

No. 7664

**DENMARK
and
CYPRUS**

**Agreement on commercial scheduled air transport (with
annex and exchange of notes). Signed at Nicosia, on
27 April 1963**

Official text: English.

Registered by Denmark on 2 April 1965.

**DANEMARK
et
CHYPRE**

**Accord relatif aux transports aériens commerciaux réguliers
(avec annexe et échange de notes). Signé à Nicosie, le
27 avril 1963**

Texte officiel anglais.

Enregistré par le Danemark le 2 avril 1965.

No. 7664. AGREEMENT¹ BETWEEN THE KINGDOM OF DENMARK AND THE REPUBLIC OF CYPRUS ON COMMERCIAL SCHEDULED AIR TRANSPORT. SIGNED AT NICOSIA, ON 27 APRIL 1963

The Kingdom of Denmark and the Republic of Cyprus hereinafter called in the present Agreement the Contracting Parties, both being parties to the Convention on International Civil Aviation opened for signature at Chicago, on the 7th day of December 1944,² hereinafter referred to in the present Agreement as the "Convention" and desiring to make arrangements of commercial scheduled air transport between and beyond their respective territories, and with a view to promoting tourism, have agreed on the following :

Article 1

For the purpose of the present Agreement and the Annex³ thereto the following terms have the following meaning, unless otherwise stated in the text :

- (a) "Aeronautical Authorities" means in the case of the Kingdom of Denmark the Ministry of Public Works and in the case of the Republic of Cyprus the Civil Aviation Administration of the Ministry of Communications and Public Works or in both cases any other agency or person authorized to perform the functions presently exercised by the said Authorities.
- (b) "Designated Airline" means the airline that one of the Contracting Parties shall have designated in writing to the other Contracting Party in accordance with Article 3 of this Agreement as the airline which is to operate the international air services on the routes specified in Article 2 para. 1 of the present Agreement.
- (c) "Territory", "air services", "international air services" and "stop for non-traffic purposes" shall have, in the application of the present Agreement the meaning specified in Articles 2 and 96 of the Convention.

Article 2

(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 to this Agreement.

¹ In accordance with article 19, the Agreement came into force on 16 December 1964, the date of receipt by the Government of Denmark of official notification of its publication in the Official Gazette of the Republic of Cyprus.

² United Nations, *Treaty Series*, Vol. 15, p. 295.

³ See p. 270 of this volume.

Such services and routes are hereinafter called "the agreed services" and "the specified routes" respectively.

The airline 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 said territory at the points specified for that route in the Annex to the present Agreement for the purpose of putting down and taking on International traffic in passengers, cargo and mail.

(2) Nothing in paragraph (1) of this Article shall be deemed to confer on the airline of one Contracting Party the privilege of taking up, in the territory of the other Contracting Party, passengers, cargo, or mail carried for remuneration or hire and destined for another point in the territory of that other Contracting Party.

Article 3

(1) Each Contracting Party shall have the right to designate in writing to the other Contracting Party one airline 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 designated airline the appropriate operating authorization.

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

(4) Each Contracting Party shall have the right to refuse to grant the operating authorization 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 2, 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 10 of the present Agreement is in force in respect of that service.

Article 4

(1) There shall be fair and equal opportunity for the designated airline of each Contracting Party to operate on any route specified in accordance with Article 2, of the present Agreement.

(2) In the operation of international air services on the routes specified in accordance with Article 2 of the present Agreement the designated airline of one 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 provides on the same routes or parts of them.

(3) The international air services on the routes specified in accordance with Article 2 of the present Agreement shall have as their primary objective the provision of capacity adequate to the foreseeable traffic demands to and from the territory of the Contracting Party designating the airline. The right of either designated airline to carry traffic between points in the territory of the other Contracting Party and points on the territory of third countries on the specified routes in accordance with Article 2 of the present Agreement, shall be exercised in the interests of an orderly development of international air transport in such a way that 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 services.
- (c) the requirements of an economical operation of through services.

Article 5

(1) The designated airline of each Contracting Party shall communicate for approval to the Aeronautical Authorities of the other Contracting Party not later than thirty days prior to the commencement of services on the routes specified in accordance with Article 2 of the present Agreement the types of aircraft to be used and the flight schedules. This shall likewise apply to later changes.

(2) The Aeronautical Authorities of one Contracting Party shall furnish the Aeronautical Authorities of the other Contracting Party, at their request, with all periodic statistical data of the designated airlines, as may be reasonably required for the purpose of reviewing the capacity provided by the designated airline of the first Contracting Party on the routes specified in accordance with Article 2 of the present Agreement. Such data shall include all information required to determine the amount of traffic and the origin and destination of traffic.

(3) These statistics shall not exceed what is currently required by the International Civil Aviation Organization.

Article 6

(1) Each Contracting Party shall have the right to revoke an operating authorization or to suspend the exercise of the rights specified in Article 2 of the present Agreement by the 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 and 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 7

(1) Aircraft operated on international services by the designated airline 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 other duties or taxes on arriving in the territory of the other Contracting Party, provided such equipment and supplies shall remain on board the aircraft up to such time as they are re-exported.

(2) There shall also be exempt from the same duties and taxes, with the exception of charges corresponding to the service performed :

- (a) aircraft stores taken on board in the territory of either Contracting Party, within limits fixed by the authorities of said Contracting Party, and for use on board aircraft engaged on a specified route of the other Contracting Party ;
- (b) spare parts entered into the territory of either Contracting Party for the maintenance or repair of aircraft used on a specified route by the designated airline of the other Contracting Party ;
- (c) fuel and lubricants destined for supply to aircraft operated on a specified route by the designated airlines of the other Contracting Party, even when these supplies are to be used on the part of the journey performed over the territory of the Contracting Party in which they are taken on board.

Materials referred to in sub-paragraphs (a), (b) and (c) above may be required to be kept under customs supervision or control.

Article 8

The regular airborne equipment, as well as the materials and supplies 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 such territory. In such case, they may be placed under the supervision of said authorities up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.

Article 9

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 10

(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 including cost of operation, reasonable profit and the tariffs of other airlines.

(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 approval to 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 or on the determination of any tariff under paragraph (4), the dispute shall be settled in accordance with the provisions of Article 15 of the present Agreement.

(6) Subject to the provisions of paragraph (3) of this Article, no tariff shall come into force if the aeronautical authorities of either Contracting Party have not approved it.

(7) 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 11

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 12

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 13

(1) If either of the Contracting Parties considers it desirable to modify any provisions 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.

(2) Modifications to the Annex of this Agreement may be made by direct agreement between the competent Aeronautical Authorities of the Contracting Parties and shall come into force upon exchange of notes through diplomatic channels.

Article 14

The present Agreement and the Annex to this Agreement will be amended so as to conform with any multilateral convention which may become binding on both Contracting Parties.

Article 15

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 16

(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 negotiations.

(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 arbitrators. 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 International 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.

(4) The expenses of the arbitration will be equally shared between the Contracting Parties.

Article 17

The charges imposed by either Contracting Party for the use of airports and air navigation facilities by the aircraft of the designated airline of the other Contracting Party shall not be higher than those paid by its national aircraft operating international services.

Article 18

The present Agreement, any amendment to it and any exchange of notes under this Agreement shall be communicated to the International Civil Aviation Organization for registration.

Article 19

The present Agreement shall enter into force from the date of the receipt by the Kingdom of Denmark of official notification of its publication in the official Gazette of the Republic of Cyprus.

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

DONE, in duplicate, at Nicosia, Cyprus, this 27th day of April, 1963 in the English language.

For the Kingdom of Denmark :

(Signed) Per RYBERG

For the Republic of Cyprus :

(Signed) Spyros KYPRIANOU

ANNEX

SCHEDULE

- I. Routes to be operated by the designated airline of the Kingdom of Denmark :
 - a. Copenhagen via intermediate points to Nicosia, in both directions ;
 - b. Copenhagen via intermediate points to Nicosia and to points beyond, in both directions.
- II. Routes to be operated by the designated airline of the Republic of Cyprus :
 - a. Nicosia via intermediate points to Copenhagen, in both directions ;
 - b. Nicosia via intermediate points to Copenhagen and to points beyond, in both directions.
- III. The intermediate points and the points beyond Nicosia and Copenhagen respectively on the routes specified in Sections I and II in this Annex shall be decided upon later by joint Agreement between the Aeronautical Authorities of the Contracting Parties.

EXCHANGE OF NOTES

I

Nicosia, 27th April, 1963

To H. E. the Minister of Foreign Affairs
of the Republic of Cyprus
Nicosia

With reference to the Agreement between the Kingdom of Denmark and the Republic of Cyprus on Commercial Scheduled Air Transport, signed this 27th day of April, 1963, I have the honour to notify Your Excellency that, in accordance with Article 2 of the Agreement, the Government of the Kingdom of Denmark designate Det Danske Luftfartselskab (DDL) forming part of the joint operating organization, Scandinavian Airlines System (SAS), to operate the routes, specified in the Annex, section I, 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) Det Danske Luftfartselskab (DDL) co-operating with Det Norske Luftfartselskab (DNL) and AB Aerotransport (ABA) 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 Det Danske Luftfartselskab (DDL) 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 Det Danske Luftfartselskab (DDL), and the competent Danish authorities and Det Danske Luftfartselskab (DDL) shall accept full responsibility under the Agreement therefore.

I avail myself of this opportunity to express to Your Excellency the assurances of my highest consideration.

(Signed) Per RYBERG
Counsellor,
Chargé d'Affaires a. i., of Denmark

II

Nicosia, 27th April, 1963

To Mr. Per Ryberg
Chargé d'Affaires a. i., of Denmark
Nicosia

I have the honour to acknowledge receipt of your letter of 27th April, 1963, referring to the Agreement between the Kingdom of Denmark and the Republic of Cyprus on Commercial Scheduled Air Transport, the text of which is the following :

[See note I]

On behalf of the Republic of Cyprus I have the honour to confirm the above understanding reached in the course of the negotiations preceding the signature of the Agreement.

I avail myself of this opportunity to express to You the assurances of my highest consideration.

(Signed) Spyros KYPRIANOU
Minister of Foreign Affairs
of the Republic of Cyprus