

No. 8704

**CYPRUS
and
HUNGARY**

**Agreement on air transport (with annex). Signed at Nicosia,
on 2 June 1964**

Official text: English.

Registered by the International Civil Aviation Organization on 31 July 1967.

**CHYPRE
et
HONGRIE**

**Accord relatif aux transports aériens (avec annexe). Signé à
Nicosie, le 2 juin 1964**

Texte officiel anglais.

Enregistré par l'Organisation de l'aviation civile internationale le 31 juillet 1967.

No. 8704. AGREEMENT¹ BETWEEN THE REPUBLIC OF CYPRUS AND THE HUNGARIAN PEOPLE'S REPUBLIC ON AIR TRANSPORT. SIGNED AT NICOSIA, ON 2 JUNE 1964

The Republic of Cyprus and the Hungarian People's Republic, hereinafter called in the present Agreement the Contracting Parties, both desiring to make arrangements for air transport between and beyond their respective territories, thus contributing to international collaboration in this respect and strengthening the friendly relations between them and with a view to promoting tourism, have agreed on the following :

Article 1

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

(a) " Aeronautical Authorities "

- i. In the case of the Republic of Cyprus the Civil Aviation Administration of the Ministry of Communications and Works or any other person or body authorized to perform the functions presently exercised by the said Administration.
- ii. In the case of the Hungarian People's Republic the Director General of the Board of Civil Aviation of the Ministry of Communications and Posts for the time being, or any person or body authorized by the Government of the Hungarian People's Republic to perform any functions presently exercised by the said Director General or similar functions.

(b) " Territory "

The land areas, territorial waters adjacent thereto, and the airspace above, under the sovereignty of either Contracting Party.

(c) " International Air Service ".

Any air service performed by aircraft for the public transport of passengers, cargo and mail and passing through the airspace over the territory of more than one state.

¹ Applied provisionally as from 2 June 1964, the date of signature, and came into force on 24 May 1966, the date of which both Contracting Parties had stated that the formalities required by each of them had been accomplished, in accordance with article 24.

(d) “ Designated Airline ”

The air transport enterprise which either Contracting Party has notified in writing to the other Contracting Party as the airline to operate the agreed air services, and perform the rights granted by the other Contracting Party, in accordance with the present Agreement.

(e) “ Specified Routes ”.

Air routes specified in the Annex to this Agreement.

2. The Annex to this Agreement shall be deemed to be part of the Agreement and all reference to the Agreement shall include reference to the Annex, except otherwise expressly provided.

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 the present Agreement.

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 has 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 paragraph 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 fulfill the conditions prescribed under the laws and regulations normally and reasonably applied to the operation of international air services by such authorities.

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 the 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 12 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 the 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 operates 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 in passengers, cargo and mail to and from the territory of the Contracting Party designating the airline. The right of each of the designated airlines to carry traffic between points in the territory of the other Contracting Party and points in 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 from and to 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 inauguration 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 each of the Contracting Parties shall furnish to 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 each 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 such traffic.

Article 6

Non-scheduled flights may be operated by the designated airline of each contracting party subject to special permission in accordance with the pertinent national regulations of the Contracting Parties. Requests for such non-scheduled flights shall be made by the Aeronautical Authority of one Contracting Party direct to the Aeronautical Authority of the other Contracting Party.

Article 7

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 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 8

1. Aircraft operated on international services by the designated airline of either Contracting Party, as well as their regular equipment, 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 used 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 to supply aircraft operated on a specified route by the designated airline 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-paragraph (a), (b) and (c) above may be required to be kept under customs supervision or control.

Article 9

The regular airborne equipment, as well as the materials and supplies 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 Party. 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 10

1. The laws, rules and regulations of one Contracting Party especially those relating to :
 - (a) entry into or departure from its territory of aircraft engaged in international air navigation or to the operation and navigation of such aircraft while within its territory, shall apply to the aircraft of the designated airline of the other Contracting Party;

- (b) entry into or departure from its territory of passengers, crew, luggage or cargo of aircraft (such as regulations relating to export, import, passports, customs, quarantine and exchange) shall be applicable to the passengers, crew, luggage and cargo of the aircraft of the designated airline of the other Contracting Party.
2. The Contracting Parties undertake to carry out all those sanitary and preventive actions on arrival and departure of the aircraft which are compulsory under the international rules on the prevention of the spreading of contagious diseases.

Article 11

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 12

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 and in consultation with other airlines operating over the whole or part of the route.
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 22 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 13

Taxes, duties and other fees charged for the use of airports, technical equipment and other facilities of the Contracting Parties are to be fixed according to the tariffs established by the authorities having competency in the territory of the respective airport.

Article 14

The settlement of financial obligations arising from this Agreement shall be carried out within the framework of the pertinent agreement of payments between the Contracting Parties. In the absence of such an agreement of payments mutual credits and debits arising from this Agreement shall be accounted in convertible currency.

Article 15

Each Contracting Party guarantees to the designated airline of the other Contracting Party the use of all installations available for the safety and regularity of civil air services e.g. radio, lighting and meteorological services.

Article 16

1. Every aircraft used by the designated airlines and engaged on the Agreed Services shall bear its appropriate nationality and registration marks, and shall carry the following documents :

- (a) its certificate of registration,
- (b) its certificate of airworthiness,
- (c) the appropriate licences for each member of the crew,
- (d) the aircraft radio station licence,
- (e) its journey log book or other equivalent document,
- (f) its passenger list,
- (g) the cargo and mail manifest,
- (h) if it carries special categories of cargo the necessary permits for this purpose.

2. The certificates mentioned under (a) and (b) may be incorporated in one document according to the national regulations of either Contracting Party.

Article 17

1. Aircraft certificates of airworthiness and crew member certificates of competency, licences and all other documents issued or rendered valid by one Contracting Party shall be recognized as valid by the other Contracting Party.
2. Each Contracting Party reserves, however, the right to refuse to recognize, for the purpose of flight above its territory, certificates of competency and licences granted to any of its nationals by the other Contracting Party.

Article 18

The designated airline of each Contracting Party shall have the right to keep representatives on the territory of the other Contracting Party who should be nationals of either Contracting Party.

Article 19

1. Each Contracting Party undertakes to provide such measures of assistance to aircraft of the other Contracting Party in distress on its territory as it may find practicable, and to permit, subject to control by its own authorities to representatives of the authorities and/or the designated airline of the other Contracting Party to visit the place and to provide such measures of assistance as may be necessitated by the circumstances.
2. In case of emergency landing or accident the Contracting Parties shall render without delay all necessary aid to the aircraft in distress of the other Contracting Party, to their crew and passengers; they shall, further protect the mail, luggage and cargo carried on board and they shall reforward them, as soon as possible with their own transport. The costs incurred will be borne by the airline in the interest of which the above services have been rendered.
3. If in case of emergency landing or accident serious damage is caused to the aircraft or to its equipment, or death or personal injury has occurred, and, further, in case of serious material loss arising on the surface of the earth, the Aeronautical Authority on the territory of which the event occurred shall immediately open an inquiry and simultaneously invite the Aeronautical Authority of the other Contracting Party to appoint observers to be present at the inquiry. The Contracting Party holding the inquiry shall put at the disposal of the Aeronautical Authority of the other Contracting Party one copy of the report and findings of the inquiry as soon as practicable.

Article 20

In a spirit of close cooperation, 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 21

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 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 22

1. The Aeronautical Authorities of either Contracting Party may initiate direct negotiations with each other in all questions relating to the present Agreement and/or the Annex thereof.

2. 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 direct negotiations between their Aeronautical Authorities. Failing to reach a settlement the dispute is to be settled through diplomatic channels.

Article 23

Either Contracting Party may at any time give notice to the other Contracting Party of its decision to terminate the present Agreement. 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.

Article 24

This Agreement shall be provisionally applicable from the date of its signature and shall come into force at a date when both Contracting Parties will have stated that the formalities required by each Contracting Party have been accomplished.

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

DONE in duplicate at Nicosia, Cyprus, this 2nd day of June, 1964, in the English language.

For the Government
of the Republic of Cyprus :
Spyros KYPRIANOU

For the Government
of the Hungarian People's Republic :
Rudolf RONAI

A N N E X

1. The Government of the Republic of Cyprus designates Cyprus Airways Ltd., to operate air services on the routes specified in this Annex.

2. The Government of the Hungarian People's Republic designates the MALEV Hungarian Airlines to operate air services on the routes specified in this Annex.

3. Cyprus Airways Ltd., shall be entitled to exercise commercial rights on the routes specified hereunder :

- (a) Nicosia-Budapest in both directions;
- (b) Nicosia-Budapest and beyond to third countries except Czechoslovakia, United Kingdom and France, in both directions;
- (c) Nicosia-Budapest in both directions via intermediate points to be agreed by the Contracting Parties.

4. MALEV shall be entitled to exercise commercial rights on the routes specified hereunder :

- (a) Budapest-Nicosia in both directions;
- (b) Budapest-Nicosia and beyond to third countries, except Lebanon, Israel and the United Arab Republic, in both directions;
- (c) Budapest-Nicosia in both directions via intermediate points to be agreed by the Contracting Parties.

5. Any point on the specified routes may, at the option of the designated airlines, be omitted on any or all flights.