

No. 7264

**FINLAND
and
ICELAND**

**Agreement regarding air transport (with annex). Signed
at Helsinki, on 10 March 1960**

Official text: Swedish.

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

**FINLANDE
et
ISLANDE**

**Accord relatif aux transports aériens (avec annexe). Signé
à Helsinki, le 10 mars 1960**

Texte officiel suédois.

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

[TRANSLATION¹ — TRADUCTION²]

No. 7264. AGREEMENT³ BETWEEN FINLAND AND ICELAND REGARDING AIR TRANSPORT. SIGNED AT HELSINKI, ON 10 MARCH 1960

The Government of Finland and the Government of Iceland having decided to conclude an agreement for air services between Finland and Iceland, have accordingly appointed representatives authorized for this purpose, who have agreed as follows :

Article 1

The Contracting Parties grant each other the rights specified in the annex to this Agreement for establishing the air services. The services may be inaugurated immediately or at a later date at the option of the Contracting Party to whom the rights are granted.

Article 2

a) Each of the air services which one Contracting Party has granted the other the right to establish, may be brought into operation as soon as the latter Party has designated an airline or airlines to operate the service concerned, and the Party granting the rights has granted the airline or airlines so designated due permission to operate. The Contracting Party shall, subject to the reservations of article 7 hereof, be bound without delay to grant such a permission.

b) The Contracting Party granting the rights may, before giving the permission to inaugurate the services, require the airline or the airlines so designated to qualify in all respects under the laws and regulations in force in that Party's territory.

Article 3

The respective aeronautical authorities of the Contracting Parties shall be in frequent consultation with each other and collaborate regarding the observance and implementation of the principles outlined in the present Agreement and the annex thereto.

¹ Translation transmitted by the Government of Finland.

² Traduction communiquée par le Gouvernement finlandais.

³ Came into force on 10 March 1960, upon signature, in accordance with article 13.

Article 4

a) Each Contracting Party agrees that the charges which it may impose on airline of the other Contracting Party for the use of its airports and other facilities, shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

b) Fuel, lubricating oils and spare parts introduced into the territory of the other Contracting Party by or on behalf of an airline designated by the other Contracting Party, or which are there taken on board, and intended solely for the use by the aircraft of that airline, shall, with respect to the imposition of Customs duties, inspection fees, and other duties and taxes of that country, be accorded treatment not less favourable than that granted to national airlines or to the airlines of the most favoured nation.

c) Fuel, lubricating oils, spare parts, regular equipment and aircraft stores retained on board civil aircraft of the airlines of one Contracting Party authorized to operate services according to this Agreement, are, upon arriving in or leaving the territory of the other Contracting Party, exempt from Customs duties, inspection fees or similar charges, even though such supplies be used or consumed by such aircraft on flights above the territory of the latter Party.

Article 5

Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one Contracting Party shall be recognized as valid by the other Contracting Party for the purpose of operating the services according to this Agreement. Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licenses granted to its own nationals by another State.

Article 6

a) The laws and regulations of one Contracting Party relating to the admission into or departure from its territory of aircraft engaged in international services or to the operation and navigation of such aircraft, while within its territory, shall be applicable to aircraft of the airline of the other Contracting Party.

b) Passengers, crews and consignors of goods by air shall, either in person or through a third person acting in their behalf or for their account, comply with the laws and regulations in force in the territory of each of the Contracting Parties

respecting the entry, stay and departure of passengers, crews or cargo such as regulations relating to entry, departure, immigration, passports, customs and quarantine.

Article 7

Each Contracting Party reserves the right to withhold permission to operate from an airline designated by the other Party or to revoke such permission in any case in which it is not satisfied that principal ownership and effective control of the designated airline are vested in nationals of the other Contracting Party, or in case of failure by the airline to comply with the laws and regulations of the State in the territory of which it is operating, as described in article 6 above, or to perform its obligations under this Agreement.

Article 8

Each Contracting Party may at any moment request the other Contracting Party to enter into negotiations to modify this Agreement or the annex thereto. Such consultations shall begin within sixty days from the date of the request. Modifications agreed upon will come to effect after having been confirmed by an exchange of diplomatic notes.

Article 9

Any dispute regarding the interpretation or application of this Agreement or annex thereto which cannot be settled by negotiation shall be referred to an arbitral tribunal consisting of three members of which each Contracting Party shall elect one arbitrator, and these two members shall elect the third member who shall be the chairman of the tribunal. The third arbitrator may not be a national of any of the Contracting Parties. The Contracting Parties are to designate their own arbitrators not later than two months from the date when one Contracting Party has given the other Party a note in which arbitration is requested; the members shall agree on the third arbitrator not later than within one month from the date when they were appointed.

In case any Contracting Party has failed to designate an arbitrator within two months, or when agreement as to the third arbitrator cannot be reached in the course of the same period, any Contracting Party may request the President of the International Court of Justice to designate the said arbitrator or arbitrators.

The Contracting Parties undertake to comply with any decision given by the arbitral tribunal.

Each Contracting Party will pay half of the expenses of the arbitral tribunal.

Article 10

If a general air transport convention should come into force with respect to the two Contracting Parties, they shall enter into consultations with a view to conforming the present Agreement and annex thereto with the provisions of such convention.

Article 11

Each Contracting Party may notify the other Party of its intention to terminate the present Agreement. In that case the Agreement shall terminate twelve months after the date of the receipt of the notice by the other Contracting Party, unless the notice to terminate is withdrawn by mutual agreement before the expiry of this period.

Article 12

This Agreement and any other agreement connected therewith shall be registered with the International Civil Aviation Organization (ICAO).

Article 13

This Agreement comes into force on the date of its signature.

IN WITNESS WHEREOF the duly authorized representatives have signed this Agreement and affixed their seals thereto.

DONE at Helsinki, this tenth day of March 1960, in duplicate in the Swedish language.

For the Government of Finland :
Reino PALAS

For the Government of Iceland :
Magnús V. MAGNÚSSON

A N N E X

I

The Government of Finland grants the Government of Iceland the right to operate air services from Iceland to Finland and points beyond, direct or via intermediary points, in both directions through one or more airlines designated by the Government of Iceland.

II

The Government of Iceland grants the Government of Finland the right to operate air services from Finland to Iceland and points beyond, direct or via intermediary points, in both directions through one or more airlines designated by the Government of Finland.

III

The airlines designated by each of the Contracting Parties shall enjoy in the territory of the other Contracting Party the right to embark and disembark in international traffic passengers, cargo or mail in the territory of the latter Contracting Party and from there, as well as from and to a third country.