any period for which the Civil Aeronautics Board of the United States has approved the traffic conference procedures of the International Air Transport Association (hereinafter called IATA), any rate agreements concluded through these procedures 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 Norway pursuant to the principles enunciated in paragraph (B) above.

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

1. If, during the period of the approval by both contracting parties of the IATA traffic conference procedure, 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 procedure 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 procedure relevant to this Article.

(E) 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, 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 is unfair or uneconomic. If one of the contracting parties on receipt of the notification referred to in paragraph (B) 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 best efforts 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 (B) above, the proposed rate may, unless the aeronautical authorities of the country of the air carrier 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 (G) below.

(F) Prior to the time when such power may be conferred upon the aeronautical authorities of the United States, 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 (B) 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 inauguration or continuation of the service in question at the rate complained of.

(G) When in any case under paragraphs (E) or (F) of this Article 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, upon the request of either, the terms of Article 15 of this Agreement shall apply.

#### *Article 14*

Consultation between the competent authorities of both contracting parties may be requested at any time by either contracting party for the purpose of discussing the interpretation, application, or amendment of the Agreement or Annex. Such consultation shall begin within a period of sixty (60) days from the date of the receipt of the request by the Department of State of the United States of America or the Ministry of Foreign Affairs of Norway as the case may be. Should agreement be reached on amendment of the Agreement or its Annex, such amendment will come into effect upon confirmation by an exchange of diplomatic notes.

#### *Article 15*

Except as otherwise provided in this Agreement, any dispute between the contracting parties relative to the interpretation or application of this Agreement 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 either of the contracting parties fails to designate its own arbitrator within two months, or if the third arbitrator is not agreed upon within the time limit indicated, either party may request the President of the International Court of Justice to make the necessary appointment or appointments by choosing the arbitrator or arbitrators.

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.

The inclusion of Article 14 above relating to consultation would eliminate the need for Article 9 as it now appears in the Agreement, and this article should

therefore be deleted. Article 10 as it now appears in the Agreement would accordingly be renumbered as Article 9.

If the proposals for amendment as set forth above are agreeable to the Government of Norway, the Government of the United States will be pleased to consider these amendments as entering into force upon the date of your reply of acceptance.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:  
Thorsten V. KALIJARVI

His Excellency Wilhelm Munthe de Morgenstierne  
Ambassador of Norway

## II

### *The Norwegian Ambassador to the Secretary of State*

NORWEGIAN EMBASSY  
WASHINGTON, D. C.

Washington, D. C., August 6, 1954

Excellency:

I have the honor to acknowledge the receipt of your note of August 6, 1954, which reads as follows:

[*See note I*]

Acting upon instructions from my Government I have the honor to inform you that the proposals for amendment as set forth above are agreeable to the Government of Norway and that my Government will consider these amendments as entering into force as of the present date.

Accept, Excellency, the renewed assurances of my highest consideration.

Wilhelm MORGENSTIERNE

His Excellency John Foster Dulles  
Secretary of State

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