No. 7294

FRANCE and AUSTRIA

Air Transport Agreement (with annex). Signed at Paris, on 12 July 1963

Official texts: French and German.

Registered by the International Civil Aviation Organization on 8 June 1964.

FRANCE et AUTRICHE

Accord (avec annexe) relatif aux transports aériens. Signé à Paris, le 12 juillet 1963

Textes officiels français et allemand.

Enregistré par l'Organisation de l'aviation civile internationale le 8 juin 1964.

[Translation — Traduction]

No. 7294. AIR TRANSPORT AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FRENCH REPUBLIC AND THE FEDERAL GOVERNMENT OF AUSTRIA. SIGNED AT PARIS, ON 12 JULY 1963

The Government of the French Republic and the Federal Government of Austria,

Desiring to promote the development of air transport between France and Austria and to further as much as possible international co-operation in this field;

Wishing to apply to such transport the principles and provisions of the Convention on International Civil Aviation signed at Chicago on 7 December 1944;²

Have agreed as follows:

Article 1

DEFINITIONS

- 1. For the purposes of this Agreement and its annex, except where the text provides otherwise:
- (a) "Aeronautical authorities" shall mean, in the case of the French Republic, the Secretariat-General of Civil Aviation, Ministry of Public Works and Transport, and, in the case of the Republic of Austria, the Federal Ministry of Communications and Electric Power, or, in either case, any other authority empowered by the Contracting Parties to perform the functions at present exercised by them.
- (b) "Designated airline" shall mean the airline which one of the Contracting Parties shall designate in writing to the other Contracting Party, in accordance with article 3 of this Agreement, as the airline authorized to operate international air services on the routes specified in the annex to this Agreement.
- 2. The terms "territory", "air services", "international air services" and "stop for non-traffic purposes" shall, for the purposes of this Agreement, have the meaning defined in articles 2 and 96 of the Convention on International Civil Aviation, hereinafter referred to as "the Convention".

¹ Came into force on 26 July 1963, fifteen days after the date of signature, in accordance with the provisions of article 16.

² See footnote 2, p. 5 of this volume.

Article 2

TRAFFIC RIGHTS

Each Contracting Party shall grant to the other Contracting Party the rights specified in this Agreement, for the purpose of establishing international air services on the routes specified in the annex hereto.

Such services and routes shall be called "the agreed services" and "the specified routes" respectively.

The airlines designated by each Contracting Party shall, while operating an agreed service on a specified route, enjoy 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 said territory at the points named on such route in the annex to this Agreement for the purposes of setting down and picking up international traffic in passengers, cargo and mail.

Article 3

PERMITS REQUIRED

- 1. Each Contracting Party shall enjoy 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 receiving notice of such designation, the other Contracting Party shall without delay, subject to the provisions of paragraphs 4 and 5 of this article, issue the appropriate permit to the designated airline.
- 3. Each Contracting Party shall have the right, after giving notice in writing to the other Contracting Party, to revoke the designation of an airline and to designate another.
- 4. The aeronautical authorities of one Contracting Party may require the airline designated by the other Contracting Party to show proof that it is able to fulfil the conditions prescribed by the laws and regulations normally and reasonably by those authorities, in accordance with the provisions of the Convention, to the operation of international air services.
- 5. Each Contracting Party reserves the right to withhold the permits referred to in paragraph 2 of this article or to impose such conditions as it may deem necessary on the exercise by the designated airline of the rights specified in article 2. This shall be the case particularly if the said Contracting Party considers that it has no proof that substantial ownership and effective control of such airline are vested in the Contracting Party designating the airline or in its nationals.

6. When an airline has been thus designated and authorized according to the conditions laid down in this article, it may commence operation of the agreed services at any time, provided that the tariffs applied to such services have been fixed in accordance with the provisions of article 9 of this Agreement.

Article 4

CAPACITY

- 1. The capacity placed in operation by the airlines designated by the Contracting Parties shall be adapted to traffic requirements on the specified routes.
 - 2. In applying the principle laid down in paragraph 1 of this article:
- a) The air services operated by a designated airline shall have as their primary objective the provision, at a reasonable load factor, of capacity adequate to satisfy the normal and reasonably foreseeable requirements of international air traffic originating in or destined for the territory of the Contracting Party designating the airline;
- (b) The capacity provided for in sub-paragraph (a) above may be supplemented by additional capacity for the transport of international air traffic originating in or destined for points situated on the specified routes and in territory other than that of the Contracting Parties designating the airline.
- 3. The two Contracting Parties agree to recognize that the fifth freedom is supplementary to traffic requirements on the routes between the territories of the Contracting Parties and at the same time additional to third and fourth freedom traffic between the territories of the other Party and the territory of a third State situated on the route.
- 4. The agreed capacity and the frequency of services shall be periodically examined by the airlines designated by the two Contracting Parties.
- 5. The capacity to be placed in operation and the frequency of services on the specified routes shall be periodically examined by the competent authorities of both Contracting Parties.
- 6. In order to satisfy the provisions of the above-mentioned paragraphs, the airlines designated by the two Contracting Parties shall, subject to the approval of the competent authorities, reach agreement on their time-tables in due time before beginning or altering services.
- 7. If either Contracting Party does not wish to use, on one or more routes, part or all of the transport capacity it should provide by right, it shall, by agreement with the other Contracting Party, transfer to the latter, for a specified period, all or part of the transport capacity concerned.

The Contracting Party which transfers all or part of its rights may recover them at the end of the said period.

Article 5

APPROVAL OF TIME-TABLES

The designated airline of each Contracting Party shall submit its time-tables for approval to the aeronautical authorities of the other Contracting Party not less than thirty days before the agreed services are put into operation. The same shall apply to any subsequent changes.

Article 6

REVOCATION AND SUSPENSION

- 1. Each Contracting Party reserves the right to revoke a permit or to suspend the rights enumerated in article 2 of this Agreement, exercised by the airline designated by the other Contracting Party, or to impose such conditions as it may deem necessary on the exercise of those rights with a view to preventing further infringements of the laws and regulations:
- (a) Whenever it considers that it has no proof that substantial ownership and effective control of such airline are vested in the Contracting Party designating the airline or in nationals of that Contracting Party, or
- (b) In any case where the airline fails to comply with the laws and regulations of the Contracting Party granting those rights, or
- (c) If the airline does not comply with the other operating conditions prescribed by this Agreement.
- 2. Each Contracting Party shall exercise this right only after consultation with the other Contracting Party, unless revocation, suspension or immediate imposition of the conditions mentioned in paragraph 1 of this article is necessary to prevent further infringements of the laws and regulations.

Article 7

Exemption from customs duties and other fees

- 1. Aircraft employed in international services by the airline designated by one Contracting Party together with their normal equipment, reserves of fuel and lubricants and stores carried on board, including foodstuffs, beverages and tobacco, shall, on arrival in the territory of the other Contracting Party, be exempt from all customs duties, inspection fees and other duties and charges, provided such equipment and stores remain on board the aircraft until re-exported.
- 2. The following shall likewise be exempt from the same duties and charges (excluding costs in consideration of services rendered):
- (a) Aircraft stores taken on board in the territory of one Contracting Party in quantities not exceeding the limits set by the authorities of the said Contracting

Party and intended for use on board aircraft operating on a specified route of the other Contracting Party;

- (b) Spare parts imported into the territory of one Contracting Party and intended for the maintenance or repair of aircraft employed on a specified route by the airline designated by the other Contracting Party;
- (c) Fuels and lubricants intended for aircraft employed on a specified route by the airline designated by the other Contracting Party, even where such supplies are to be consumed during that part of the flight which takes place over the territory of the Contracting Party in which they were taken aboard.

The customs authorities may order the stores referred to in sub-paragraphs (a), (b) and (c) above to be kept under customs control.

3. Regular equipment, supplies and stores on board the aircraft of one Contracting Party may not be unloaded in the territory of the other Contracting Party save with the consent of the customs authorities of that territory. When so unloaded, they may be placed under the supervision of the said authorities until they are re-exported or otherwise disposed of in accordance with customs regulations.

Article 8

Transport tariffs

- 1. The tariffs to be charged by the airline of one Contracting Party for 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 such as cost of operation, reasonable profit and the tariffs of other airlines on the same route.
- 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, after consultation with the airlines of third countries operating over the whole or part of the same routes. Whenever possible, the tariffs shall be established through the rate-fixing machinery of the International Air Transport Association.
- 3. The tariffs so established shall be submitted to the aeronautical authorities of each Contracting Party for approval not less than thirty days before the date laid down for their entry into force; in special cases this time-limit may be reduced, subject to the agreement of the said authorities.
- 4. Subject to the provisions of paragraph 3 of this article, no tariff shall enter into force until after it has been approved by the aeronautical authorities of both Contracting Parties.
- 5. 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.

Should the designated airlines fail to agree on the fixing of a tariff in accordance with paragraph (2) above, or should one of the Contracting Parties make known its dissatisfaction with the tariff submitted to it in accordance with the provisions of paragraph (3) above, the aeronautical authorities of the two Contracting Parties shall endeavour to reach a satisfactory settlement.

6. In the last resort, the matter shall be submitted to arbitration, as provided for in article 13 of this Agreement.

Pending the announcement of the arbitral award, the Contracting Party making known its dissatisfaction shall have the right to require the other Contracting Party to maintain the tariff previously in force.

Article 9

STATISTICAL INFORMATION

The aeronautical authorities of one Contracting Party shall supply to the aeronautical authorities of the other Contracting Party on request such statistical data relating to the designated airline as may reasonably be required for the purpose of examining the capacity placed in operation by the airline designated by the first Contracting Party on the specified routes.

Article 10

CONSULTATION

The aeronautical authorities of the Contracting Parties shall consult each other, whenever necessary, in a spirit of close co-operation with a view to ensuring the satisfactory implementation of, and compliance with, the provisions of this Agreement and its annex.

Article 11

MODIFICATION

- 1. When one Contracting Party considers it desirable to modify any provision of this Agreement, it shall request consultation with the other Contracting Party. Such consultation, which may take place between the aeronautical authorities either verbally or by correspondence, shall begin within a period of sixty days from the date of such request. Any modification so agreed shall enter into force after it has been confirmed by an exchange of diplomatic notes.
- 2. Modifications to the annex to this Agreement shall be made by direct agreement between the aeronautical authorities of the Contracting Parties and shall enter into force after an exchange of diplomatic notes.

Article 12

CONFORMITY WITH MULTILATERAL CONVENTIONS

This Agreement and its annex shall be amended to conform to any multilateral agreement concerning civil aviation to which both Contracting Parties accede.

Article 13

SETTLEMENT OF DISPUTES

- 1. Any dispute relating to the interpretation or application of this Agreement which cannot be settled between the aeronautical authorities or between the Governments of the Contracting Parties in accordance with the provisions of article 10 shall, at the request of either Contracting Party, be referred to an arbitral tribunal.
- 2. Such arbitral tribunal shall consist of three members. Each of the two Governments shall appoint one arbitrator; the two arbitrators shall agree on the appointment of a national of a third State as Chairman.

If the two arbitrators have not been appointed within two months from the date on which one of the two Governments proposed the settlement of a dispute by arbitration, or if the arbitrators have not agreed on the appointment of a Chairman during the following month, either Contracting Party may request the President of the International Civil Aviation Organization to make the necessary appointments.

- 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; it shall establish its own rules of procedure and determine its place of meeting.
- 4. The Contracting Parties undertake to comply with any provisional measures ordered in the course of the proceedings and with the arbitral award, which shall in all cases be considered final.
- 5. If and so long as either Contracting Party fails to comply with the arbitral awards, the other Contracting Party may limit, suspend or revoke any rights or privileges which it has granted by virtue of this Agreement to the Contracting Party in default.
- 6. Each Contracting Party shall pay the remuneration of its expert and half the remuneration of the Chairman.

Article 14

DENUNCIATION

Either Contracting Party may at any time give the other Contracting Party notice of its decision to denounce this Agreement. Such notice shall be commu-

nicated at the same time to ICAO. In such a case, this Agreement shall cease to have effect one year after the date of receipt of such notice by the other Contracting Party, unless the said notice to terminate the Agreement is withdrawn by mutual consent before the expiry of that period. If the other Contracting Party fails to acknowledge receipt of such notice, the notice shall be deemed to have been received fifteen days after receipt thereof by ICAO.

Article 15

REGISTRATION

This Agreement and its annex and any amendment which may be made thereto shall be communicated to ICAO for registration by that Organization.

Article 16

ENTRY INTO FORCE

This Agreement shall enter into force fifteen days after the date of its signature.

In witness whereof the undersigned representatives, duly authorized by their respective Governments, have affixed their signatures to this Agreement.

Done at Paris, in duplicate, in the French and German languages, both texts being equally authentic.

Paris, 12 July 1963.

For the Government of the French Republic:
Augustin JORDAN

For the Federal Government of Austria: Martin Fuchs

ANNEX

1. The airlines designated by the Government of the French Republic shall have the right to operate services in both directions, as follows:

Points in France, via intermediate points, to one or more points in the territory of Austria and beyond.

2. The airlines designated by the Federal Government of Austria shall have the right to operate services in both directions, as follows:

Points in Austria, via intermediate points, to one or more points in the territory of the French Republic and beyond.

3. All the points referred to in paragraphs (1) and (2) above shall be determined by agreement between the aeronautical authorities of the two Contracting Parties. Such determination shall be subsequently confirmed by an exchange of diplomatic notes.