

No. 6737

**NETHERLANDS
and
SWEDEN**

**Agreement for the establishment and operation of air
services (with annex and exchange of notes). Signed
at The Hague, on 8 January 1962**

Official text: English.

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

**PAYS-BAS
et
SUÈDE**

**Accord relatif à la création et à l'exploitation de services
aériens (avec annexe et échange de notes). Signé à
La Haye, le 8 janvier 1962**

Texte officiel anglais.

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

No. 6737. AGREEMENT¹ BETWEEN THE KINGDOM OF THE NETHERLANDS AND THE KINGDOM OF SWEDEN FOR THE ESTABLISHMENT AND OPERATION OF AIR SERVICES. SIGNED AT THE HAGUE, ON 8 JANUARY 1962

The Kingdom of the Netherlands and the Kingdom of Sweden, hereinafter referred to as the Contracting Parties, desiring to stimulate civil air transportation between and via the Netherlands and Sweden, hereby conclude the following agreement :

Article 1

1. Each Contracting Party grants to the other Contracting Party the rights specified in the present Agreement, for the purpose of establishing scheduled international air services on the routes specified in the Annex hereto. Such services and routes are hereafter referred to as "agreed services" and "specified routes" respectively.

2. The airlines designated by each Contracting Party shall enjoy, while operating an agreed service on a specified route, the following rights :

- (a) to fly without landing across the territory of the other Contracting Party ;
- (b) to make stops in the said territory for non-traffic purposes ;
- (c) to make stops in the territory of the other Contracting Party for taking on and putting down passengers, mail and cargo in international traffic.

Article 2

1. Each Contracting Party shall have the right to designate in writing to the other Contracting Party one or more airlines for the purpose of operating the agreed services on the specified routes.

2. On receipt of such designation, the other Contracting Party shall, subject to the provisions of paragraphs 3 and 4 of this Article, without delay grant to the airline or airlines designated the appropriate operating authorizations.

3. The Aeronautical Authorities of one Contracting Party may require an airline designated by the other Contracting Party to satisfy them that it is qualified

¹ Applied provisionally from 8 January 1962, the date of signature, in accordance with the provisions of article 12 (1).

to fulfil the conditions prescribed under the laws and regulations normally and reasonably applied to the operation of international air services by such Authorities in conformity with the provisions of the Convention on International Civil Aviation (Chicago, 1944).¹

4. Each Contracting Party shall have the right to refuse to grant the operating authorizations referred to in paragraph 2 of this Article, or to impose such conditions as it may deem necessary on the exercise by a designated airline of the rights specified in Article 1, in any case where the said Contracting Party is not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or in its nationals.

5. When an airline has been so designated and authorized, it may begin at any time to operate the agreed services, provided that a tariff established in accordance with the provisions of Article 6 of the present Agreement is in force in respect of that service.

Article 3

1. Each Contracting Party shall have the right to revoke an operating authorization or to suspend the exercise of the rights specified in Article 1 of the present Agreement by an airline designated by the other Contracting Party, or to impose such conditions as it may deem necessary on the exercise of these rights :

- (a) in any case where it is not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or in nationals of such Contracting Party, or
- (b) in the case of failure by that airline to comply with the laws or regulations of the Contracting Party granting these rights, or
- (c) in case the airline otherwise fails to operate in accordance with the conditions prescribed under the present Agreement.

2. Unless immediate revocation, suspension or imposition of the conditions mentioned in paragraph 1 of this Article is essential to prevent further infringements of laws or regulations, such right shall be exercised only after consultation with the other Contracting Party.

Article 4

1. Aircraft operated on international services by the designated airlines of either Contracting Party, as well as their regular equipment, spare parts, supplies of fuels and lubricants, and aircraft stores (including food, beverages and tobacco) on board such aircraft shall be exempt from all customs duties, inspection fees and

¹ See footnote 2, p. 4 of this volume.

other duties or taxes on arriving in the territory of the other Contracting Party, provided such equipment and supplies remain on board the aircraft up to such time as they are re-exported.

2. Supplies of fuels, lubricants, spare parts, regular equipment and aircraft stores introduced into the territory of one Contracting Party by or on behalf of a designated airline of the other Contracting Party or taken on board the aircraft operated by such designated airline and intended solely for use in the operation of international services shall be exempt from all national duties and charges, including customs duties and inspection fees imposed in the territory of the first Contracting Party, even when these supplies are to be used on the parts of the journey performed over the territory of the Contracting Party in which they are taken on board.

The materials referred to above may be required to be kept under customs supervision or control.

3. The regular airborne equipment, spare parts, aircraft stores and supplies of fuels and lubricants retained on board the aircraft of either Contracting Party may be unloaded in the territory of the other Contracting Party only with the approval of the customs authorities of that Party, who may require that those materials be placed under their supervision up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.

Article 5

Passengers in transit across the territory of either Contracting Party shall be subject to no more than a very simplified control. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes.

Article 6

1. The tariffs to be charged by the designated airlines of either Contracting Party for the carriage to or from the territory of the other Contracting Party shall be established at reasonable levels, due regard being paid to all relevant factors including cost of operation, reasonable profit and characteristics of service.

2. The tariffs referred to in paragraph 1 of this Article shall, if possible, be agreed by the designated airlines concerned of both Contracting Parties, in consultation with other airlines operating over the whole or part of the route, and such agreement shall, where possible, be reached through the rate-fixing machinery of the International Air Transport Association.

3. The tariffs so agreed shall be submitted for the approval of the Aeronautical Authorities of the Contracting Parties at least thirty (30) days before the proposed date of their introduction ; in special cases, this time limit may be reduced, subject to the agreement of the said Authorities.

4. If the designated airlines cannot agree on any of these tariffs, or if for some other reason a tariff cannot be fixed in accordance with the provisions of paragraph 2 of this Article, or if, during the first 15 days of the 30 days' period referred to in paragraph 3 of this Article, one Contracting Party gives the other Contracting Party notice of its dissatisfaction with any tariff agreed in accordance with the provisions of paragraph 2 of this Article, the Aeronautical Authorities of the Contracting Parties shall try to determine the tariff by agreement between themselves.

5. If the Aeronautical Authorities cannot agree on the approval of any tariff submitted to them under paragraph 3 of this Article and on the determination of any tariff under paragraph 4, the dispute shall be settled in accordance with the provisions of Article 10 of the present Agreement.

6. The tariffs established in accordance with the provisions of this Article shall remain in force until new tariffs have been established in accordance with the provisions of this Article.

Article 7

Either Contracting Party undertakes to grant the other Party free transfer, at the official rate of exchange, of the excess of receipts over expenditure achieved on its territory in connection with the carriage of passengers, baggage, mail shipments and freight by the designated airline of the other Party. Wherever the payments system between the Contracting Parties is governed by a special agreement, this agreement shall apply.

Article 8

In a spirit of close co-operation, the Aeronautical Authorities of the Contracting Parties shall consult each other from time to time with a view to ensuring the implementation of, and satisfactory compliance with, the provisions of the present Agreement and the Annex thereto.

Article 9

If either of the Contracting Parties considers it desirable to modify any provision of the present Agreement, it may request consultation with the other Contracting Party ; such consultation, which may be between the Aeronautical Authorities and which may be through discussion or by correspondence, shall begin within a period of sixty (60) days of the date of the request. Any modifications so agreed shall come into force when they have been confirmed by an exchange of diplomatic notes,

which shall state that the formalities required by the national legislation of each Contracting Party have been accomplished.

Article 10

1. If any dispute arises between the Contracting Parties relating to the interpretation or application of the present Agreement, the Contracting Parties shall in the first place endeavour to settle it by negotiation.

2. If the Contracting Parties fail to reach a settlement by negotiation, they may agree to refer the dispute for decision to some person or body, or the dispute may at the request of either Contracting Party be submitted for decision to a tribunal of three arbitrators, one to be nominated by each Contracting Party and the third to be appointed by the two so nominated. Each of the Contracting Parties shall nominate an arbitrator within a period of sixty days from the date of receipt by either Contracting Party from the other of a notice through diplomatic channels requesting arbitration of the dispute, and the third arbitrator shall be appointed within a further period of sixty days. If either of the Contracting Parties fails to nominate an arbitrator within the period specified, or if the third arbitrator is not appointed within the period specified, the President of the Council of the Civil Aviation Organization may be requested by either Contracting Party to appoint an arbitrator or arbitrators, as the case requires. In such case, the third arbitrator shall be a national of a third State and shall act as president of the arbitral body.

3. The Contracting Parties undertake to comply with any decision given under paragraph 2 of this Article.

Article 11

Either Contracting Party may at any time give notice to the other Contracting Party of its decision to terminate the present Agreement ; such notice shall be simultaneously communicated to the International Civil Aviation Organization. In such case the Agreement shall terminate twelve (12) months after the date of receipt of the notice by the other Contracting Party, unless the notice to terminate is withdrawn by agreement before the expiry of this period. In the absence of acknowledgement of receipt by the other Contracting Party, notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization.

Article 12

1. The present Agreement shall be provisionally applicable from the date of its signature and shall come into force on a date to be laid down in an exchange of diplomatic notes, which shall state that the formalities required by the national legislation of each Contracting Party have been accomplished.

2. As regards the Kingdom of the Netherlands, the Agreement shall be applicable to the territory in Europe only.

IN WITNESS WHEREOF the undersigned plenipotentiaries, being duly authorized thereto by their respective Governments, have signed the present Agreement and have affixed thereto their seals.

DONE at The Hague this 8th day of January 1962 in duplicate in the English language.

For the Kingdom
of the Netherlands :

(Signed) J. LUNS

For the Kingdom
of Sweden :

(Signed) Brynolf ENG

A N N E X

1. Routes to be operated by the airline or airlines designated by Sweden :

- (a) from points in Sweden to points in the Netherlands, in both directions ;
- (b) from points in Sweden via intermediate points to points in the Netherlands, in both directions ;
- (c) from points in Sweden to points in the Netherlands and to points beyond, in both directions ;
- (d) from points in Sweden via intermediate points to the Netherlands and to points beyond, in both directions.

2. Routes to be operated by the airline or airlines designated by the Netherlands :

- (a) from points in the Netherlands to points in Sweden, in both directions ;
- (b) from points in the Netherlands via intermediate points to points in Sweden, in both directions ;
- (c) from points in the Netherlands to points in Sweden and to points beyond, in both directions ;
- (d) from points in the Netherlands via intermediate points to points in Sweden and to points beyond, in both directions.

EXCHANGE OF NOTES

I

ROYAL SWEDISH EMBASSY

The Hague, 8th January, 1962

Your Excellency,

With reference to the Agreement between the Kingdom of Sweden and the Kingdom of the Netherlands for the establishment and operation of air services signed this 8th day of January,¹ I have the honour to notify Your Excellency that,

¹ See p. 66 of this volume.

in accordance with Article 2 of the Agreement, Sweden designate Aktiebolaget Aerotransport (ABA), forming part of the joint operating organization Scandinavian Airlines System (SAS), to operate the routes specified in the Annex, paragraph 1, to the Agreement.

In this connection I have the honour to confirm, on behalf of my Government, the following understanding reached in the course of the negotiations preceding the signature of the Agreement :

1. Aktiebolaget Aerotransport (ABA), co-operating with Det Norske Luftfartselskap (DNL) and Det Danske Luftfartelskab (DDL) under the designation of Scandinavian Airlines System (SAS), may operate the routes for which it has been designated under the Agreement with aircraft, crews and equipment of either or both of the other two airlines.

2. In so far as Aktiebolaget Aerotransport (ABA) employ aircraft, crews and equipment of the other airlines participating in the Scandinavian Airlines 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.

I have the honour to suggest that, if the Netherlands agree to these arrangements, this letter and Your Excellency's reply in the same sense shall be regarded as placing on record the Agreement between our two Countries on these two matters.

Accept, Your Excellency, the renewed assurance of my highest consideration.

(Signed) Brynolf ENG

His Excellency Mr. J. M. A. H. Luns
Minister for Foreign Affairs
etc., etc., etc.

II

TREATY DEPARTMENT

DVE/VB-2407

The Hague, January 8, 1962

Your Excellency,

I have the honour to acknowledge receipt of your Note of to-day's date, which reads as follows :

[See note I]

I have the honour to inform Your Excellency that my Government agree to these arrangements and will regard your Note and this reply as placing on record the Agreement between our two Countries on these two matters.

Accept, Your Excellency, the renewed assurance of my highest consideration.

(Signed) J. LUNS

His Excellency Brynolf J. Eng
Ambassador extraordinary and plenipotentiary of Sweden
at The Hague