No. 4354

DENMARK and FEDERAL REPUBLIC OF GERMANY

Agreement (with exchange of notes) relating to air services. Signed at Bonn, on 29 January 1957

Official texts of the Agreement: Danish and German.

Official text of the notes: German.

Registered by Denmark on 29 May 1958.

DANEMARK et RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE

Accord (avec échange de notes) relatif aux services aériens. Signé à Bonn, le 29 janvier 1957

Textes officiels de l'Accord: danois et allemand.

Texte officiel des notes: allemand.

Enregistré par le Danemark le 29 mai 1958.

[Translation — Traduction]

No. 4354. AGREEMENT¹ BETWEEN THE KINGDOM OF DENMARK AND THE FEDERAL REPUBLIC OF GERMANY RELATING TO AIR SERVICES. SIGNED AT BONN, ON 29 JANUARY 1957

The Kingdom of Denmark and the Federal Republic of Germany,

Desiring to conclude an agreement to promote the development of air services between and beyond their respective territories,

Have agreed as follows:

Article 1

For the purpose of this Agreement, except where the text of the Agreement otherwise provides:

- (a) The term "aeronautical authorities" means, in the case of the Kingdom of Denmark, the Minister of Public Works (Minister of Transport), and, in the case of the Federal Republic of Germany, the Federal Minister of Transport, or, in either case, any other person or body authorized to perform the above functions;
- (b) The term "territory" in relations to a State means the land areas and territorial waters adjacent thereto under the sovereignty of that State;(c) The term "designated airline" means an airline which one Contracting
- (c) The term "designated airline" means an airline which one Contracting State shall have designated in writing to the other Contracting State, in accordance with article 3, for the operation of the routes specified in accordance with article 2, paragraph 2, of this Agreement;
- (d) The term "air service" means any scheduled air service performed by aircraft for the public transport of passengers, cargo or mail;
- (e) The term "international air service" means an air service which passes through the air space over the territory of more than one State;
- (f) The term "stop for non-traffic purposes" means a landing for any purpose other than taking on or discharging commercially passengers, cargo or mail.

Article 2

(1) For the purpose of the operation of international air services by the designated airlines, each Contracting State grants to the other Contracting

¹ Came into force on 28 April 1958, in accordance with article 20.

State the following rights: the right of transit; the right to make stops for non-traffic purposes; and the right to make flights for the commercial carriage of international traffic in passengers, mail and cargo to and from the points in its territory, which are listed on each route specified in accordance with paragraph (2).

(2) The routes which the designated airlines of the two Contracting States shall have the right to operate shall be specified in a route schedule to be agreed upon by an exchange of notes.

Article 3

- (1) International air services may be inaugurated on the routes specified in accordance with article 2, paragraph (2), as soon as:
- (a) The Contracting State to which the rights are granted has designated in writing the airline or airlines which are to operate the specified routes,
- (b) The Contracting State which grants the rights has given the designated airlines permission to inaugurate international air services on the routes specified in accordance with article 2, paragraph (2).
- (2) The Contracting State which grants the rights shall, subject to the provisions of paragraphs (3) and (4) and subject further to agreement being reached in accordance with article 11, without delay grant permission to operate the international air services.
- 3) Each Contracting State shall have the right to require the designated airline or airlines of the other Contracting State to satisfy it that they are qualified to fulfil the conditions prescribed under its laws and regulations for the operation of international air services.
- (4) Each Contracting State reserves the right to withhold the exercise of the rights granted in article 2 from an airline designated by the other Contracting State, if that airline is unable on request to satisfy it that substantial ownership and effective control of the airline are vested in nationals or bodies corporate of the other Contracting State or in the other Contracting State itself.

Article 4

(1) Each Contracting State may revoke or restrict the permission granted under article 3, paragraph (2), if a designated airline fails to comply with the laws and regulations of the Contracting State granting the rights or with the provisions of this Agreement, or fails to fulfil the obligations arising therefrom. The foregoing shall also apply in the event of failure to furnish the proof required under article 3, paragraph (4).

Each Contracting State shall exercise this right only after consultation in accordance with article 15, unless immediate suspension of operations or immediate imposition of conditions is essential to prevent further infringements of laws or regulations.

(2) Each Contracting State shall have the right, by written notification to the other Contracting State, to withdraw the designation of an airline and to substitute the designation of another airline. The newly-designated airline shall have the same rights and duties as the airline which it replaces.

Article 5

- (1) The laws and regulations of one Contracting State 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 apply to the aircraft used by the designated airlines of the other Contracting State.
- (2) The laws and regulations of one Contracting State relating to the admission to or departure from its territory of passengers, crews, mail or cargo (such as regulations relating to entry, clearance, immigration, passports, customs and quarantine) shall apply to passengers, crews, mail or cargo of aircraft of the other Contracting State while within its territory.

Article 6

The charges imposed in each Contracting State for the use of airports and other aeronautical facilities by aircraft of the other Contracting State shall not be higher than those payable by domestic aircraft.

Article 7

- (1) The Contracting States shall grant the following exemptions from duty to aircraft employed exclusively in international air navigation by a designated airline of the other Contracting State:
- 1. Aircraft operated by the designated airlines of one Contracting State, entering and thereafter departing from or flying in transit through the territory of the other Contracting State, as well as equipment and spare parts on board such aircraft, shall be exempt from customs duties and other charges levied in connexion with the importation, exportation and transit of goods.

2. Spare parts and equipment

- (a) Dismounted or otherwise removed, under customs supervision, from the aircraft referred to in paragraph 1 above, while within the territory of the other Contracting State, and there placed in storage,
- (b) Imported into and stored in the territory of the other Contracting State for such aircraft, under customs supervision,

shall be exempt from the duties referred to in paragraph 1, provided that they are installed in or otherwise taken on board the said aircraft under customs supervision or are re-exported from the territory of that Contracting State otherwise than on board the aircraft.

The same exemption from duty shall be granted in respect of such spare parts and equipment as are drawn, under customs supervision, from corresponding stores of other foreign airlines and are installed in or otherwise taken on board the said aircraft.

3. Fuels and lubricating oils introduced into the territory of the other Contracting State on board the aircraft referred to in paragraph 1 may be consumed on board such aircraft free of customs duties and other charges imposed in respect of the importation, exportation and transit of goods, even on connecting flights between points in the territory of that contracting State.

The foregoing provision shall also apply in the case of fuels and lubricating oils introduced on behalf of a designated airline into the territory of the other Contracting State and stored there under customs supervision for the use of such aircraft.

Other fuels and lubricants taken on board such aircraft under customs supervision in the territory of the other Contracting State and used in air services, shall not be subject to such of the aforementioned duties or other special consumer taxes as are imposed on aircraft fuels and lubricants in that Contracting State.

4. Foodstuffs and other provisions for the use of passengers and crew members which are introduced into the territory of the other Contracting State on board the aircraft referred to in sub-paragraph 1, may be released for immediate use on board free of customs and other duties imposed in respect of the importation, exportation and transit of goods, provided that the aircraft can be kept under constant customs supervision at intermediate stops.

(2) If no duty is imposed in respect of the goods specified in the preceding paragraph, they shall not be subject to any import, export, or transit prohibition or restriction otherwise applicable to them.

Article 8

- (1) Certificates of airworthiness, certificates or competency and aircraft crew licences, issued or recognized by one Contracting State shall be recognized as valid by the other Contracting State as long as they are in force.
- (2) Each Contracting State reserves the right to refuse to recognize, for the purpose of flights above its own territory, certificates of competency and licences granted to its own nationals by the other Contracting State or by another State.

Article 9

- (1) There shall be fair and equal opportunity for the airlines of both Contracting States to operate on each of the routes specified in accordance with article 2, paragraph (2).
- (2) In operating international air services on the routes specified in accordance with article 2, paragraph (2), the designated airlines of each Contracting State shall take into account the interests of the airlines of the other Contracting State so as not to affect unduly the air services which the latter provide on the whole or part of the same routes.
- (3) The international air services operated on the routes specified in accordance with article 2, paragraph (2), shall have as their primary objective the provision of capacity adequate to meet the foreseeable requirements of traffic to and from the territory of the Contracting State which has designated the airline or airlines. The right of these airlines to operate air services between those points on a route specified in accordance with article 2, paragraph (2), which are situated in the territory of the other Contracting State, and third States shall be exercised in the interest of the orderly development of international traffic, in such a manner that capacity shall be adapted to:
- (a) The requirements of traffic from and to the territory of the Contracting State which has designated the airline or airlines,
- (b) The requirements of traffic in the areas crossed, account being taken of local and regional services,
- (c) The requirements of economic through-airline operation.

Article 10

The aeronautical authorities of either Contracting State shall supply to the aeronautical authorities of the other Contracting State at their request such

periodic or other statistical data concerning the designated airlines as may be reasonably required for the purpose of reviewing the use which is made by the designated airlines of the international air services established in accordance with article 2, paragraph (2). Such data shall include all information required to determine the amount of traffic carried by those airlines on the agreed services and the origins and destinations of such traffic.

Article 11

- (1) The rates to be charged for passengers and cargo on the routes specified in accordance with article 2, paragraph (2), shall be fixed taking into account all factors including cost of operation, reasonable profit, the special characteristics of each service and the rates charged by other airlines which operate the whole or part of the same routes. The rates shall be fixed in accordance with the following provisions.
- (2) The rates shall, if possible, be fixed in respect of each route by agreement between the designated airlines concerned. In this connexion, the designated airlines shall follow the recommendations applicable under the rate-fixing machinery of the International Air Transport Association (IATA) or shall, if possible, reach agreement direct after consultation with the aeronautical authorities of third countries operating the whole or part of the same routes. The foregoing shall also apply to agency commissions charged in conjunction with the rates.
- (3) The rates so fixed shall be submitted for approval to the aeronautical authorities of each Contracting State not less than thirty (30) days before the date of their proposed entry into force. This period may be reduced in special circumstances with the consent of the aeronautical authorities.
- (4) If the designated airlines fail to reach agreement in accordance with paragraph (2) or if either Contracting State is unable to accept the rates submitted to it in accordance with paragraph (3), the aeronautical authorities shall by common agreement determine the rates for the routes and sections of route on which agreement has not been reached.
- (5) If agreement cannot be reached between the aeronautical authorities of the Contracting States in accordance with paragraph (4), article 16 shall apply. Pending settlement of the dispute, the Contracting State unable to accept a modification of the rates may require the other Contracting State to maintain the rates previously in effect.

Article 12

(1) Each Contracting State grants to the designated airlines of the other Contracting State the right to transfer to their head offices the excess of receipts over expenditure after conversion at the official rates of exchange in the currency of the other Contracting State.

(2) If the creditor so desires, the remittance may be made in another currency, as far as is possible under the currency regulations of the Contracting State in force at the time.

Article 13

If a general multilateral air transport convention accepted by both parties enters into force, the provisions of the multilateral convention shall prevail. Consultations to determine the extent to which a multilateral convention cancels, modifies or supplements this Agreement shall be held in accordance with article 15 hereof.

Article 14

There shall be regular exchanges of views between the aeronautical authorities of the Contracting States to ensure close collaboration in all matters effecting the application and interpretation of this Agreement.

Article 15

- (1) Consultations for the purpose of discussing the interpretation, application or modification of this Agreement or its route schedule may be requested by either Contracting State at any time. Such consultation shall begin within a period of sixty days from the date of receipt of the request.
- (2) Any agreed modification of this Agreement shall become effective in accordance with the procedure set forth in article 20.
- (3) Any modification of the route schedule shall become effective when agreed in an exchange of diplomatic notes in accordance with article 2, paragraph (2).

Article 16

- (1) Any dispute between the aeronautical authorities or between the Governments of the Contracting States, relating to the application or interpretation of this Agreement, which cannot be settled in accordance with article 14 or article 15 shall, at the request of either Contracting State, be referred to an arbitral tribunal.
- (2) The arbitral tribunal shall, in each case, be established in accordance with the procedure whereby each Contracting State shall designate one arbitrator and these arbitrators shall agree upon a national of a third State as chairman of the tribunal. If the arbitrators have not been designated within two months of the date on which a Contracting State has given notice of its intention to refer the dispute to an arbitral tribunal, or if the arbitrators cannot agree upon a

chairman within a further period of one month, the President of the Council of the International Civil Aviation Organization shall be requested to make the necessary designations. His decision shall be binding upon the Contracting States.

- (3) If the arbitral tribunal cannot arrive at an amicable settlement of the dispute, it shall take a decision by majority vote. Unless the Contracting States otherwise agree, the arbitral tribunal shall establish its own rules of procedure and select its place of meeting.
- (4) Each Contracting State shall bear the cost of the services of its own arbitrator and half the cost of the services of the chairman.
- (5) The Contracting States undertake to comply with any provisional measures ordered in the course of the proceedings and with the arbitral award, which shall be final.

Article 17

Either Contracting State may denounce this Agreement at any time. The Agreement shall terminate one year after the date of receipt of the notice of termination by the other Contracting State, unless the notice to terminate is withdrawn by agreement before the expiry of this period.

Article 18

This Agreement, all modifications thereof and any exchange of notes in accordance with article 2, paragraph (2), and article 15, paragraph (3), shall be registered with the International Civil Aviation Organization.

Article 19

This Agreement cancels and supersedes all previous air transport agreements between the Contracting States.

Article 20

This Agreement shall enter into force one month after the date on which the Contracting States notify each other that their respective constitutional requirements have been complied with.

IN WITNESS WHEREOF the undersigned plenipotentiaries have signed this Agreement.

DONE in duplicate at Bonn, on 29 January 1957, in Danish and German, both texts being equally authentic.

For the Kingdom of Denmark:
(Signed) F. Hvass
For the Federal Republic of Germany:
(Signed) v. Brentano

EXCHANGE OF NOTES

T

FEDERAL MINISTER OF FOREIGN AFFAIRS

Bonn, 29 January 1957

Your Excellency,

I have the honour to refer to article 2, paragraph (2), of the Agreement relating to air services between the Federal Republic of Germany and the Kingdom of Denmark signed on 29 January 1957. In the negotiations which have been conducted in connexion with the above-mentioned Agreement, it has been agreed that air services may be operated on the routes specified in the following route schedule.

ROUTE SCHEDULE

I

Routes to be operated by the designated airlines of the Federal Republic of Germany:

- (1) From points in the Federal Republic of Germany via intermediate points in the Kingdom of Sweden to Copenhagen, Aarhus and Aalborg.
- (2) From points in the Federal Republic of Germany via intermediate points in the Kingdom of Sweden to Copenhagen, Aarhus, Aalborg and points beyond in North-West, Northern and North-East Europe.
- (3) From points in the Federal Republic of Germany via intermediate points in the Kingdom of Sweden to Copenhagen, Aarhus, Aalborg and beyond to points in Northern and North-West Europe and in North America.

II

Routes to be operated by the designated airlines of the Kingdom of Denmark from points in the Kingdom of Denmark via intermediate points in the Kingdom of Sweden:

- 1. To Hamburg, Bremen, Hanover, Dusseldorf, Cologne/Bonn, Frankfurt/Main, Stuttgart, Nuremberg, Munich.
- 2. To Hanover or Nuremberg or Munich and beyond to points in Central, Southern and South-East Europe.
- 3. To Hanover and/or Stuttgart and beyond to points in France, Spain and Portugal.
- 4. To Hamburg and Bremen and beyond to points in Europe lying north-west of the Federal Republic of Germany and to points in North America.

¹ See p. 96 of this volume.

- 5. To Frankfurt/Main and Munich and points beyond in Switzerland, Portugal, North-West Africa and South America.
- 6. To Hamburg and/or Frankfurt/Main and/or Munich and points beyond in Central, Southern and South-East Europe and Africa.
- 7. (a) To Bremen or Hanover or Dusseldorf or Stuttgart or Nuremberg or Munich and points beyond in Southern and South-East Europe, Egypt and the Near East.
 - (b) To Hamburg or Bremen or Hanover or Dusseldorf or Stuttgart or Nuremberg or Munich and points beyond in Southern and South-East Europe, Egypt, Abadan, Pakistan, India, Ceylon, South-East Asia, Hong Kong, China, Korea, Japan and Australasia.

One or more points on each of the specified routes may be omitted at the option of the designated airline or airlines, provided that the point of departure on a route lies in the territory of the Contracting State which has designated the airline.

I should be grateful if you would inform me whether the Royal Danish Government also accepts this route schedule. Should your reply be in the affirmative, this note and your note in reply shall be regarded as constituting an agreement between the two Governments.

I have the honour to be, etc.

(Signed) v. Brentano

His Excellency Mr. Frants Hvass The Royal Danish Ambassador Bonn

II

ROYAL DANISH EMBASSY

Bonn, 29 January 1957

Your Excellency,

I have the honour to acknowledge receipt of your note of 29 January 1957 which reads as follows:

[See note I]

I have the honour to inform you that the route schedule contained in your note is acceptable to the Royal Danish Government. Your note and this note in reply shall therefore be regarded as constituting an agreement between the two Governments.

I have the honour to be, etc.

(Signed) F. HVASS

His Excellency Dr. Heinrich von Brentano Federal Minister of Foreign Affairs Bonn

Π

ROYAL DANISH EMBASSY

Bonn, 29 January 1957

Your Excellency,

With reference to the Agreement relating to Air Services between the Kingdom of Denmark and the Federal Republic of Germany signed on 29 January 1957, I have the honour to inform you that, in accordance with article 3, paragraph (1), of the said Agreement, the Danish Government designates Det Danske Luftfartselskab (DDL) to operate the routes specified in the route schedule.

In this connexion I have the honour to confirm, on behalf of my Government, the following understanding reached in the course of the negotiations which preceded the signing of the Agreement:

- 1. Det Danske Luftfartselskab (DDL) which, with Det Norske Luftfartselskap (DNL) and Aktiebolaget Aerotransport (ABA) forms a joint operating organization under the designation of the Scandinavian Airlines System (SAS) has the right to operate the routes assigned to it under the Agreement with aircraft, crews and equipment of either or both of the other airlines.
- 2. In so far as Det Danske Luftfartselskab (DDL) uses aircraft, crews and equipment of the other airlines participating in the joint operating organization 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 Det Danske Luftfartselskab (DDL), and the competent Danish authorities and Det Danske Luftfartselskab (DDL) shall accept full responsibility therefor under the Agreement.

If the Government of the Federal Republic of Germany is in agreement with the foregoing, I have the honour to suggest that this note and your note in reply shall be regarded as constituting a formal confirmation of this Agreement between our two Governments.

I have the honour to be, etc.

(Signed) F. HVASS

His Excellency Dr. Heinrich von Brentano Federal Minister of Foreign Affairs Bonn

IV

FEDERAL MINISTER OF FOREIGN AFFAIRS

Bonn, 29 January 1957

Your Excellency,

I have the honour to acknowledge receipt of your note of 29 January 1957 which reads as follows:

[See note III]

I have the honour to inform you that the Government of the Federal Republic of Germany is in agreement with the content of your note. Your note and this note in reply are therefore to be regarded as constituting a formal confirmation of the agreement between our two Governments.

I have the honour to be, etc.

(Signed) v. Brentano

His Excellency Mr. Frants Hvass The Royal Danish Ambassador Bonn