No. 5042

FINLAND and SWITZERLAND

Agreement concerning air services (with annex). Signed at Berne, on 7 January 1959

Official text: French.

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

FINLANDE et SUISSE

Accord relatif aux services aériens (avec annexe). Signé à Berne, le 7 janvier 1959

Texte officiel français.

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

[Translation — Traduction]

No. 5042. AGREEMENT CONCERNING AIR SERVICES BETWEEN FINLAND AND SWITZERLAND. SIGNED AT BERNE, ON 7 JANUARY 1959

The Government of the Republic of Finland and the Swiss Federal Council,

Desiring to develop international co-operation in the field of air transport as far as possible, and to conclude an agreement for the establishment of air services between and beyond the territories of their respective countries,

Have appointed their plenipotentiaries who, having been duly authorized for this purpose, have agreed as follows:

Article 1

- a. For the purpose of operating the international air services specified in the annex, the Contracting Parties grant each other, subject to the provisions of this Agreement, the following rights:
- 1. The right to fly over the territory of the other Contracting Party;
- 2. The right to make non-traffic stops in the said territory and to use the airports and other facilities provided for international traffic;
- 3. The right to pick up and the right to set down in the said territory, at the points specified in the annex, international traffic in passengers, mail and cargo.
- b. Each Contracting Party shall designate one or more airlines to operate the agreed services.

Article 2

- a. Subject to the provisions of article 7 hereunder, the necessary operating permit shall be issued to the designated airline or airlines of each Contracting Party.
- b. However, the designated airlines may, before being authorized to inaugurate the agreed services, be required to satisfy the aeronautical authority of the other Contracting Party that they fulfil the conditions prescribed by the laws and regulations normally applicable by that authority to the operation of international air services.

Applied provisionally as from the date of signature on 7 January 1959, in accordance with article 13.
 See p. 183 of this volume.

- a. The capacity offered by the designated airlines shall be adapted to traffic requirements.
- b. In the operation of common routes, the designated airlines shall take into account their mutual interests so as not to affect unduly their respective services.
- c. The agreed services shall have as their essential purpose the provision of capacity adequate to meet the traffic requirements between the country of the airline and the countries of destination.
- d. The right to pick up and the right to set down in the territory of either Contracting Party, at the points specified in the schedules hereunder, international traffic destined for or coming from third countries shall be exercised in accordance with the general principles of orderly development to which the two Contracting Parties subscribe and in such a manner that capacity shall be related to:
- 1. The requirements of traffic coming from or destined for the territory of the Contracting Party which designated the airline or airlines;
- 2. The requirements of economic operation of the agreed services;
- 3. The traffic requirements of the areas through which the airlines pass, local and regional services being taken into account.
- e. The designated airlines shall enjoy fair and equal opportunity to operate the agreed services between the territories of the Contracting Parties.

Article 4

- a. Tariffs shall be fixed at reasonable levels, regard being paid to economy of operation, reasonable profit and the characteristics of each service, such as speed and comfort. The recommendations of the International Air Transport Association (IATA) shall also be taken into account. In the absence of such recommendations, the designated airlines shall consult the airlines of third countries operating over the same routes. The arrangements made by them shall be subject to the approval of the aeronautical authorities of the Contracting Parties.
- b. If the designated airlines fail to agree, or if the aeronautical authorities of either Contracting Party do not approve the tariffs, the aeronautical authorities of the Contracting Parties shall endeavour to find a solution. In the last resort recourse shall be had to the arbitral procedure set out in article 8 hereunder.
- c. No new or modified tariff shall come into effect if the aeronautical authorities of either Contracting Party do not agree to it, save in pursuance of article 8, paragraph d. Pending determination of the tariffs in accordance with the provisions of this article, the tariffs already in force shall be maintained.

- a. For the use of airports and other facilities offered by one Contracting Party the designated airlines of the other Contracting Party shall not be liable to pay charges exceeding those payable by national aircraft engaged in scheduled international services.
- b. Fuel and spare parts introduced into or taken on board in the territory of one Contracting Party by the designated airlines of the other Contracting Party and intended solely for use by or in the aircraft of those airlines shall be exempt from import duties. In respect of other duties and charges, fuel and spare parts shall be subject to the same treatment as if they were introduced on national aircraft engaged in international services.
- c. Aircraft of the designated airlines of one Contracting Party operating on the agreed services and fuel, lubricating oils, spare parts, regular equipment and aircraft stores retained on board such aircraft shall be exempt in the territory of the other Contracting Party from customs duties and other duties and charges, even though such supplies be used or consumed on flights over that territory.

Article 6

- a. The laws and regulations of one Contracting Party governing the entry into and departure from its territory of aircraft engaged in international air navigation or flights of such aircraft above its territory shall apply to the designated airlines of the other Contracting Party.
- b. The laws and regulations of one Contracting Party governing the entry into, stay in and departure from its territory of passengers, crews, mail or cargo, such as those relating to formalities, immigration, passports, customs and quarantine, shall apply to passengers, crews, mail or cargo carried by the aircraft of the designated airlines of the other Contracting Party while within that territory.

Article 7

Each Contracting Party reserves the right to withhold an operating permit from one of the designated airlines of the other Contracting Party or to revoke such a permit in any case where it is not satisfied that preponderant ownership and effective control of that airline are vested in nationals of either Contracting Party or in case of failure by the airline to comply with the laws and regulations referred to in article 6 above or to fulfil its obligations under this Agreement.

- a. The Contracting Parties shall submit to arbitration any dispute relating to the interpretation and application of this Agreement or of its annex which cannot be settled by direct negotiation.
- b. The Contracting Parties shall designate for this purpose a special arbitral tribunal or any other person or body.
- c. If the Contracting Parties fail to reach agreement in this matter or if, having agreed to refer the dispute to an arbitral tribunal, they are not in agreement as to its composition, either Contracting Party may refer the dispute for decision to the Council of the International Civil Aviation Organization.
- d. The Contracting Parties undertake to comply with any decision given under this article.
- e. The Contracting Parties shall bear the cost of the arbitral procedure in equal proportions.

Article 9

This Agreement and any subsequent arrangement shall be registered with the International Civil Aviation Organization.

Article 10

This Agreement and its annex shall be brought into harmony with any multilateral convention which may become binding on the Contracting Parties.

Article 11

- a. The aeronautical authorities of the Contracting Parties shall, in a spirit of close collaboration, consult together from time to time in order to ensure that the principles of this Agreement are being applied and its purposes achieved satisfactorily. They shall, in particular, take into account traffic statistics relating to the agreed services.
- b. The aeronautical authorities of the Contracting Parties shall supply each other, on request, with statistics indicative of the traffic on the agreed services.
- c. Modifications of the schedules of routes shown in the annex to this Agreement may be agreed between the aeronautical authorities of the Contracting Parties.

Article 12

Either Contracting Party may terminate this Agreement by giving one year's notice in writing to the other Contracting Party.

This Agreement shall be applied provisionally as from the date of signature. It shall enter into force as soon as the Swiss Federal Council has notified the Government of the Republic of Finland, through the diplomatic channel, of its ratification.

DONE at Berne, on 7 January 1959, in duplicate in the French language.

For the Government of the Republic of Finland: Hugo Valvanne

For the Swiss Federal Council:

Max Petitpierre

ANNEX

SCHEDULE I

Services which may be operated by Swiss airlines

Points in Switzerland – Frankfurt-on-Main or Düsseldorf or Hanover – Copenhagen – Stockholm – Helsinki ;

In both directions, with the option of omitting some stops on all or some flights.

SCHEDULE II

Services which may be operated by Finnish airlines

Points in Finland - Copenhagen - Cologne - Frankfurt-on-Main - Geneva;

In both directions, with the option of omitting some stops on all or some flights.