

No. 4766

**AUSTRALIA, BELGIUM, CANADA,
DENMARK, FRANCE, etc.**

**Agreement on the joint financing of certain air navigation
services in Iceland (with annexes). Done at Geneva, on
25 September 1956**

Official texts: English, French and Spanish.

Registered by the International Civil Aviation Organization on 17 June 1959.

**AUSTRALIE, BELGIQUE, CANADA,
DANEMARK, FRANCE, etc.**

**Accord sur le financement collectif de certains services de
navigation aérienne de l'Islande (avec annexes). Fait à
Genève, le 25 septembre 1956**

Textes officiels anglais, français et espagnol.

Enregistré par l'Organisation de l'aviation civile internationale le 17 juin 1959.

No. 4766. AGREEMENT¹ ON THE JOINT FINANCING OF CERTAIN AIR NAVIGATION SERVICES IN ICELAND. DONE AT GENEVA, ON 25 SEPTEMBER 1956

The Governments of Belgium, Canada, Denmark, France, the Federal Republic of Germany, Iceland, Israel, Italy, the Netherlands, Norway, Sweden, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the United States of America, being members of the International Civil Aviation Organization,

Desiring to conclude an agreement for the joint financing, in accordance with the terms and subject to the provisions of Chapter XV of the Convention on International Civil Aviation², of certain Air Navigation Services to be provided by the Government of Iceland,

Have agreed as follows :

Article I

For the purposes of this Agreement :

- (a) "Organization" means the International Civil Aviation Organization ;
- (b) "Council" means the Council of the Organization ;
- (c) "Secretary General" means the Secretary General of the Organization ;
- (d) "Services" means the services specified in Annex I³ to this Agreement and any additional services which may from time to time be provided pursuant to this Agreement.

¹ In accordance with article XXI, paragraph 1, the Agreement came into force between the following States on 6 June 1958, when instruments of acceptance had been deposited with the Secretary-General of the International Civil Aviation Organization by Governments responsible in the aggregate for initial assessments of not less than 90 per cent of the initial maximum cost figure laid down in article V :

<i>State</i>	<i>Date of deposit of instrument of acceptance</i>	<i>State</i>	<i>Date of deposit of instrument of acceptance</i>
Canada	18 January 1957	United Kingdom of Great Britain and Northern Ireland	18 October 1957
United States of America	8 February 1957	Denmark	18 December 1957
Iceland	18 February 1957	Italy	7 February 1958
Norway	10 May 1957	Switzerland	16 May 1958
Sweden	10 May 1957	Netherlands	6 June 1958
Israel	13 May 1957		
Federal Republic of Ger- many	15 October 1957		

It subsequently came into force with respect to Australia on 5 March 1959, the date of deposit of the instrument of accession, in accordance with article XXI, paragraph 2.

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 ; Vol. 51, p. 336 ; Vol. 139, p. 469 ; Vol. 178, p. 420 ; Vol. 199, p. 362 ; Vol. 252, p. 410, and Vol. 324, p. 340.

³ See p. 52 of this volume.

Article II

The Government of Iceland shall provide, operate and maintain the Services and, in consideration of special benefits derived from the Services, shall bear five per cent of the approved actual costs thereof.

Article III

1. The Government of Iceland shall operate and maintain the Services without interruption, in an efficient manner and with the greatest degree of economy consistent therewith and, so far as practicable, in accordance with the applicable Standards, Recommended Practices, Procedures and Specifications of the Organization.

2. Subject to the provisions of Annex I to this Agreement, the manner of taking meteorological observations and of making and disseminating meteorological reports shall be in accordance with the appropriate procedures and specifications promulgated by the World Meteorological Organization.

3. The Government of Iceland shall notify the Secretary General immediately of any emergency necessitating any temporary change or curtailment of the Services and that Government and the Secretary General shall thereupon consult on the measures to be taken to minimize any adverse effect of such change or curtailment.

Article IV

1. The Secretary General shall generally supervise the operation of the Services and may at any time arrange for the inspection of the Services, including any equipment used in connection therewith.

2. The Government of Iceland shall, at the request of the Secretary General, and to the extent practicable, furnish such reports on the operation of the Services as the Secretary General considers desirable.

3. The Secretary General shall, at the request of the Government of Iceland, provide, to the extent practicable, such advice as that Government may reasonably require in regard to the discharge of its obligations under this Agreement.

4. In the event of any failure by the Government of Iceland efficiently to operate and maintain any of the Services, there shall be consultation between that Government and the Secretary General for the purpose of agreeing upon remedial measures.

Article V

The total costs of the Services computed in accordance with Annexes II¹ and III² to this Agreement shall not, for any one calendar year, exceed 1,076,562 United

¹ See p. 58 of this volume.

² See p. 70 of this volume.

States dollars. This limit may be increased by the Council either with the consent of all the Contracting Governments or as a result of the application of the provisions of Article VI.

Article VI

1. For the purpose only of establishing, operating and maintaining services which have not otherwise been provided for pursuant to this Agreement, the limit determined pursuant to the provisions of Article V may be increased by a stated amount with the consent of Contracting Governments responsible in the aggregate for not less than ninety per cent of the total assessments made under the provisions of paragraphs 2, 3, 4 and 5 of Article VII in respect of the last calendar year for which assessments have been made.

2. Subject to the provisions of Article II, any expenditure attributable to the services referred to in paragraph 1 of this Article, or any expenditure made possible under the provisions of paragraph 2 (a) of Article XIII as a result of the inclusion of the said services within this Agreement, shall be borne solely by the Contracting Governments so consenting, in shares having the same relative proportion to each other as the shares of those Governments in the total assessments for the relevant year, and no part of the Reserve Fund referred to in Article X not attributable to those services shall be used for purposes to which those Governments alone have consented.

Article VII

1. Subject to the provisions of Article V and paragraph 2 of Article VI, the Contracting Governments agree to share ninety-five per cent of the approved actual costs of the Services, as determined pursuant to the provisions of Article VIII, in proportion to the aeronautical benefit derived therefrom by each Contracting Government. Such proportion shall be determined for each Contracting Government in respect of each calendar year by the number of complete crossings performed in such year by its civil aircraft on routes between North America and Europe north of the 40th parallel North ; provided that, for the purpose of computing the number of such crossings, flights between the following areas shall be taken into account as follows : Greenland and Canada, Greenland and the United States of America, Greenland and Iceland, and Iceland and Europe—one-third of a crossing ; Greenland and Europe, Iceland and Canada, and Iceland and the United States of America—two-thirds of a crossing.

2. For the purpose of providing advances for the period commencing 1 January 1957 and ending 31 December 1958, the following Contracting Governments shall pay to the Organization, in half-yearly instalments on 1 January and 1 July in each of those years, the amounts set opposite their respective names :

	<i>For 1957</i>	<i>For 1958</i>
	<i>(Icelandic kronur)</i>	
Belgium	622,408	565,826
Canada	659,226	599,297
Denmark	401,497	364,997
France	955,527	868,661
Federal Republic of Germany	268,249	243,863
Iceland	417,276	379,342
Israel	180,586	164,169
Italy	359,419	326,744
Netherlands	1,879,496	1,708,633
Norway	401,497	364,997
Sweden	604,875	549,887
Switzerland	575,070	522,791
United Kingdom of Great Britain and Northern Ireland	1,946,120	1,729,200
United States of America	7,384,737	6,713,397
TOTAL	<u>16,655,983</u>	<u>15,141,803</u>

3. On or before 1 October 1958, the Council shall assess the Contracting Governments for the purpose of providing advances for the year 1959 on the basis of the number of crossings for 1957, and ninety-five per cent of the approved actual costs of the Services for that year with the addition of ten per cent of that amount.

4. On 1 January 1959 and 1 July 1959, in half-yearly instalments, each Contracting Government shall pay to the Organization the amount assessed to it in respect of advances for the calendar year 1959, plus or minus any difference between the amounts paid by it to the Organization as advances in respect of 1957 and its adjusted share, as determined by its crossings and the approved actual costs of the Services for 1957.

5. The provisions of paragraphs 3 and 4 of this Article, with appropriate revision of the dates mentioned therein, shall govern the assessment of and payments by the Contracting Governments in respect of subsequent years so long as this Agreement is not terminated.

6. Subsequent to the termination of this Agreement, the Council shall undertake an adjustment so as to accomplish the objectives of paragraph 1 of this Article in respect of any period for which payments at the termination of the Agreement have not been adjusted pursuant to paragraphs 4 and 5 of this Article.

7. Commencing with the year 1957, each Contracting Government shall furnish to the Secretary General, on or before 1 March of each year, in such form as the Secretary General may prescribe, full particulars of crossings performed during the preceding calendar year by its civil aircraft on routes between North America and Europe north of the 40th parallel North.

Article VIII

1. Commencing with the year 1956, the Government of Iceland shall furnish to the Secretary General, on or before 31 October of each year, estimates of the costs of the Services for the following calendar year. The estimates shall be drawn up in accordance with Article III and with Annexes II and III to this Agreement.

2. The Government of Iceland shall furnish to the Secretary General, not later than six months after the end of each calendar year, a statement of the actual costs of the Services during that year. The Secretary General shall subject the statement to such audit and other examination as he deems appropriate and shall furnish to the Government of Iceland a report of the audit.

3. The Government of Iceland shall furnish to the Secretary General such additional information relating to any estimates of costs or statement of actual costs as the Secretary General may require, as well as any available information as to the extent to which the Services are being used by aircraft of any nationality.

4. The statement of actual costs for each year, beginning with the statement for the year 1957, shall be subject to approval by the Council.

5. The statement of actual costs approved by the Council pursuant to the provisions of paragraph 4 of this Article shall be circulated to the Contracting Governments.

Article IX

1. The Government of Iceland shall be reimbursed for ninety-five per cent of the actual costs, as approved by the Council, of providing, operating and maintaining the Services.

2. Commencing with the year 1957, the Council shall, after having satisfied itself that the estimates submitted by the Government of Iceland in accordance with paragraph 1 of Article VIII have been drawn up in accordance with Article III and with Annexes II and III to this Agreement, authorize the Secretary General to make payments to that Government in respect of each quarter, not later than the first day of the second month in that quarter. The payments shall be based on the estimates referred to and shall constitute advances, subject to adjustment as provided under paragraph 3 of this Article. The total amount of such payments shall not exceed, in respect of any one year, the limit determined pursuant to the provisions of Article V.

3. After the approval by the Council of the statement of actual costs, beginning with the statement for the year 1957, the Secretary General shall make adjustments in any subsequent quarterly payments to the Government of Iceland to take account of any differences between the payments made under paragraph 2 of this Article in respect of any year and the approved actual costs for that year.

4. Contracting Governments not represented on the Council shall be invited to participate in the consideration by the Council or any of its bodies of the estimates furnished by the Government of Iceland pursuant to the provisions of paragraph 1 of Article VIII.

5. The estimates of costs as approved by the Council pursuant to the provisions of paragraph 2 of this Article, shall be circulated to the Contracting Governments.

Article X

1. The payments received by the Organization from the Contracting Governments pursuant to the provisions of Article VII shall, to the extent that they are not from time to time needed for making current payments to the Government of Iceland pursuant to this Agreement, constitute a Reserve Fund to be used by the Organization for the purposes of this Agreement.

2. The Secretary General may arrange for short-term investment of the Reserve Fund. The Organization shall apply the interest derived therefrom to cover the extraordinary expenses of the Organization incidental to this Agreement. If such interest is insufficient to cover such expenses, the difference remaining shall be considered as an additional part of the actual costs of the Services and shall be reimbursed to the Organization from payments made by the Contracting Governments.

Article XI

1. The annual assessments of Contracting Governments shall be expressed in Icelandic kronur.

2. Each of the Contracting Governments may, at its discretion, make payments to the Organization pursuant to the provisions of Article VII either in United States dollars or in sterling or, provided the Government of Iceland consents thereto, in Icelandic kronur.

3. The Secretary General shall, subject to the Organization being reimbursed in United States dollars for its extraordinary expenses, make payments to the Government of Iceland pursuant to the provisions of Articles IX and XII in the currencies in which Contracting Governments have made their payments to the Organization and which remain available.

4. All payments made in United States dollars or sterling pursuant to paragraphs 2 and 3 of this Article shall be effected at the par value of exchange with Icelandic kronur accepted by the International Monetary Fund and prevailing on the dates on which such payments are respectively due ; provided that, if no such par value exists or if there are legal exchange rates for the currency of payment differing by more than one per cent from the par value of exchange, the rate of exchange at which that currency will be accepted for payments pursuant to the

provisions of Articles VII, IX and XII shall be fixed by agreement between the Government of Iceland and the Government making the payment or the Organization, as the case may be.

Article XII

1. The obligation of the Secretary General to make payments to the Government of Iceland under this Agreement shall be limited to amounts actually received by the Organization and available in accordance with the terms of this Agreement.

2. The Secretary General may, nevertheless, pending receipt of payments from Contracting Governments and in accordance with the Financial Regulations of the Organization, advance payments which are due to the Government of Iceland in cases where he considers such advances essential for the inauguration or uninterrupted continuance of the Services.

3. No Contracting Government shall have a claim against the Organization because of failure of any other Contracting Government to make any payment under this Agreement.

Article XIII

1. The Council may, subject to the provisions of Article V and paragraph 2 of Article VI and in agreement with the Government of Iceland, include under this Agreement new capital expenditure necessary for the proper operation of the Services.

2. The Council may, subject to the provisions of Articles V and VI and in agreement with the Government of Iceland, include under this Agreement services in addition to those set out in Annex I hereto and new capital expenditure in respect of such services ; provided that any one of the following conditions is fulfilled :

- (a) the total amount of such expenditure in any one year is limited to 650,000 Icelandic kronur ;
- (b) such services are those to which all Contracting Governments have consented ;
- (c) such services are those to which Contracting Governments responsible in the aggregate for not less than ninety per cent of the total assessments made under the provisions of paragraphs 2, 3, 4 and 5 of Article VII have consented and in respect of which the provisions of Article VI have been applied.

3. For the purposes of paragraphs 1 and 2 of this Article, renewal of buildings and equipment from payments received on account of depreciation shall not be regarded as new capital expenditure.

4. If new capital expenditure or additional services are proposed by the Government of Iceland or by the Council, that Government shall furnish to the Secretary General an estimate of the costs thereof, together with such specifications, plans and other information as may be required in regard thereto, and shall consult with the Secretary General concerning the methods of supply, design or construction to be adopted.

5. The Council may, in agreement with the Government of Iceland, exclude from this Agreement any part of the Services.

6. When action has been taken pursuant to paragraphs 1, 2 or 5 of this Article, the Council shall amend the Annexes to this Agreement accordingly.

Article XIV

1. Except with the consent of the Council, the Government of Iceland shall not impose any charges for the use by other than its own nationals of any of the Services.

2. The Government of Iceland shall, if and when requested by the Council, institute, so far as practicable, a system of charges for the use of the whole or any part of the Services.

3. Any revenue collected by the Government of Iceland with the consent or at the request of the Council in respect of the use of the Services, shall be offset against payments due to that Government pursuant to the provisions of this Agreement.

Article XV

The Government of Iceland shall not make any international arrangement for the provision, operation, maintenance, development or financing of any or all of the Services without the approval of the Council.

Article XVI

The Government of Iceland shall, to the fullest possible extent, cooperate with the representatives of the Organization in respect of the purposes of this Agreement and shall accord to such representatives the privileges and immunities to which they are entitled under the General Convention on the Privileges and Immunities of the Specialized Agencies,¹ including Annex III (2) thereto.

¹ United Nations, *Treaty Series*, Vol. 33, p. 261; Vol. 43, p. 342; Vol. 46, p. 355; Vol. 51, p. 330; Vol. 71, p. 316; Vol. 76, p. 274; Vol. 79, p. 326; Vol. 81, p. 332; Vol. 84, p. 412; Vol. 88, p. 446; Vol. 90, p. 323; Vol. 91, p. 376; Vol. 92, p. 400; Vol. 96, p. 322; Vol. 101, p. 288; Vol. 102, p. 322; Vol. 109, p. 319; Vol. 110, p. 314; Vol. 117, p. 386; Vol. 122, p. 335; Vol. 127, p. 328; Vol. 131, p. 309; Vol. 136, p. 386; Vol. 161, p. 364; Vol. 168, p. 322; Vol. 171, p. 412; Vol. 175, p. 364; Vol. 183, p. 348; Vol. 187, p. 415; Vol. 193, p. 342; Vol. 199, p. 314; Vol. 202, p. 321; Vol. 207, p. 328; Vol. 211, p. 388; Vol. 216, p. 367; Vol. 221, p. 409; Vol. 231, p. 350; Vol. 275, p. 298; Vol. 276, p. 352; Vol. 277, p. 343; Vol. 280, p. 348; Vol. 282, p. 354; Vol. 286, p. 334; Vol. 299, p. 408; Vol. 300, p. 305; Vol. 301, p. 439; Vol. 302, p. 353; Vol. 304, p. 342; Vol. 308, p. 310; Vol. 309, p. 354; Vol. 310, p. 318; Vol. 314, p. 308; Vol. 316, p. 276; Vol. 317, p. 316; Vol. 320, p. 321; Vol. 323, p. 364; Vol. 325, p. 328; Vol. 327, and Vol. 330, p. 348.

Article XVII

The Council shall convene a conference of all the Governments concerned :

- (a) when requested by two or more of the Contracting Governments or by the Government of Iceland, or by any one of the Contracting Governments if such a conference has not been held during the previous five years ;
- (b) when failure of any Contracting Government to make payments under this Agreement necessitates a revision of the assessments which cannot otherwise be satisfactorily settled ; or
- (c) when, for any other reason, the Council considers such a conference necessary.

Article XVIII

Any dispute relating to the interpretation or application of this Agreement or the Annexes thereto which is not settled by negotiation shall, upon the request of any Contracting Government party to the dispute, be referred to the Council for its recommendation.

Article XIX

1. This Agreement shall remain open until 1 December 1956 for signature by the Governments named in the Preamble.

2. This Agreement shall be subject to acceptance by the signatory Governments. Instruments of acceptance shall be deposited as soon as possible with the Secretary General, who shall inform all signatory and acceding Governments of the date of deposit of each such instrument.

Article XX

1. This Agreement shall be open for accession by the Government of any State member of the United Nations or of a Specialized Agency in relationship therewith. Accessions shall be effected by the deposit of a formal instrument with the Secretary General.

2. The Council may initiate consultations with any Government, not a party to this Agreement, whose civil aircraft benefit from the Services, for the purpose of obtaining its accession to the Agreement.

3. Notwithstanding the provisions of paragraph 2 of this Article, the Council may conclude arrangements for contributions from any Government which does not become a party to this Agreement. Any such contributions received shall be applied to the purposes of this Agreement as determined by the Council.

Article XXI

1. This Agreement shall come into force not earlier than 1 January 1957, when instruments of acceptance or of accession have been deposited by Governments

responsible in the aggregate for initial assessments of not less than ninety per cent of the initial maximum cost figure laid down in Article V. As regards those Governments, deposit of an instrument of acceptance or of accession shall be deemed to constitute consent to the system of assessments, payments and adjustments under this Agreement for the period between 1 January 1957 and the entry into force of this Agreement.

2. As regards any Government whose instrument of acceptance or of accession is deposited after the entry into force of this Agreement, the Agreement shall come into force on the date of such deposit. Each such Government shall consent to the system of assessments, payments and adjustments under this Agreement with effect at least from the beginning of the calendar year during which the instrument of acceptance or of accession is deposited. Each such Government may elect to be assessed for its appropriate share of the actual approved costs of any Services in respect of which the provisions of Article VI have been applied and as to which, at the date of accession of such Government, the consents of all Contracting Governments have not been given.

Article XXII

1. (a) This Agreement may be terminated by the Government of Iceland on 31 December in any year by notice in writing given to the Secretary General not later than 1 January of that year.

(b) If at any time it proves impossible for the Government of Iceland to perform the Services within the limit determined pursuant to the provisions of Article V, that Government shall immediately notify the Secretary General in writing of such fact and shall furnish to the Secretary General a detailed estimate of the additional amount required. The Secretary General shall promptly examine such estimate and, after any necessary consultation with that Government, determine the amount needed in excess of the aforesaid limit. The Secretary General shall then approach the Contracting Governments with a view to obtaining their consent as required pursuant to the provisions of Article V. Unless, within three months after the Secretary General has determined the additional amount required, he notifies the Government of Iceland that the Contracting Governments have given their consent, the Government of Iceland may thereafter terminate this Agreement on three months' notice in writing given to the Secretary General.

(c) This Agreement may be terminated on 31 December in any year by Contracting Governments other than the Government of Iceland responsible for current assessments in the aggregate of not less than ten per cent of the limit determined pursuant to the provisions of Article V by notice in writing given to the Secretary General not later than 1 January of that year.

2. Upon receipt of a notice or notices of desire to terminate this Agreement in accordance with paragraph 1 of this Article, the Secretary General shall notify the Contracting Governments.

Article XXIII

1. Notwithstanding the provisions of Article XXII, any Contracting Government other than the Government of Iceland, whose current assessment is less than ten per cent of the limit determined pursuant to the provisions of Article V, may withdraw from participation in this Agreement on 31 December in any year by notice in writing given to the Secretary General not later than 1 January of that year of its intention to terminate its participation. Any such notice shall, for the purpose of paragraph 1 (c) of Article XXII, be deemed also to constitute a notice of desire to terminate this Agreement.

2. Following receipt of notice of withdrawal from any Contracting Government, the Secretary General shall notify the other Contracting Governments.

Article XXIV

1. In the event of termination of this Agreement by the Government of Iceland pursuant to the provisions of paragraph 1 of Article XXII, that Government shall pay to the Organization, or the Organization may offset against payments due to that Government hereunder, a sum representing equitable compensation for benefits to it from its acquisition, for its own purposes, of moveable or immovable property, the cost of which has been partially or wholly reimbursed to that Government under the provisions of this Agreement.

2. In the event of any termination of this Agreement by Contracting Governments other than the Government of Iceland, the Government of Iceland shall be paid out of the Reserve Fund or, if the Fund is insufficient, by all the Contracting Governments through the Organization, an equitable amount by way of compensation for capital expenditures undertaken by that Government and not wholly reimbursed pursuant to this Agreement. Any payments required from Contracting Governments for this purpose shall be computed on the basis of the most recent assessment figures and shall be due as of the time of termination. The Organization shall have the right to take over any moveable property for which compensation is paid pursuant to this paragraph. Any waiver of such right shall be taken into account in determining the compensation.

3. The provisions of paragraph 2 of this Article shall apply correspondingly in respect of any part of the Services which may be excluded from the Agreement pursuant to the provisions of paragraph 5 of Article XIII.

4. The amount of any payments under this Article shall be determined by agreement between the Council and the Government of Iceland.

Article XXV

1. Subject to the provisions of paragraph 2 of Article X, any balance of the Reserve Fund and of interest thereon held by the Organization on the date when

this Agreement ceases to be in force shall be apportioned among and refunded to those Governments which were still parties to this Agreement immediately before that date on the basis of their most recent annual assessments.

2. (a) Any Government which has withdrawn from participation in this Agreement in accordance with the provisions of Article XXIII shall pay to or receive from the Organization any difference between the amount it has paid to the Organization in accordance with Article VII and its appropriate share of the approved actual costs in respect of the period of its participation.

(b) Any Government which has so withdrawn shall pay to the Organization its share of capital expenditures which have been undertaken by the Government of Iceland and which have not been wholly reimbursed pursuant to this Agreement. The amount payable shall be computed on the basis of the most recent assessment figure in respect of the Government which has withdrawn. Payment shall be due as of the time of withdrawal.

Article XXVI

1. This Agreement may be amended by mutual agreement between the Contracting Governments.

2. The Council shall, subject to the provisions of Article V and paragraph 2 of Article VI, revise the list of Contracting Governments and the amounts set opposite their names in paragraph 2 of Article VII to the extent necessary in order to :

- (a) accommodate any non-signatory Government acceding to this Agreement in accordance with paragraph 1 of Article XX ;
- (b) counterbalance any shortcomings in payments resulting from the failure of any Government named in the Preamble to become a party to this Agreement ; or
- (c) take into account services brought within this Agreement pursuant to the provisions of Article XIII.

3. The Council may, in cases additional to those specified in paragraph 6 of Article XIII, amend the Annexes to this Agreement, subject always to the terms and conditions of the Agreement and the consent of the Government of Iceland.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have, on behalf of their respective Governments, signed this Agreement on the dates appearing opposite their signatures.

DONE in Geneva on the twenty-fifth day of September of the year nineteen hundred and fifty-six in the English, French and Spanish languages, all three texts being equally authoritative, in a single copy which shall be deposited with the International Civil Aviation Organization with which, in accordance with Article XIX hereof, it shall remain open for signature, and the Secretary General of the Organization shall send certified copies thereof to all signatory and acceding Governments.

Belgium :
Belgique :
Bélgica :

PIRSON

28 novembre 1956

Canada :
Canada :
Canadá :

J. A. IRWIN

Nov. 28, 1956

Denmark :
Danemark :
Dinamarca :

G. CRONE-LEVIN

France :
France :
Francia :

D. HAGUENAU

Federal Republic of Germany :
République Fédérale d'Allemagne :
República Federal de Alemania :

Georg KRAUSS

Nov. 28, 1956

Iceland :
Islande :
Islandía :

Agnar KOFOED-HANSEN

Israel :
Israël :
Israel :

Yelunde GAULAN

28th Nov. 1956

Italy :
Italie :
Italia :

Salvatore CACOPARDO
28th Nov. 1956

Netherlands :
Pays-Bas :
Holanda :

A. P. DEKKER

Norway :
Norvège :
Noruega :

Johan CAPPELEN

Sweden :
Suède :
Suecia :

Sven SÖRENSON
Nov. 15th, 1956

Switzerland :
Suisse :
Suiza :

P. SENN

United Kingdom of Great Britain and Northern Ireland :
Royaume-Uni de Grande-Bretagne et d'Irlande du Nord :
Reino Unido de Gran Bretaña e Irlanda del Norte :

E. C. V. GOAD
G. McD. WILSON

United States of America :
États-Unis d'Amérique :
Estados Unidos de América :

Harold A. JONES
subject to the availability of funds¹
H. A. J.

¹ Sous réserve que les fonds nécessaires soient disponibles.

ANNEX I

THE SERVICES

PART I.—AIR TRAFFIC SERVICES

An area control centre located at Reykjavik (6408N.2156W) to be in continuous operation to safeguard the North Atlantic International operations through the Icelandic control area.

PART II.—METEOROLOGICAL SERVICES

A. Surface and upper-air synoptic reports and hourly reports to be made every day from observations at the following meteorological stations in accordance with the following table :

Meteorological stations and their locations *	Surface synoptic observations 3-hourly (at 00, 03, 06, 09, 12, 15, 18 and 21 GMT)	Hourly and special observations	Upper-air observations	
			Radiosonde (at 03 and 15 GMT)	Radiowind (at 03 and 15 GMT)
1. Akureyri (6541N.1805W)	8			
2. Delatangi (6516N.1335W)	8			
3. Galtarviti (6610N.2334W)	8			
4. Hólar (6418N.1512W)	8			
5. Keflavik (6359N.2237W)	8	24	2	2
6. Raufarhöfn (6628N.1557W)	8			
7. Reykjavik (6408N.2156W)	8			
8. Stykkishólmur (6505N.2244W)	8			
9. Vestmannaeyjar (6324N.2017W)	8			

* The above stations may be moved by the Icelandic authorities within 25 km from the specified positions as long as neither the capital nor the operating costs with which this agreement is concerned are thereby increased. Where such costs would be increased, the proposed relocation shall be submitted to the Council prior approval.

B. A main meteorological office located at Keflavik (6357N.2237W).

PART III.—AERONAUTICAL AND METEOROLOGICAL COMMUNICATIONS SERVICES

Telecommunication services to be provided as follows :

A. *Reykjavik*

1. Collection of Iceland meteorological reports.
2. Intercept of radiotelegraph meteorological broadcasts and transmission to MET Keflavik.

3. Transmission of Iceland meteorological reports to Gufunes.
4. HF and VHF air-ground communication for air traffic control purposes.
5. Landline teletypewriter service :
 - a) Operations Keflavik – ATC Reykjavik ;
 - b) MET Keflavik – MET receiving unit Reykjavik.
6. Telephone service :
 - a) ATC Reykjavik – Approach control tower Keflavik ;
 - b) ATC Reykjavik – MET Reykjavik ;
 - c) MET Reykjavik – MET Keflavik ;
 - d) MET Reykjavik – Trunk exchange Reykjavik.

B. *Gufunes*

- 1.* Duplex radioteletypewriter circuit – Prins Christians Sund (Radioteletypewriter circuit–Gander to continue until Gufunes – Prins Christians Sund - Gander radioteletypewriter circuits are established).
- 2.** Duplex radioteletypewriter circuit – London.
3. Manual radiotelegraph circuit – Stavanger.
4. Reception of WSY radioteletypewriter meteorological broadcasts.
5. HF, VHF, and HF ground wave air-ground communications.
6. Landline teletypewriter service :
 - a) Gufunes – ATC Reykjavik (air-ground service) ;
 - b) Gufunes – ATC Reykjavik (point to point service) ;
 - c) Gufunes duplex – Operations and MET Keflavik ;
 - d) Gufunes–MET Keflavik, MET Reykjavik, ATC Reykjavik, cable office (omnibus) ;
 - e) Gufunes – COM Keflavik (until Prins Christians Sund radioteletypewriter circuit is implemented).
7. Telephone lines :
 - a) Gufunes – ATC Reykjavik ;
 - b) Gufunes – Rjupnahaed ;
 - c) Gufunes – MET receiving unit Reykjavik.
8. Keying lines :
 - a) Gufunes – Rjupnahaed : 16 lines ;
 - b) Gufunes – Vatnsendi : 5 lines ;
 - c) Gufunes – Grindavik : 2 lines.
9. VHF communications between Gufunes, ATC Reykjavik and Keflavik aerodrome to supplement the above inter-communication services in the event of landline failure.

C. *Rjupnahaed*: Transmitting station (including VHF and HF ground wave stations at Grindavik).

* Implementation to be dependent upon action of Council.

** Implementation of certain improvements to be dependent upon action of Council.

PART IV.—RADIO NAVIGATION AIDS

Radio navigation aids to be provided as follows :

Loran at Vik with the following specification :

- (i) A standard Loran Slave Station complete with monitoring facilities at Vik providing in association with a Double Master Station at Skuvanæs, Faroe Islands and a Slave Station at Mangerstar, Hebrides a continuous radio navigation service using Loran rate 1L5 in the North Eastern Atlantic Area, the Station to be equipped and maintained for the provision of this service with a minimum of interruption due to failure of its component parts.
- (ii) All communication facilities necessary to the operation of the station, including fixed service radio communication with the Master Station at Skuvanæs.

ANNEX II

INVENTORY

AIR TRAFFIC SERVICES AT REYKJAVIK

(Calculated in Icelandic Kronur)

Items	Agreed initial value for purposes of annual depreciation		Depreciation and insurance received by 31 Dec. 1956 less reinvestments for renewals	Agreed residual value as of 1 Jan. 1957	Date of commencement of depreciation
	Buildings and appurtenances thereto	Equipment			
(1)	(2)	(3)	(4)	(5)	(6)
1. Buildings and appurtenances thereto					
2. Antenna towers and counterpoises . . .		14,653.06	14,653.06	0	
3. Machinery and tools		17,874.67	17,874.67	0	
4. Storage tanks					
5. Communications equipment		327,060.83	69,060.83	258,000.00	1 Jan. 1957
6. Cables : armoured ordinary					
7. Meteorological equipment					
8. Vehicles					
9. Office and housing equipment		18,341.79	18,341.79	0	
TOTAL		377,930.35	119,930.35	258,000.00	

METEOROLOGICAL SERVICES AT KEFLAVIK
(Calculated in Icelandic Kronur)

Items	Agreed initial value for purposes of annual depreciation		Depreciation and insurance received by 31 Dec. 1956 less reinvestments for renewals	Agreed residual value as of 1 Jan. 1957	Date of commencement of depreciation
	Buildings and appurtenances thereto	Equipment			
(1)	(2)	(3)	(4)	(5)	(6)
1. Buildings and appurtenances thereto					
2. Antenna towers and counterpoises					
3. Machinery and tools					
4. Storage tanks					
5. Communications equipment					
6. Cables : armoured ordinary					
7. Meteorological equipment					
8. Vehicles		25,000.00		25,000.00	1 Jan. 1957
9. Office and housing equipment					
TOTAL		25,000.00		25,000.00	

METEOROLOGICAL SERVICES AT REYKJAVIK

(Calculated in Icelandic Kronur)

Items	Agreed initial value for purposes of annual depreciation		Depreciation and insurance received by 31 Dec. 1956 less reinvestments for renewals	Agreed residual value as of 1 Jan. 1957	Date of commencement of depreciation
	Buildings and appurtenances thereto	Equipment			
(1)	(2)	(3)	(4)	(5)	(6)
1. Buildings and appurtenances thereto					
2. Antenna towers and counterpoises . . .		30,000.00		30,000.00	1 Jan. 1957
3. Machinery and tools					
4. Storage tanks					
5. Communications equipment					
6. Cables : armoured ordinary					
7. Meteorological equipment					
8. Vehicles					
9. Office and housing equipment					
TOTAL		30,000.00		30,000.00	

COMMUNICATIONS SERVICES—RECEIVING CENTER—AT GUFUNES
(Calculated in Icelandic Kronur)

Items	Agreed initial value for purposes of annual depreciation		Depreciation and insurance received by 31 Dec. 1956 less reinvestments for renewals	Agreed residual value as of 1 Jan. 1957	Date of commencement of depreciation
	Buildings and appurtenances thereto	Equipment			
(1)	(2)	(3)	(4)	(5)	(6)
1. Buildings and ap- purtenances thereto	400,000.00		72,000.00	328,000.00	1 Jan. 1957
2. Antenna towers and counterpoises . .		330,000.00		330,000.00	1 Jan. 1957
3. Machinery and tools					
4. Storage tanks					
5. Communications equipment		749,500.00	296,470.00	453,030.00	1 Jan. 1957
6. Cables : armoured ordinary					
7. Meteorological equipment					
8. Vehicles					
9. Office and housing equipment					
TOTAL	400,000.00	1,079,500.00	368,470.00	1,111,030.00	

COMMUNICATIONS SERVICES—TRANSMITTING CENTER—AT RJUPNAHAED
(INCLUDES GRINDAVIK)
(Calculated in Icelandic Kronur)

Items	Agreed initial value for purposes of annual depreciation		Depreciation and insurance received by 31 Dec. 1956 less reinvestments for renewals	Agreed residual value as of 1 Jan. 1957	Date of commencement of depreciation
	Buildings and appurtenances thereto	Equipment			
(1)	(2)	(3)	(4)	(5)	(6)
1. Buildings and ap- purtenances there- to*	4,392,341.00		896,059.00	3,496,282.00	1 Jan. 1957
2. Antenna towers and counterpoises . . .		570,000.00		570,000.00	1 Jan. 1957
3. Machinery and tools					
4. Storage tanks					
5. Communications equipment		3,933,600.00	1,640,340.00	2,293,260.00	1 Jan. 1957
6. Cables : armoured ordinary					
7. Meteorological equipment					
8. Vehicles					
9. Office and housing equipment					
TOTAL	4,392,341.00	4,503,600.00	2,536,399.00	6,359,542.00	

* See Annex III, Section II, Parts C 2.1 and C.3 for special rates of depreciation and interest.

RADIO NAVIGATION AIDS—LORAN SERVICES AT VIK
(Calculated in Icelandic Kronur)

Items	Agreed initial value for purposes of annual depreciation		Depreciation and insurance received by 31 Dec. 1956 less reinvestments for renewals	Agreed residual value as of 1 Jan. 1957	Date of commencement of depreciation
	Buildings and appurtenances thereto	Equipment			
(1)	(2)	(3)	(4)	(5)	(6)
1. Buildings and appurtenances thereto	475,000.00		475,000.00	0	
2. Antenna towers and counterpoises					
3. Machinery and tools		72,000.00	72,000.00	0	
4. Storage tanks					
5. Communications equipment		16,000.00	16,000.00	0	
6. Cables : armoured ordinary					
7. Meteorological equipment					
8. Vehicles		100,000.00	100,000.00	0	
9. Office and housing equipment					
TOTAL	475,000.00	188,000.00	663,000.00	0	

ANNEX III

FINANCIAL

SECTION I

1. Statements rendered by the Government of Iceland on the cost of operating and maintaining the services set forth in Annex I shall be based on the elements enumerated in Parts A, B and C of Section II of this Annex. These estimates and accounts shall be rendered in accordance with a format and breakdown to be agreed upon between the Secretary General and the Government of Iceland. The Government of Iceland shall also provide, in a form agreed upon with the Secretary General, an annual statement showing any capital investment undertaken by Iceland in respect of the Services, including renewal of buildings or equipment met from provision for depreciation.

2. The Government of Iceland shall not include, in the costs of the Services, customs or other duties on equipment or other materials imported for direct and exclusive application to the purposes of the Agreement.

3. If in the year 1957 or any later year the use by the Government of Iceland of the Services for commercial purposes changes, that change shall be reflected by an appropriate change in the accounts.

4. The number of regular personnel charged to the Services shall not exceed the following :

	<i>Technical</i>	<i>Other</i>	<i>Total</i>
I. <i>Air Traffic Services</i>			
Reykjavik	15	0	15
II. <i>Meteorological Services</i>			
Keflavik	23	0	23
Reykjavik	16*	0	16
III. <i>Aeronautical and Meteorological Communication Service</i>			
Reykjavik	Staff included under I.1 & II-2 above		
Gufunes	48	0	48
Rjupnahaed	13	0	13
IV. <i>Radio Navigation Aids</i>			
Vik	10	0	10

* In addition there are the necessary part-time observers on Synoptic Observation Stations other than Reykjavik and Keflavik.

5. The Government of Iceland may only charge, in respect of certain costs listed below which are not directly separable from the cost of that Government's own services, the following percentages of the total cost :

- 5.1. *Air Traffic Services at Reykjavik* : 100 % of ATC salaries, 70 % of all other direct costs, and depreciation on 70 % of capital improvements of the Air Traffic Services ;

- 5.2. *Meteorological Services at Reykjavik*: 100 % of one MET salary, 88 % of the direct costs as regards Icelandic synoptic messages, 60 % of the direct costs as regards MET intercept messages (i.e., salaries of up to 15 radio operators), and depreciation on 60 % of capital improvements of the MET intercept;
- 5.3. *Communications Services at Gufunes*: 60 % of the direct costs as regards MET intercept messages.

SECTION II

The direct costs of operating and maintaining the Services which the Government of Iceland may charge are categorized in Parts A and B hereunder. The indirect costs which the Government of Iceland may charge are set out in Part C hereunder.

Part A.—Operational expenses

1. *Salaries of regular operating personnel*
(Basic salaries established by the Government of Iceland from time to time, plus any applicable allowances or other payments such as for cost-of-living, subsistence, night shift, overtime, personnel insurance, sickness, leave, etc.)
 - 1 (a) Payments to part-time observers on Synoptic Observation Stations
2. *Working expendables*
(Including, where applicable, fuel, provisions, radiosondes, balloons, hydrogen, etc.)
3. *General operating expenses*
(Including, where applicable, charges for electric power, commercial communications charges, heating, lighting, cleaning, stationery and miscellaneous supplies, rents, etc.)
4. *Transportation*
(Including, where applicable, transportation of personnel and goods, operational expenses of vehicles used in connection therewith, etc.)
5. *Miscellaneous additional necessary operating expenses*

Part B.—Maintenance expenses

1. *Salaries of regular maintenance personnel*
(Salaries to be included under Part A-1.)
2. *Special labour employed in maintenance*
(Including, where applicable, experts and local labour employed on a temporary basis for special maintenance purposes)
3. *Material used for maintenance*
(Including, where applicable, spare parts and material for maintenance of buildings and appurtenances thereto, antenna towers and counterpoises, machinery and tools, storage tanks, communications equipment, cables, meteorological equipment, vehicles, boats, office and housing equipment, etc.)

4. *Miscellaneous additional necessary maintenance expenses*

(Including any new or renewed equipment totalling not more than five hundred United States dollars which it is not practicable to amortize, contractual repairs away from a Station and transportation connected therewith, etc.)

Part C.—Indirect Expenses

1. *Miscellaneous Overhead including Administration.* For administration of the Services listed in Annex I, a charge of 10 per cent on the total direct expenses on items listed in Parts A and B of this Annex.

2. *Depreciation.* Depreciation shall be charged at the following rates, provided that it shall not be charged in respect of buildings and equipment which have been completely depreciated except when renewal of such buildings or equipment has been undertaken from provision for depreciation; in which case depreciation may be charged until the renewed buildings or equipment have also been depreciated.

2.1. Buildings and appurtenances thereto at Rjupnahaed, £ 6,943 in 1957; £ 7,714 in 1958, in 1959 and in 1960; £ 8,486 in 1961; £ 8,871 in 1962; £ 9,257 in 1963; and £ 10,029 in 1964 and 1965.

2.2. Buildings and appurtenances thereto at

	<i>Rate</i>
Gufunes	2 %
Vik	2 %

per annum of the value specified as the basis for depreciation in Annex II.

2.3. All equipment at a rate of 10 % per annum of the value specified as the basis for depreciation in Annex II, except

	<i>Rate</i>
Office and housing equipment	} 5 %
Cables, armoured	
Vehicles	20 %

3. *Interest* on capital invested in buildings and appurtenances thereto at Rjupnahaed is to be charged £ 3,564 in 1957; £ 3,225 in 1958; £ 2,858 in 1959; £ 2,492 in 1960; £ 2,116 in 1961; £ 1,713 in 1962; £ 1,282 in 1963; £ 834 in 1964; and £ 357 in 1965. In all other cases, interest on capital invested in buildings and equipment is not to be charged in excess of 6 per cent per annum of the value specified for depreciation in Annex II, as adjusted by annual depreciation and taking into account renewals of buildings and equipment met from provision for depreciation.

4. *Insurance.* The Government of Iceland shall insure buildings and equipment at the written down value set out in Annex II. Amounts charged for insurance are not to exceed prevailing commercial rates for underwriting comparable risks.