No. 6719

LUXEMBOURG and YUGOSLAVIA

Air transport Agreement (with annex). Signed at Belgrade, on 9 April 1960

Official text: French.

Registered by the International Civil Aviation Organization on 15 May 1963.

LUXEMBOURG et YOUGOSLAVIE

Accord relatif aux transports aériens (avec annexe). Signé à Belgrade, le 9 avril 1960

Texte officiel français.

Enregistré par l'Organisation de l'aviation civile internationale le 15 mai 1963.

[Translation — Traduction]

No. 6719. AIR TRANSPORT AGREEMENT¹ BETWEEN THE GRAND DUCHY OF LUXEMBOURG AND THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA. SIGNED AT BELGRADE, ON 9 APRIL 1960

The Government of the Grand Duchy of Luxembourg and the Government of the Federal People's Republic of Yugoslavia, hereinafter referred to as the "Contracting Parties",

Considering that it is desirable for them to organize their scheduled air transport in a safe and orderly manner and to develop their co-operation in this field as much as possible, thus contributing to international co-operation,

That it is therefore desirable to conclude an Agreement regulating scheduled air transport between their countries,

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

Article I

The Contracting Parties grant each other, on a basis of reciprocity, the right to establish scheduled air services on the routes specified in the annex to this Agreement.

In accordance with the provisions of this Agreement, all or part of these services may be operated immediately or at a later date at the option of the Contracting Party to whom this right is granted.

Article II

- 1. The aeronautical authority of each Contracting Party shall notify the aeronautical authority of the other Contracting Party of the designation of one or more airlines which may operate scheduled air services by virtue of this Agreement.
- 2. On receipt of such notice, the aeronautical authority of the other Contracting Party shall, subject to the provisions of paragraph 3 below and of article III of this Agreement, without delay grant the necessary operating permit to the designated airline or airlines.

¹ Applied provisionally from 9 April 1960, the date of signature, and came into force on 19 March 1962, in accordance with the terms of article XIX.

- 3. The aeronautical authorities concerned may, before granting the above-mentioned permit to a designated airline, satisfy themselves that it is qualified to fulfil the conditions prescribed under the laws and regulations normally applied to international air services, provided that the said laws and regulations do not conflict with the provisions of this Agreement.
- 4. At any time after the provisions of paragraphs 1 and 2 of this article have been complied with, the airline or airlines so designated and authorized may begin to operate the scheduled air services.

Article III

- 1. The aeronautical authority of each Contracting Party reserves the right to withhold or withdraw an operating permit temporarily or permanently from the designated airline or airlines of the other Contracting Party whenever it has no proof that substantial ownership and effective control of the said airlines are vested in one or other of the Contracting Parties or in their nationals.
- 2. The aeronautical authorities of the Contracting Parties reserve the right to withdraw the operating permit temporarily or permanently whenever the designated airline or airlines fail to comply with the laws and regulations normally applied in their respective territories to international air services, or to observe the provisions of this Agreement.
- 3. Nevertheless, this action may be taken only if consultations between the aeronautical authorities have failed to produce agreement.

Article IV

The right to pick up passengers, mail and cargo at any point in the territory of one of the Contracting Parties with the object of transporting them for remuneration to another point in the same territory and there setting them down (cabotage), shall be reserved exclusively to the national airlines of that Contracting Party.

Article V

- 1. The designated airline or airlines shall receive equitable treatment for the purpose of operating the services specified in the annex.
- 2. These services shall have as their primary objective the provision of transport capacity adapted to the normal and reasonably foreseeable demand for air transport between the territory of the Contracting Party to which the designated airlines belong and the countries of destination.
- 3. In the operation of the said services, the capacity offered by the designated airlines on common sections of routes terminating in their respective territories shall be reasonably adapted to the demand for air transport.

4. No distinction shall be made by the Contracting Parties in their territories between the designated airlines and foreign airlines.

Article VI

The rights granted may not be improperly exercised by the designated airline or airlines of either Contracting Party to the detriment of any airline of the other Contracting Party operating scheduled transport services on all or part of the same route specified in the annex.

Article VII

- 1. Tariffs shall be fixed at reasonable levels, due regard being paid to economy of operation, reasonable profit and the characteristics of the agreed services so that fair competition may be ensured at all times. In fixing these tariffs, account shall also be taken of the principles governing international air services in the matter.
- 2. The designated airlines of each Contracting Party shall submit to the aeronautical authority of the other Contracting Party their time-tables, for approval, and their tariffs, for information, at least fifteen days before they are put into effect. Any modification of these time-tables or tariffs shall as soon as possible be communicated to the said authorities for the same purpose.

Article VIII

- 1. Each Contracting Party agrees that the sums payable by the designated airline or airlines of the other Contracting Party for the use of airports and other technical installations shall not be higher than those payable by other foreign airlines operating similar international services.
- 2. Fuel and lubricating oils taken on board in, and spare parts and regular equipment introduced into, the territory of one Contracting Party solely for use by aircraft employed by the designated airline or airlines of the other Contracting Party on the agreed services shall, with respect to customs duties, inspection fees or other national duties, be accorded in that territory, subject to reciprocity, treatment as favourable as that granted to foreign airlines operating similar international services.
- 3. Aircraft used by the designated airline or airlines of one Contracting Party for the operation of the air services specified in the annex 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.

inspection fees and other national duties, even though, within the limits essential for operation of the agreed services, they are used or consumed while within that territory, provided, however, that they are not disposed of.

- 4. Articles exempted under paragraph 3 above may not be unloaded in the territory of a Contracting Party save with the consent of the customs authorities of that Contracting Party. Between flights they shall be subject to supervision by the said authorities, but this shall not preclude their movement or use for technical purposes.
- 5. Equipment, spare parts and tools introduced into and stored in the territory of one Contracting Party by the designated airline or airlines of the other Contracting Party in accordance with the provisions of paragraphs 2, 3 and 4 of this article may nevertheless be released to airlines of third countries in the interests of the safety and regularity of their international air services.

Article IX

Certificates of airworthiness and licences issued or rendered valid by either Contracting Party shall be recognized by the other Contracting Party for the purpose of operating services on the routes specified in the annex. Each Contracting Party reserves the right, however, to refuse to recognize for the purpose of flight over its territory licences issued to its nationals by another State.

Article X

Aircraft employed by the designated airline or airlines of the Contracting Parties on services on the routes specified in the annex and members of their crews shall carry the following valid documents:

Certificate of registration;
Certificate of airworthiness;
Appropriate licences for each member of the crew;
Journey log book or document in lieu thereof;
Licence for operation of aircraft radio equipment;
Passenger list or document in lieu thereof;

Cargo and mail manifest; and

If required, a permit to carry special cargoes by air.

Article XI

1. Each Contracting Party undertakes to render the same measure of assistance in its territory to aircraft of the other Contracting Party which are in distress as it would to its own aircraft. This undertaking shall cover in like measure searches for missing aircraft.

2. In the event of such an aircraft being involved in an accident resulting in death, serious injury, or serious damage to the aircraft, the Contracting Party in whose territory the accident occurred shall institute an inquiry into the cause and circumstances of the accident. The Contracting Party to which the aircraft belongs shall be permitted to send observers to attend the inquiry. The Contracting Party conducting the inquiry shall report the results and findings thereof to the other Contracting Party through its aeronautical authority.

Article XII

- 1. The laws and regulations of either Contracting Party concerning the admission to, stay in and departure from its territory of aircraft engaged in international air navigation or the operation of such aircraft on and over that territory shall apply to aircraft of the designated airline or airlines of the other Contracting Party.
- 2. The laws and regulations of either Contracting Party concerning the admission to, stay in and departure from its territory of passengers, crews, mail and cargo, such as those relating to immigration, passports, customs, currency control and quarantine, shall apply to the passengers, crews, mail and cargo carried by aircraft of the designated airline or airlines of the other Contracting Party while within that territory.
- 3. The designated airline or airlines of either Contracting Party shall be required to conduct their financial and commercial operations in the territory of the other Contracting Party in accordance with the latter's laws and regulations.

Article XIII

In a spirit of close collaboration, the aeronautical authorities of the Contracting Parties shall consult each other from time to time in order to satisfy themselves that the principles laid down in this Agreement are being applied satisfactorily, and shall exchange any information necessary for this purpose.

Article XIV

1. If either Contrating Party considers it desirable to modify any clause of this Agreement, it may at any time request, through the diplomatic channel, negotiations on the matter between the aeronautical authorities. Such negotiations shall begin within sixty days from the date of the request, or within such longer period as may be jointly fixed by the Contracting Parties. If the said authorities agree on the modifications to be made, the latter shall enter into force only after each Contracting Party has notified the other Contracting Party of the ratification or approval of such modifications in accordance with its constitutional rules.

2. If the aeronautical authority of either Contracting Party considers it necessary to modify or add to any clause of the annex, it may at any time request negotiations with the aeronautical authority of the other Contracting Party. Such negotiations shall take place within sixty days from the date of the request or within such longer period as may be jointly fixed by the aeronautical authorities of the Contracting Parties. If the said authorities agree on the proposed modifications and additions, the same shall be adopted by means of an arrangement in writing which shall also fix the date of its entry into effect. Such arrangement may not conflict with the principles laid down by this Agreement.

Article XV

The Contracting Parties shall endeavour to settle by direct negotiations any dispute which may arise in connexion with the interpretation or application of this Agreement and its annex.

If such negotiations do not result in an agreement within a period of ninety days, the Contracting Parties shall refer the dispute to an arbitral tribunal. For this purpose, each Contracting Party shall appoint one arbitrator. The arbitrators thus appointed shall select a referee who shall be a national of a third State.

If the arbitrators have not been appointed within sixty days after one Contracting Party gave notice of its intention to have recourse to an arbitral tribunal, or if the arbitrators cannot agree within a period of thirty days on the choice of a referee, the President of the Council of the International Civil Aviation Organization shall be requested to make the necessary appointments.

If the President is of the nationality of one of the Contracting Parties, the Vice-President of the said Council shall, provided he is a national of a third State, be requested to make the above-mentioned appointments.

Each Contracting Party shall pay the expenses of its own arbitrator as well as half the cost of the arbitration.

The decision of the arbitral tribunal shall be binding on both Contracting Parties.

Article XVI

For the purpose of this Agreement and its annex:

The term "territory" means the land areas and territorial waters, including airspace, under the sovereignty of the State in question;

The expression "air service" means any scheduled air service performed by aircraft for the public transport of passengers, mail and cargo;

The expression "international air service" means any air service which passes through the airspace over the territory of more than one State;

The term "airline" means any air transport enterprise operating an international air service :

The expression "designated airline" means any airline which either Contracting Party has chosen to operate services over the agreed routes and which has been designated in accordance with the provisions of article II of this Agreement;

The expression "aeronautical authority" means; In the case of the Grand Duchy of Luxembourg:

The "Ministère des Transports — Aéronautique Civile". In the case of the Federal People's Republic of Yugoslavia:

The Directorate-General of Civil Aviation.

These bodies may be replaced by any other body which may hereafter be authorized to assume the functions at present exercised by them.

Article XVII

The Contracting Parties shall notify the International Civil Aviation Organization of this Agreement and its annex, and of any modifications or denunciation thereof.

Article XVIII

Either Contracting Party may at any time give notice to the other Contracting Party of its desire to terminate this Agreement. The Agreement shall terminate twelve months after the date of receipt of such notice by one of the Contracting Parties unless the notice is withdrawn by agreement before the expiry of that period.

Article XIX

This Agreement shall enter into force on the date on which the Contracting Parties inform each other by an exchange of notes, which shall take place at Luxembourg as soon as possible, that they have completed its ratification or approval in accordance with their respective constitutional procedures.

Nevertheless, it shall be applied provisionally with effect from the date of signature.

In witness whereof the plenipotentiaries, duly authorized for this purpose, have signed this Agreement, done in duplicate in the French language.

Done at Belgrade on 9 April 1960.

For the Government
of Luxembourg:
Pierre Hamer
Government's Commissioner

For the Government of Yugoslavia: Batric Jovanovic Director General of Civil Aviation ANNEX TO THE AIR TRANSPORT AGREEMENT BETWEEN THE GRAND DUCHY OF LUXEMBOURG AND THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA, OF 9 APRIL 19601

SECTION I

The designated Yugoslav airline or airlines may operate scheduled air services on the following route:

Yugoslavia - Luxembourg, in both directions.

The intermediate stops, stops beyond Luxembourg and the commercial rights relating thereto in so far as they involve Luxembourg shall be determined in accordance with the provisions of article XIV, paragraph 2 of this Agreement.

During the operation of these services, the airline or airlines shall have the right:

- (a) to set down in Luxembourg territory passengers, mail and cargo picked up in Yugoslav territory; and
- (b) to pick up in Luxembourg territory passengers, mail and cargo destined for Yugoslav territory.

SECTION II

The designated Luxembourg airline or airlines may operate scheduled air services on the following route:

Luxembourg - Belgrade, in both directions.

The intermediate stops, stops beyond Belgrade and the commercial rights relating thereto in so far as they involve Belgrade shall be determined in accordance with the provisions of article XIV, paragraph 2 of this Agreement.

Any additional stops in Yugoslavia and the commercial rights relating thereto shall be determined in accordance with the above-mentioned procedure.

During the operation of these services, the airline or airlines shall have the right:

- (a) to set down in Yugoslav territory passengers, mail and cargo picked up in Luxembourg territory; and
- (b) to pick up in Yugoslav territory passengers, mail and cargo destined for Luxembourg territory.

Belgrade, 9 April 1960

¹ See p. 295 of this volume.