No. 5039

ITALY and PAKISTAN

Agreement (with annex and Joint Declaration) relating to air services. Signed at Rome, on 5 October 1957

Official texts of the Agreement and annex: English and Italian.

Official text of the Joint Declaration: English.

Registered by the International Civil Aviation Organization on 11 March 1960.

ITALIE et PAKISTAN

Accord (avec annexe et Déclaration commune) relatif aux services aériens. Signé à Rome, le 5 octobre 1957

Textes officiels de l'Accord et de l'annexe: anglais et italien.

Texte officiel de la Déclaration commune: anglais.

Enregistré par l'Organisation de l'aviation civile internationale le 11 mars 1960.

No. 5039. AGREEMENT BETWEEN THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF PAKISTAN AND THE GOVERNMENT OF THE REPUBLIC OF ITALY RELATING TO AIR SERVICES. SIGNED AT ROME, ON 5 OCTOBER 1957

The Government of the Islamic Republic of Pakistan and the Government of the Republic of Italy, hereinafter described as the Contracting Parties,

Being Contracting Parties to the Convention on International Civil Aviation signed at Chicago on the seventh day of December 1944, 2 the terms of which Convention are binding on both Parties,

And desiring to conclude an agreement for the operation of air transport services between and beyond their respective territories,

Have agreed as follows:

Article I

Each Contracting Party grants to the other Contracting Party the right to operate the air services specified in the Annex³ to this Agreement (hereinafter referred to as the "specified air services") on the routes specified in the said Annex (hereinafter referred to as the "specified air routes").

Article II

- (A) Each of the specified air services may be inaugurated immediately or at a later date, at the option of the Contracting Party to whom the rights are granted, on condition that:
- 1. The Contracting Party to whom the rights shall have been granted shall have designated an airline (hereinafter referred to as a "designated airline") for the "specified air routes" through its own aeronautical Authorities.
- 2. The Contracting Party which grants the rights shall have given the appropriate operating permission to the airline, which it shall do without delay, through its own aeronautical Authorities, provided that the airline has, if called upon, complied with the requirements of paragraph (B) of this Article and of Article VIII.

¹ Became operative on 5 October 1957, in accordance with paragraph (d) of the Joint Declaration.

See footnote 1, p. 78 of this volume.
See p. 107 of this volume.

- (B) The designated airline may be required to satisfy the Aeronautical Authorities of the Contracting Party granting the rights that it is qualified to fulfill the conditions prescribed by or under the laws and regulations normally applied by those authorities to the operation of International commercial air services.
- (C) The operation of each of the specified air services shall be subject to the agreement of the Contracting Party concerned that the technical route organisation of the airline designated by said Party on the specified air route is adequate for the safe operation of air services. To this end if the aeronautical authorities of the Contracting Party designating an airline are satisfied about the adequacy of the route organisation of its own airline and certify accordingly, such certificate shall be accepted by the aeronautical authorities of the other Contracting Party.
- (D) Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one Contracting Party and still in force shall normally be recognised as valid by the other Contracting Party for the purpose of operating the routes and services specified in the Annex. Each Contracting Party reserves the rights, however, to refuse to recognise, for the purpose of flight over its own territory, certificates of competency and licences granted to its own nationals by another State.
- (E) The laws, regulations and instructions of one Contracting Party relating to entry into or departure from its territory of aircraft or air services operated in International air navigation or to the operation of such aircraft or air services while within its territory shall apply to aircraft and air services of the designated airline of the other Contracting Party.
- (F) The laws, regulations and instructions of each Contracting Party relating to the entry into, stay at or departure from its territory of passengers, crew or cargo or aircraft (such as regulations relating to entry, exit, immigration, passport, customs and quarantine) shall be applicable to the passengers, crew, aircraft and senders of air cargo as well as to their representatives.

Article III

The airlines designated by each Contracting Party shall enjoy, while operating the specified air services, the rights:

- (i) to fly their aircraft across the territory of the other Contracting Party;
- (ii) to make stops in the said territory for technical landing purposes, and
- (iii) subject to the provisions of Article IV to make stops in the said territory at the points specified in the Annex to this Agreement for the purposes of setting down and picking up International traffic in passengers, cargo and mail.

Article IV

- 1. It is recognised that each Contracting Party shall have fair and equal rights to the carriage of 3rd and 4th freedom traffic on the routes specified in the Annex to this Agreement, 5th freedom traffic to have a supplementary character. Where traffic is of the nature of 5th freedom to one Contracting Party, but 3rd or 4th freedom to the other Contracting Party, the primary right to the carriage of such traffic shall be that of the latter Contracting Party. The first Contracting Party shall have the right to uplift such 5th freedom traffic provided that it shall not be prejudicial to the primary interests of the other Contracting Party.
- 2. The capacity offered by the airlines of each Contracting Party on the specified air routes shall jointly bear a close relationship to the current and reasonably anticipated needs of the public for air transport at a reasonable load factor.
- 3. The right of the airlines of either Contracting Party to embark and to disembark, at points in the territory of the other Contracting Party, international traffic destined for or coming from third countries shall, subject to the principles in para I of this Article, be related to:
- (a) the air transport needs between the country of origin and the countries of destination and the air transport needs of the area through which the airline passes after taking into account the services operated by airlines of the other Contracting Party over the whole or parts of the route specified, and
 - (b) the economics of through airline operation.

Article V

- (A) The Aeronautical Authorities of both Contracting Parties shall exchange information as promptly as possible concerning the current authorisations extended to their respective designated airlines to render service to, through and from the territory of the other Contracting Party. This will include copies of current certificates and authorisations for service on the specified air routes, together with amendments, exemption orders and authorised service patterns.
- (B) Each Contracting Party shall cause its designated airlines to provide to the Aeronautical Authorities of the other Contracting Party, as long in advance as practicable, copies of time tables, traffic schedule including any modification thereof and, at their request, all other relevant information concerning the operation of the specified air services including information about the capacity provided on each of the specified air routes and any further relevant and reasonable information as may be required to satisfy the Aeronautical Authorities of the other Contracting Party that the requirements of this Agreement are being duly observed.
- (C) Each Contracting Party shall cause its designated airlines to provide to the Aeronautical Authorities of the other Contracting Party, at their request, statistics

relating to the traffic carried on their air services to from or over the territory of the other Contracting Party showing the origin and destination of the traffic.

Article VI

- (A) Rates shall be fixed at reasonable levels, due regard being paid to all relevant factors, including cost of comparable economical operation, reasonable profit and differences of characteristics of service.
- (B) The rates to be charged by the designated airlines of each Contracting Party in respect of traffic carried under this Agreement to or from the territory of the other Contracting Party shall be agreed in the first instance between the designated airlines of both the Contracting Parties and shall have regard to relevant rates adopted by the International Air Transport Association. Any rates so agreed shall be subject to the approval of the Aeronautical Authorities of both the Contracting Parties. In the event of disagreement between the airlines and/or the Aeronautical Authorities, the Contracting Parties shall endeavour to settle it as provided for under Article XI of this Agreement and will take all necessary steps to give effect to such agreement. Pending settlement of any such disagreement, the rates already established shall prevail.

Article VII

- (A) To fuels, lubricating oils, spare parts and aircraft stores, introduced into the territory of a Contracting Party or taken on board aircraft of the airlines designated by the other Contracting Party which are in the said territory, for the exclusive use of aircraft of the same airline operating the specified air services shall be accorded, with respect to customs duties, inspection fees and other similar charges, treatment not less favourable than that granted to the national airlines operating the scheduled international air services or to the airlines of the most favoured nation.
- (B) The aircraft of the "designated airline" engaged in the scheduled specified services in flights from to or across the territory of a Contracting Party, are admitted into the territory of the other Contracting Party temporarily free from customs duties, inspection fees and other similar charges, in the same manner as the aircraft of the most favoured nation.
- (C) Fuel, lubricating oils, aircraft stores, spare parts and normal equipment retained on board aircraft of the designated airline of a Contracting Party authorized to operate the "specified services", are on the territory of the other Contracting Party exempt from customs duties and other similar charges, even when they are used or consumed during flights over the said territory.

(D) Fuel, lubricating oils, spare parts, aircraft stores and normal equipment which are exempt from any duties and charges under the provisions of the above Paragraph cannot be unloaded without the permission of the customs Authorities of the other Contracting Party. When they cannot be employed they must be reexported. Waiting for their use or re-exportation, they shall be kept under the supervision of the customs Authorities.

Article VIII

(A) Each Contracting Party reserves the right to itself to withhold or revoke, or impose appropriate conditions as it may deem necessary with respect to an operating permission, in case in its own judgement, it is not satisfied that substantial ownership and effective control of the airline are vested in the Contracting Party or its nationals, or in case of failure by a designated airline of the other Contracting Party to comply with the laws and regulations of the former Contracting Party, or in case, in the judgement of the former Contracting Party, there is a failure to comply with laws and regulations.

In the event of action by one Contracting Party under this Article the rights of the other Contracting Party under Article XI shall not be prejudiced.

(B) Each Contracting Party has the right to request the other Contracting Party any documentation which it deems necessary to prove the ownership and effective control of the designated Airline of the latter Party.

Article IX

- (A) In a spirit of close collaboration, the Aeronautical authorities of the two Contracting Parties will consult regularly, and/or, at the request of one of the Contracting Parties with a view to assuring the observance of the principles and the implementation of the provisions outlined in this Agreement.
- (B) Each Contracting Party may at any time request consultations with the other with a view to initiating any amendments to the Agreement or its Annex which it may deem desirable. Such consultation shall begin within a period of sixty days from the date of the request.

Should Agreement be reached on amendment of the Agreement or its Annex, amendment to the Agreement will come into effect upon confirmation by an exchange of diplomatic notes and amendment to the Annex will come into force upon the conclusion of a simple Agreement between the aeronautical authorities of the two Contracting Parties.

(C) Occasional changes made by either Contracting Party in the specified air routes, except those which change the points served by the designated airlines in the territory of the other Contracting Party, shall not be considered as modifications of this Agreement. The Aeronautical Authorities of either Contracting Party, may,

therefore, proceed unilaterally to make such changes, provided, however, that notice of any change shall be given without delay to the Aeronautical Authorities of the other Contracting Party. If such latter Aeronautical Authorities find that, having regard to the principles set forth in this Agreement, the interests of any of their airlines are prejudiced by the carriage by a designated airline of the first Contracting Party of traffic between the territory of the second Contracting Party and the new occasional point in the territory of a third country, the latter Party may request consultation with the other Party. Such consultation shall begin within 30 days of the receipt of request.

Article X

Either Contracting Party may at any time give notice to the other of its desire to terminate this Agreement. Such notice shall be simultaneously communicated to the International Civil Aviation Organization. This Agreement shall terminate one year after the date of receipt of the notice by the other Contracting Party, unless the notice is withdrawn by agreement before the expiration of this period. In the absence of acknowledgement of receipt by the other Contracting Party notice shall be deemed to have been received fourteen days after the receipt of the notice by the International Civil Aviation Organization.

Article XI

- (A) If any dispute arises between the Contracting Parties relating to the interpretation or application of the present Agreement, the Aeronautical Authorities of the Contracting Parties shall in the first place endeavour to settle it by negotiation between themselves.
 - (B) If the Contracting Parties, fail to reach a settlement by negotiation:
- (i) they may agree to refer the dispute for decision to an arbitral tribunal or some other person or body appointed by agreement between them, or
- (ii) if they do not so agree or if, having agreed to refer the dispute to an arbitral tribunal, they cannot reach agreement as to its composition, either Contracting Party may submit the dispute for decision to any tribunal competent to decide it, established within the International Civil Aviation Organization, or, if there be no such tribunal, to the International Court of Justice.
- (C) The Contracting Parties undertake to comply with any decision given, including any interim recommendations made, under paragraph (B) of this Article.
- (D) If and so long as either Contracting Party or a designated airline of either Contracting Party fails to comply with the requirements of paragraph (C) of this Article, the other Contracting Party may limit, withhold or revoke any rights which it has granted by virtue of the present Agreement.

Article XII

In the event of the conclusion of a multilateral convention or agreement concerning air transport to which both Contracting Parties adhere, this Agreement shall be modified to conform with the provisions of such convention or agreement.

Article XIII

For the purpose of this Agreement:

- (A) The terms "air service", "international air service", and "air line" have the meanings specified in the Chicago Convention.
- (B) The term "territory" in relation to a Contracting Party means the land areas and territorial waters adjacent thereto under the sovereignty, suzerainty, protection or trusteeship of that Contracting Party.
- (C) The term "Aeronautical Authorities" means, in the case of Pakistan, the Director General of Civil Aviation, and in the case of Italy the Director Generale dell'Aviazione Civile e del Traffico Aereo and in both cases any person or body authorised to perform the functions presently exercised by the above mentioned authorities.
- (D) The term "capacity" in relation to an aircraft means the available pay load of that aircraft available on the route or section of a route.
- (E) The term "capacity" in relation to a specified air service means the capacity of the aircraft used on such service, multiplied by the frequency operated by such aircraft over a given period and route or section of a route.
- (F) The term "designated airline" means an airline designated in a written Note by the Aeronautical Authorities of one Contracting Party to the Aeronautical Authorities of the other Contracting Party in accordance with Article II of this Agreement.

Article XIV

- (A) The Annex to this Agreement shall be deemed to be part of the Agreement and all references to the "Agreement" shall include references to the Annex, except where otherwise expressly provided.
 - (B) This Agreement is subject to ratification by both Contracting Parties.

The Instruments of Ratification shall be exchanged in Karachi as soon as possible. They shall become operative from the date such exchange takes place.

In witness whereof the undersigned plenipotentiaries, being duly authorized thereto by their respective Governments, have signed the present Agreement.

Done this 5th day of October, 1957 in duplicate at Rome in the English and in the Italian language, texts of which are equally valid.

For the Government of the Republic of Italy:
Niccolò GALANTE

For the Government of the Islamic Republic of Pakistan :

S. N. BAKAR

ANNEX

1. An airline designated by the Government of Pakistan shall be entitled to operate air services in both directions on each of the routes specified hereafter and make scheduled landings for traffic purposes in Italy at the points specified:

1	II	III	1V	V
From	To	Intermediate points	Points in Italy	Points beyond
Any point in Pakistan	London and points beyond as in column V	1. Jeddah and/or Basra and/or Cairo and/or Baghdad and/or Damascus and/or Beirut and/or Istanbul and/or Ankara and/or Athens/ Geneva/Zurich and/or Paris/Brussels and/or Frankfurt/Dusseldorf and/or Amsterdam	Rome	Shannon Gander New York or any other points in the United Sta- tes of America
		2. Kandahar and/or Tehran and/or Baghdad and/or Ankara/Istan- bul and/or Damascus and/or Beirut and/or Athens/ Geneva/Zurich and/or Paris/Brussels and/or Frankfurt/Dussel- dorf and/or Amsterdam		

2. An airline designated by the Government of Italy shall be entitled to operate air services in both directions on each of the routes specified hereafter and to make scheduled landings for traffic purposes in Pakistan at the points specified:

I	. II	III	IV	v
From	To	Intermediate points	Poinis in Pakistan	Points beyond
Any points in Italy	Japan and/or Australia	1. Athens and/or Ankara and/or Istanbul and/or Beirut and/or Cairo and/or Damascus and/or Baghdad and/or Basra and/or Jeddah and/or	Karachi	Any other point
		2. Athens and/or Beirut and/or Damascus and/or Ankara/Istanb. and/or Baghdad and/or Tehran and/or Kandahar		

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

JOINT DECLARATION BY THE PLENIPOTENTIARIES OF THE CONTRACTING PARTIES

On the occasion of the signing of the Air Agreement between the Government of the Islamic Republic of Pakistan and the Government of the Republic of Italy, which has taken place today, it is the understanding of both the delegations and the Contracting Parties:

- (a) that the operation of air services by the airline designated by the Government of Pakistan, to and from the United States of America as provided for in the Annex to the Agreement, is not planned to take place before the beginning of the year 1960 A.D., and,
- (b) that as soon as the Government of the Republic of Italy obtain from Canada the full traffic rights between Italy-London-Canada, the said Government will also agree to grant to Pakistan designated airline traffic rights between Rome-Canada which service is also not planned to take place before the beginning of the year 1960 A.D., and
- (c) that the Annex to the Agreement shall be deemed to contain the following clause:
 - "(B) If, at any time, scheduled flights on any of the specified air services of one Contracting Party are operated so as to terminate in the territory of the other Contracting Party and not as part of a through air service extending beyond such territory, the latter Contracting Party shall have the right to nominate the terminal point of such scheduled flights on the specified route in its territory. The latter Contracting Party shall give not less than six months notice to the other Contracting Party if it decides to nominate a new terminal point for such scheduled flights."

But, in view however, of the understanding already arrived at between the Contracting Parties, and taking into account the diplomatic Notes Verbales exchanged in Rome the 8th August 1957, an extract of which Note reads, "The Embassy would like further to state that the Government of Pakistan have no objection to the Italian Airline using Karachi as a terminal point, if required, for the purpose of negotiating arrangements with other Governments for through airline operations for a period of eight months extendable to one year", and notwithstanding the provisions of the above-mentioned clause B, it is agreed that for a like period the provisions of clause B shall not be invoked by the Government of Pakistan, and,

(d) that pending ratification by both Contracting Parties, the provisions of the present Agreement shall become operative with immediate effect.

Rome, 5th October, 1957.

For the Government of the Republic of Italy:
Niccolò Galante

For the Government of the Islamic Republic of Pakistan .

S. N. BAKAR

¹ See p. 93 of this volume.