# No. 6734

# PAKISTAN and JAPAN

# Agreement relating to air services (with annex). Signed at Karachi, on 17 October 1961

Official text : English.

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

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# Accord relatif aux services aériens (avec annexe). Signé à Karachi, le 17 octobre 1961

Texte officiel anglais.

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

# No. 6734. AGREEMENT<sup>1</sup> BETWEEN PAKISTAN AND JAPAN RELATING TO AIR SERVICES. SIGNED AT KARACHI. **ON 17 OCTOBER 1961**

The Government of Pakistan and the Government of Japan, hereinafter described as the Contracting Parties,

Being Parties to the Convention on International Civil Aviation<sup>2</sup> and the International Air Services Transit Agreement,<sup>3</sup> opened for signature at Chicago on the seventh day of December, 1944, the terms of which Convention and Agreement are binding on both Parties,

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

Have agreed as follows :

# Article 1

For the purpose of this Agreement, unless the context otherwise requires :

- (a) "the Convention" means the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December, 1944, and includes any Annex adopted under Article 90 of that Convention and any amendment of the Annexes or Convention under Articles 90 and 94 thereof :
- (b) "aeronautical authorities" means, in the case of Pakistan, the Director General of Civil Aviation and any person or body authorised to perform any functions presently exercised by the said Director General, and, in the case of Japan, the Minister of Transportation and any person or body authorised to perform any functions presently exercised by the said Minister or similar functions;
- (c) "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;

<sup>&</sup>lt;sup>1</sup> Came into force on 12 July 1962, the date of exchange of diplomatic notes indicating approval by each Contracting Party, in accordance with the provisions of article 15(2).

<sup>See footnote 2, p. 4 of this volume.
United Nations,</sup> *Treaty Series*, Vol. 84, p. 389; Vol. 139, p. 469; Vol. 178, p. 419; Vol. 199, p. 363; Vol. 260, p. 462; Vol. 324, p. 342; Vol. 355, p. 419; Vol. 409, p. 372, and Vol. 417, p. 354.

- (d) "air services", "international air service", "airline" and "stop for non-traffic purposes" have the meanings respectively assigned to them in Article 96 of the Convention;
- (e) "designated airline" means an airline which one Contracting Party shall have designated, by written notification to the other Contracting Party, for the operation of air services on the route specified in such notification, and to which the appropriate operating permission shall have been given by that other Contracting Party, in accordance with the provisions of Article 3 of this Agreement;
- (f) "Capacity" in relation to an aircraft means the pay load of that aircraft available on a route or section of a route; and
- (g) "capacity" in relation to 'agreed services' means the capacity of the aircraft used on such services, multiplied by the frequency operated by such aircraft over a given period and route or section of a route.

Each Contracting Party grants to the other Contracting Party the rights specifica in this Agreement to enable its designated airline to establish and operate international air services on the routes specified in the appropriate section of the Annex thereto (hereinafter respectively called "the agreed services" and "the specified routes").

# Article 3

1. Each of the agreed services may be inaugurated immediately or at a later date at the option of the Contracting Party to whom the rights are granted, subject to the provisions of Article 8 of this Agreement, but not before :

- (a) the Contracting Party to whom the rights have been granted shall have designated an airline for the specified routes ; and
- (b) the Contracting Party which grants the rights shall have given to the airline concerned the appropriate operating permission in accordance with its laws and regulations; which it shall, subject to the provisions of paragraph (2) of this Article and of paragraph (1) of Article 5, grant with the least possible delay.

2. The airline designated by either Contracting Party may be required to satisfy the aeronautical authorities of the other Contracting Party that it is qualified to fulfil the conditions prescribed by or under the laws and regulations normally applied by those authorities to the operation of international air services.

The designated airline of each Contracting Party shall enjoy, while operating the agreed services, the rights :

(a) to fly its aircraft across the territory of the other Contracting Party;

- (b) to make stops in the said territory for non-traffic purposes; and
- (c) subject to the provisions of Article 6, 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 5

1. Each Contracting Party shall have the right to refuse to accept the designation of an airline, and to withhold or revoke the grant to that airline of the rights specified in Article 4 of this Agreement or to impose such conditions as it may deem necessary on the exercise by that airline of those rights 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 its nationals.

2. Each Contracting Party shall have the authority to suspend the exercise by a designated airline of the rights specified in Article 4 of this Agreement or to impose such conditions as it may deem necessary on the exercise by that airline of those rights where the airline fails to comply with the laws or regulations of the Contracting Party granting those rights or otherwise fails to operate in accordance with the conditions prescribed in this Agreement, provided that, unless immediate suspension or imposition of condition is considered necessary in the interest of safety, this authority shall be exercised only after consultation with the other Contracting Party.

3. In the event of action by one Contracting Party under this Article, the rights of the other Contracting Party under Article 11 shall not be prejudiced.

#### Article 6

1. There shall be fair and equal opportunity for the designated airline of each Contracting Party to operate the agreed services.

2. In operating the agreed services, the designated airline of either Contracting Party shall take account of the interests of the designated airline of the other Contracting Party so as not to affect unduly the air services which the latter airline operates over the same routes or parts thereof.

3. The agreed services shall have as their primary objective the provision of capacity adequate to the foreseeable traffic demands to and from the territory of

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the Contracting Party designating the airline, Fifth Freedom Traffic to have a supplementary character. The right of such airline to carry traffic between points of the specified route located in the territory of the other Contracting Party and points in third countries shall be exercised in the interests of an orderly development of international air transport, subject to the principles mentioned above in this Article and in such a way that the capacity is related to :

- (a) the traffic demand to and from the territory of the Contracting Party designating the airline;
- (b) the traffic demand existing in the areas through which the air services pass, taking account of local and regional air services;
- (c) the requirements of an economical operation of through traffic routes.

## Article 7

1. The aeronautical authorities of both Contracting Parties shall exchange information, as promptly as possible, concerning the current authorizations 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 authorizations for service on the specified routes, together with exemption orders and authorised service patterns.

2. Each Contracting Party shall cause its designated airline to provide to the aeronautical authorities of the other Contracting Party, as long in advance as practicable, copies of tariffs, schedules, including any modification thereof, and all other relevant information concerning the operation of the agreed services, including information about the capacity provided on each of the specified routes and any further 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.

3. Each Contracting Party shall cause its designated airline to provide to the aeronautical authorities of the other Contracting Party, at the latter's request, statistics relating to the traffic carried by that airline on the agreed services showing the origin and destination of the traffic.

## Article 8

1. Fares and rates on any agreed services shall be established at reasonable levels, due regard being paid to all relevant factors, including costs of comparable economical operation, reasonable profit and differences of characteristics of service.

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2. Agreement on the fares and rates shall, wherever possible, be reached by the designated airlines concerned through the rate-fixing machinery of the International Air Transport Association. When this is not possible, the fares and rates in respect of each of the specified routes and sections thereof shall be agreed between the designated airlines concerned. Any fares and rates so agreed shall be subject to the approval of the aeronautical authorities of both Contracting Parties. If the designated airlines concerned cannot agree on the fares and rates or if the aeronautical authorities of either Contracting Party do not approve the fares and rates submitted to them, the aeronautical authorities of the Contracting Parties shall endeavour to reach agreement on the appropriate fares and rates and will take necessary steps to give effect to such agreement. Should the aeronautical authorities fail to agree, the Contracting Parties themselves shall endeavour to reach agreement and will take all necessary steps to give effect to such agreement. Should the Contracting Parties fail to agree, the dispute shall be dealt with in accordance with Article 11.

3. No new or amended fares and rates shall come into effect unless they are approved by the aeronautical authorities of both Contracting Parties in accordance with paragraph (2) of this Article or are determined in accordance with the provisions of Article 11 of this Agreement. Pending determination of the fares and rates in accordance with the provisions of this Article, the fares and rates already in force shall prevail.

## Article 9

1. Fuel, lubricating oils, spare parts, regular aircraft equipment and aircraft stores introduced into the territory of one Contracting Party, or taken on board aircraft in that territory, by or on behalf of the other Contracting Party or its designated airline and intended solely for use by or in the aircraft of that airline shall be accorded by the first Contracting Party, in respect of customs duties, inspection fees and other similar national or local duties and charges, treatment not less favourable than that granted to its national airlines engaged in the operation of international air services or to the airlines of the most favoured nation.

2. Supplies of fuel, lubricating oils, spare parts, regular aircraft equipment and aircraft stores retained on board aircraft of the designated airline of one Contracting Party shall be exempt in the territory of the other Contracting Party from customs duties, inspection fees or similar duties or charges, even though such supplies be used by such aircraft on flights in that territory. Goods so exempted may only be unloaded with the approval of the customs authorities of the other Contracting Party. Those goods, which are to be re-exported, shall be kept in bond, until reexportation under customs supervision.

1. In a spirit of close collaboration, the aeronautical authorities of the two Contracting Parties will consult regularly with a view to assuring the observance of the principles and the implementation of the provisions outlined in this Agreement.

2. Either Contracting Party may, at any time, request consultation with the other Contracting Party with a view to initiating any amendments of this Agreement which it may deem desirable. Such consultation shall begin within a period of sixty days from the date of the request. Any amendments of this Agreement agreed to as a result of such consultation shall be approved by each Contracting Party in accordance with its constitutional procedures and shall enter into force on the date of exchange of diplomatic notes indicating such approval. If the amendment relates to the Annex, the consultation shall be between the aeronautical authorities of both Contracting Parties. When these authorities agree on a new or revised Annex, their recommendations on the matter will come into effect after they have been confirmed by an exchange of diplomatic notes.

#### Article 11

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

2. If the Contracting Parties fail to reach a settlement by negotiation, the dispute may, at the request of either Contracting Party, be submitted for decision to a tribunal of three arbitrators, one to be named by each Contracting Party and the third to be agreed upon by the two arbitrators so chosen, provided that such third arbitrator shall not be a national of either Contracting Party. Each of the Contracting Parties shall designate an arbitrator within a period of sixty days from the date of receipt by either Contracting Party from the other Contracting Party of a diplomatic note requesting arbitration of the dispute and the third arbitrator shall be agreed upon within a further period of sixty days. If either of the Contracting Parties fails to designate its own arbitrator within the period of sixty days or if the third arbitrator is not agreed upon within the period indicated, the President of the Council of the International Civil Aviation Organisation may be requested by either Contracting Party to appoint an arbitrator or arbitrators.

3. The Contracting Parties undertake to comply with any decision given, including any interim recommendation made, under paragraph (2) of this Article.

4. If and so long as either Contracting Party or a designated airline of either Contracting Party fails to comply with the requirements of paragraph (3) of this Article, the other Contracting Party may limit or revoke any rights which it has granted by virtue of this Agreement.

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 13

Either Contracting Party may, at any time, give notice to the other Contracting Party of its desire to terminate this Agreement. Such notice shall be simultaneously communicated to the International Civil Aviation Organisation. 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 Organisation.

## Article 14

This Agreement, any amendment to it and diplomatic notes exchanged in accordance with Article 10 shall be registered with the International Civil Aviation Organisation.

#### Article 15

1. 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.

2. This Agreement shall be approved by each Contracting Party in accordance with its constitutional procedures and the Agreement shall enter into force on the date of exchange of diplomatic notes indicating such approval.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

DONE this seventeenth day of October, 1961 in duplicate at Karachi in the English language.

For the Government of Pakistan :

(Signed) Hameeduddin AHMED

For the Government of Japan:

(Signed) Takashi OYAMADA

# ANNEX

- Route to be operated in both directions by the designated airline of Japan : Points in Japan - Manila - Hong Kong - Saigon - Bangkok - Rangoon -Calcutta - Karachi - a point on the Persian Gulf - Cairo - Rome - Geneva or Zurich - a point in the Federal Republic of Germany - Paris - London.
- Route to be operated in both directions by the designated airline of Pakistan : Points in Pakistan – New Delhi or Calcutta – Rangoon – Bangkok – Kuala Lumpur – Singapore – Saigon – Hong Kong – Manila – Tokyo.

3. The agreed services provided by the designated airline of either Contracting Party shall begin at a point in the territory of that Contracting Party, but other points in any of the specified routes may at the option of the designated airline be omitted on any or all flights.