

No. 5654

**SWEDEN
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: Swedish and German.

Official text of the notes: German.

Registered by the International Civil Aviation Organisation on 27 March 1961.

**SUÈDE
et
RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE**

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

Textes officiels de l'Accord: suédois et allemand.

Texte officiel des notes: allemand.

Enregistré par l'Organisation de l'aviation civile internationale le 27 mars 1961.

[TRANSLATION — TRADUCTION]

No. 5654. AGREEMENT¹ BETWEEN THE KINGDOM OF SWEDEN AND THE FEDERAL REPUBLIC OF GERMANY RELATING TO AIR SERVICES. SIGNED AT BONN, ON 29 JANUARY 1957

The Kingdom of Sweden 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 requires :

(a) The term “ aeronautical authority ” means, in the case of the Kingdom of Sweden, the Royal Board of Civil Aviation, 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 functions for which the said authority is responsible;

(b) The term “ territory ” in relation 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 Party shall have designated, by notice in writing to the other Contracting Party, in accordance with article 3, as the airline which is to operate on 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 and mail;

¹ In accordance with article 20, the Agreement came into force on 28 April 1958, one month after the exchange of notes in which the Contracting Parties notified each other that their respective constitutional requirements had been fulfilled. The exchange of notes took place on 28 March 1958, and on that occasion it was noted that the special provisions contained in chapter II of the Treaty of 27 October 1956 between the Federal Republic of Germany and the French Republic on the settlement of the Saar question were not affected by the Agreement of 29 January 1957 between the Federal Republic of Germany and the Kingdom of Sweden relating to air services. Chapter II of the Treaty on the settlement of the Saar question provides that, for a period of transition not to exceed three years after the entry into force of the Treaty, the Saar shall not form part of the customs and monetary zone of the Federal Republic of Germany.

(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 Party grants to the other Contracting Party 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 for each route specified in accordance with paragraph (2).

(2) The routes on which the designated airlines of the two Contracting Parties shall have the right to operate shall be specified in a route schedule to be agreed upon in an exchange of notes.¹

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 Party to which the rights are granted has designated in writing the airline or airlines which are to operate on the specified routes;

(b) The Contracting Party granting the rights has given the designated airline or airlines permission to inaugurate international air services on the routes specified in accordance with article 2, paragraph (2).

(2) The Contracting Party granting the rights shall, subject to the provisions of paragraphs (3) and (4) and subject further to agreement being reached in accordance with article 11, grant without delay permission for the operation of the international air services.

(3) Each Contracting Party shall have the right to require the designated airline or airlines of the other Contracting Party to furnish proof that they are qualified to fulfil the conditions prescribed under the laws and regulations of the first-mentioned Party for the operation of international air services.

(4) Each Contracting Party reserves the right to withhold the exercise of the rights granted in article 2 from an airline designated by the other

¹ See p. 152 of this volume.

Contracting Party if that airline is unable on request to furnish proof that substantial ownership and effective control of the airline are vested in nationals or bodies corporate of the other Contracting Party or in the other Contracting Party itself.

Article 4

(1) Each Contracting Party 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 Party 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 Party 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 Party shall have the right, by giving notice in writing to the other Contracting Party, to withdraw the designation of an airline in order to replace it by another airline. The newly-designated airline shall have the same rights and obligations as the airline which it replaces.

Article 5

(1) The laws and regulations of one Contracting Party 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 employed by the designated airlines of the other Contracting Party.

(2) The laws and regulations of each Contracting Party 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 Party while within its territory.

Article 6

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

Article 7

(1) Each Contracting Party shall grant the following fiscal privileges to aircraft employed exclusively in international air navigation by a designated airline of the other Contracting Party :

1. Aircraft employed by the designated airlines of one Contracting Party, entering and thereafter departing from or flying in transit over the territory of the other Contracting Party, 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, which :

(a) Under customs supervision are dismantled or otherwise removed from the aircraft referred to in sub-paragraph 1 in the territory of the other Contracting Party, and are there placed in storage,

(b) Under customs supervision are imported into and stored in the territory of the other Contracting Party for the use of the said aircraft, shall be exempt from the charges referred to in sub-paragraph 1, on condition that they are installed in or otherwise taken on board the said aircraft under customs supervision or are re-exported from the territory of the latter Contracting Party otherwise than on board the aircraft.

The same exemption shall be granted in respect of such spare parts and equipment as, under customs supervision, are drawn 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 Party on board the aircraft referred to in sub-paragraph 1 may be consumed on board the said aircraft free of customs duties and other charges levied in connexion with the importation, exportation and transit of goods, even on connecting flights between points in the territory of the latter Contracting Party.

The foregoing shall also apply to fuels and lubricating oils which, under customs supervision, are imported into and stored in the territory of the other Contracting Party on behalf of a designated airline for the use of the said aircraft.

Other fuels and lubricating oils taken on board the said aircraft under customs supervision in the territory of the other Contracting Party and consumed in air services shall not be subject to the aforementioned charges or to such special consumer taxes as may be imposed on aircraft fuels and lubricating oils in the territory of the latter Contracting Party.

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

(2) If no charges are imposed on the goods specified in the preceding paragraph, the said goods shall not be subject to any economic prohibition or restriction which would otherwise be applicable to them upon importation, exportation or transit.

Article 8

(1) Certificates of airworthiness, certificates of competency and aircraft crew licences, issued or recognized by one Contracting Party shall be recognized as valid by the other Contracting Party so long as they are in force.

(2) Each Contracting Party 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 Party or by another State.

Article 9

(1) There shall be fair and equal opportunity for the airlines of both Contracting Parties 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 Party shall take into account the interests of the airlines of the other Contracting Party 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 Party 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 Party 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 to and from the territory of the Contracting Party 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 authority of one Contracting Party shall supply to the aeronautical authority of the other Contracting Party, upon request, such periodic or other statements of statistics concerning the designated airlines as may be reasonably required for the purpose of reviewing the use being made by the designated airlines of the international air services established in accordance with article 2, paragraph (2). Such statements 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 tariffs to be applied for passengers and cargo on the routes specified in accordance with article 2, paragraph (2), shall be fixed with due regard for all factors, including cost of operation, reasonable profit, the special characteristics of each route and the tariffs applied by other airlines operating on the whole or part of the same route. The tariffs shall be fixed in accordance with the following provisions.

(2) The tariffs shall, if possible, be fixed in respect of each route by agreement between the designated airlines concerned. In this connexion, the designated airlines shall conform to such decisions as may be applicable under the rate-fixing machinery of the International Air Transport Association (IATA) or shall, if possible, endeavour after consultation with the airlines of third countries operating over the whole or part of the same route to arrive at a direct agreement among themselves. The foregoing shall also apply to agency commissions charged in conjunction with the tariffs.

(3) The tariffs so fixed shall be submitted for approval to the aeronautical authority of each Contracting Party not later than thirty (30) days before the date of their proposed entry into force. This period may be reduced in special cases 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 Party expresses disagreement with the tariffs submitted to it for approval in accordance with paragraph (3), the aeronautical authorities shall determine by agreement between themselves the tariffs for those routes and sections of routes in respect of which agreement has not been reached.

(5) If the aeronautical authorities of the Contracting Parties fail to reach agreement in accordance with paragraph (4), the provisions of article 16 shall apply. Pending an arbitral award, the Contracting Party expressing disagreement with a modification of the tariffs shall have the right to require the other Contracting Party to maintain the tariffs previously in effect.

Article 12

(1) Each Contracting Party grants to the designated airlines of the other Contracting Party 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 Party.

(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 Parties in force at the time.

Article 13

If a general multilateral air transport convention accepted by both Contracting Parties enters into force, the provisions of the multilateral convention shall prevail. Consultations to determine the extent to which a multilateral convention cancels, amends 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 Parties to ensure close collaboration in all matters affecting the application and interpretation of this Agreement.

Article 15

(1) Either Contracting Party may at any time request consultation for the purpose of discussing the interpretation, application or amendment of this Agreement or the route schedule. Such consultation shall begin within a period of 60 days from the date of receipt of the request.

(2) Any agreement reached on amendment of this Agreement shall become effective in accordance with the procedure prescribed in article 20.

(3) Any modification of the route schedule shall become effective when agreed upon in an exchange of diplomatic notes as provided for in article 2, paragraph (2).

Article 16

(1) Any dispute relating to the application or interpretation of this Agreement which cannot be settled between the aeronautical authorities or between the Governments of the Contracting Parties in accordance with article 14 or article 15 shall, at the request of either Contracting Party, be referred to an arbitral tribunal.

(2) The arbitral tribunal shall, in each case, be established in such manner that each Contracting Party shall appoint one arbitrator and these arbitrators shall agree upon a national of a third State as chairman. If the arbitrators have not been appointed within two months after the date on which a Contracting Party gave notice of its intention to have recourse 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 appointments. His decision shall be binding upon the Contracting Parties.

(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 Parties agree otherwise, the arbitral tribunal shall establish its own rules of procedure and select its place of meeting.

(4) Each Contracting Party shall bear the cost of the services of its own arbitrator and half the cost of the services of the chairman.

(5) The Contracting Parties 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 Party may at any time give notice of its intention to terminate this Agreement. The Agreement shall cease to have effect one year after the date on which the notice of termination is received by the other Contracting Party, unless such notice is withdrawn by agreement between the Contracting Parties before the expiry of the said period.

Article 18

This Agreement, all amendments thereto and all notes exchanged 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 agreements between the Contracting Parties relating to air services.

Article 20

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

IN WITNESS WHEREOF the undersigned plenipotentiaries have signed this Agreement.

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

For the Kingdom of Sweden :

Ole JÖDAHL
[L.S.]

For the Federal Republic of Germany :

v. BRENTANO
[L.S.]

EXCHANGE OF NOTES

I

Bonn, 29 January 1957

Your Excellency,

With reference to the Agreement between the Kingdom of Sweden and the Federal Republic of Germany relating to air services, signed on 29 January 1957,¹ I have the honour to inform you that in accordance with article 3, paragraph (1), of the said Agreement, the Swedish Government has designated Aktiebolaget Aerotransport (ABA) to operate on 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) Aktiebolaget Aerotransport (ABA), co-operating with Det Danske Luftfartselskab (DDL) and Det Norske Luftfartselskap (DNL) under the designation of Scandinavian Airlines System (SAS), shall be authorized to operate the services assigned to it in the Agreement with aircraft, crews and equipment of either or both of the other two airlines.

¹ See p. 136 of this volume.

(2) In so far as Aktiebolaget Aerotransport (ABA) employees aircraft, crews and equipment of the other two airlines participating in the Scandinavian Airline 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 Aktiebolaget Aerotransport (ABA), and the competent Swedish authorities and Aktiebolaget Aerotransport (ABA) shall accept full responsibility under the Agreement therefor.

If the Government of the Federal Republic of Germany agrees with the foregoing, I have the honour to propose that this note and your reply should be regarded as constituting formal confirmation of this understanding between our two Governments.

I have the honour to be, etc.

Ole JÖDAHL

II

Bonn, 29 January 1957

Your Excellency,

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

[See note I]

I am authorized to inform you that the Government of the Federal Republic of Germany is in agreement with the contents of this note. Your note and this reply shall therefore be regarded as constituting formal confirmation of this understanding between our two Governments.

I have the honour to be, etc.

v. BRENTANO

III

Bonn, 29 January 1957

Your Excellency,

I have the honour to refer to article 2, paragraph (2), of the Agreement, between the Federal Republic of Germany and the Kingdom of Sweden relating to air services, 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 Denmark, to Malmö, Göteborg, Stockholm.
2. From points in the Federal Republic of Germany, via intermediate points in the Kingdom of Denmark, to Malmö, Göteborg, Stockholm and points beyond in north-western, northern and north-eastern Europe.
3. From points in the Federal Republic of Germany, via intermediate points in the Kingdom of Denmark, to Malmö, Göteborg, Stockholm and points beyond in northern and north-western Europe and in North America.

II

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

1. To Hamburg, Bremen, Hannover, Düsseldorf, Cologne/Bonn, Frankfurt/Main, Stuttgart, Nürnberg, Munich.
2. To Hannover or Nürnberg or Munich and points beyond in central, southern and south-eastern Europe.
3. To Hannover and/or Stuttgart and points beyond in France, Spain and Portugal.
4. To Hamburg and Bremen and points beyond in Europe to the north-west of the Federal Republic of Germany and in North America.
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-eastern Europe and Africa.
 - 7a. To Bremen or Hannover or Düsseldorf or Stuttgart or Nürnberg or Munich and points beyond in southern and south-eastern Europe, Egypt and the Near East.
 - 7b. To Hamburg or Bremen or Hannover or Düsseldorf or Stuttgart or Nürnberg or Munich and points beyond in southern and south-eastern 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, on condition that the point of departure of the route lies in the territory of the Contracting Party which designated the airline.

I should be grateful if you would inform me whether the Royal Swedish Government also approves this route schedule. If this should be the case, this note and your reply shall be regarded as constituting an agreement between the two Governments.

I have the honour to be, etc.

v. BRENTANO

IV

Bonn, 29 January 1957

Your Excellency,

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

[*See note III*]

I am hereby authorized to inform you that the route schedule contained in your note meets with the approval of the Royal Swedish Government. Your note and this reply shall therefore be regarded as constituting an agreement between the two Governments.

I have the honour to be, etc.

Ole JÖDAHL