

No. 11835

**SWEDEN
and
INDONESIA**

Agreement for air services between their respective territories (with annex and exchange of notes). Signed at Copenhagen on 23 June 1971

Authentic text : English.

Registered by the International Civil Aviation Organization on 7 June 1972.

**SUÈDE
et
INDONÉSIE**

Accord relatif aux services aériens entre leurs territoires respectifs (avec annexe et échange de notes). Signé à Copenhague le 23 juin 1971

Texte authentique : anglais.

Enregistré par l'Organisation de l'aviation civile internationale le 7 juin 1972.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF SWEDEN
AND THE GOVERNMENT OF THE REPUBLIC OF
INDONESIA FOR AIR SERVICES BETWEEN THEIR
RESPECTIVE TERRITORIES

The Government of Sweden and the Government of the Republic of Indonesia

Being parties to the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December, 1944² and

Desiring to conclude an Agreement, supplementary to the said Convention, for the purpose of establishing air services between Swedish and Indonesian territories

Have agreed as follows :

Article 1

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

(a) the term “ 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) the term “ aeronautical authority ” means, in the case of Sweden, the Board of Civil Aviation and any person or body authorised to perform any functions at present exercised by the said Board or similar functions, and, in the case of the Republic of Indonesia, the Minister of Communications and any person or body authorised to perform functions at present exercised by the said Minister or similar functions;

(c) the term “ designated airline ” means an airline which one Contracting Party shall have designated, by written notification to the other Contracting Party, in accordance with Article 3 of the present Agreement, for the operation of air services on the routes specified in such notification;

(d) the term “ territory ” in relation to a State shall have the meaning assigned to it in Article 2 of the Convention;

¹ Came into force on 23 June 1971 by signature, in accordance with article 14.

² United Nations, *Treaty Series*, vol. 15, p. 295; for the texts of the Protocols amending this Convention, see vol. 320, pp. 209 and 217; vol. 418, p. 161; vol. 514, p. 209, and vol. 740, p. 21.

(e) the terms “ air service ”, “ international air service ”, “ airline ” and “ stop for non-traffic purposes ” have the meanings respectively assigned to them in Article 96 of the Convention.

Article 2

(1) For the operation of regular international air services each Contracting Party grants to the airline or airlines designated by the other Contracting Party

- (a) the right to fly without landing across the territory of the other Contracting Party,
- (b) the right to make stops in said territory for non-traffic purposes.

(2) For the operation of regular international air services over the routes specified in the Annex to this Agreement (hereinafter called “ the agreed services ” and “ the specified routes ”), each Contracting Party further grants to the airline or airlines designated by the other Contracting Party:

the right to make stops in the territory of the other Contracting Party for the purpose of embarking and disembarking international traffic in passengers, cargo and mail at the points specified in the Annex.

(3) Nothing in paragraph (2) 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 with or without remuneration or hire and destined for another point in the territory of that other Contracting Party.

(4) Notwithstanding the provisions of paragraphs (1) and (2) of this Article, the operation of agreed services in areas of hostilities or military occupation, or in areas affected thereby, shall, in accordance with Article 9 or the Convention, be subject to the approval of the competent military authorities.

Article 3

(1) Each Contracting Party shall 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 receipt of the designation, the other Contracting Party shall, subject to the provisions of paragraphs (3) and (4) of this Article, without delay grant to the airline or airlines designated the appropriate operating authorisation.

(3) The aeronautical authorities of one Contracting Party may require an 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 by them in conformity with the provisions of the Convention to the operation of international commercial air services.

(4) Each Contracting Party shall have the right to refuse to accept the designation of an airline and to withhold or revoke the grant to an airline of the privileges specified in paragraph (2) of Article 2 of the present Agreement or to impose such conditions as it may deem necessary on the exercise by an airline of those privileges 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 the Contracting Party designating the airlines.

(5) At any time after the provisions of paragraphs (1) and (2) of this Article have been complied with, an airline so designated and authorised may begin to operate the agreed services, provided that a service shall not be operated unless a tariff is in force in respect of it established in accordance with the provisions of Article 7 of the present Agreement.

(6) Each Contracting Party shall have the right to suspend the exercise by an airline of the privileges specified in paragraph (2) of Article 2 of the present Agreement or to impose such conditions as it may deem necessary on the exercise by an airline of those privileges in any case where the airline fails to comply with the laws and regulations of the Contracting Party granting those privileges or otherwise fails to operate in accordance with the conditions prescribed in the present Agreement; provided that, unless immediate suspension or imposition of conditions is essential to prevent further infringements of laws or regulations, this right shall be exercised only after consultation with the other Contracting Party.

Article 4

(1) Aircraft operated by a designated airline of either Contracting Party and entering, departing again from, or flying across the territory of the other Contracting Party, as well as fuel, lubricants, spare parts, regular equipment and aircraft stores on board such aircraft, shall be exempt from customs duties and other charges levied on the occasion of importation, exportation or transit of goods. This shall also apply to goods on board the aircraft consumed during the flight across the territory of the latter Contracting Party.

(2) Fuel, lubricants, aircraft stores, spare parts and regular equipment, temporarily imported into the territory of either Contracting Party, there to be immediately or after storage installed in or otherwise taken on board the aircraft of a designated airline of the other Contracting Party, or to be otherwise

exported again from the territory of the former Contracting Party, shall be exempt from the customs duties and other charges mentioned in paragraph (1) of this Article.

(3) Fuel and lubricants taken on board the aircraft of a designated airline of either Contracting Party in the territory of the other Contracting Party and used in international air services, shall be exempt from the customs duties and other charges mentioned in paragraph (1) of this Article, as well as from any other special consumption charges, provided that formal customs regulations are complied with.

(4) Each Contracting Party may keep the goods mentioned in paragraphs (1) to (3) of this Article under customs supervision or control.

(5) In so far as no duties or other charges are imposed on goods mentioned in paragraphs (1) to (3) of this Article, such goods shall not be subject to any economic prohibitions or restrictions on importation, exportation and transit that may otherwise be applicable unless such prohibition or restriction applies to all airlines including the national airlines in respect to certain items mentioned in paragraphs (1) to (3) of this Article.

(6) The treatment specified in this Article shall be in addition to and without prejudice to that which each Contracting Party is under obligation to accord under Article 24 of the Convention.

Article 5

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 6

(1) There shall be fair and equal opportunity for the designated airlines of both Contracting Parties to operate the agreed services on the specified routes between their respective territories.

(2) In operating the agreed services, the designated airlines of each Contracting Party shall take into account the interest of the designated airlines of the other Contracting Party so as not to affect unduly the services which the latter provide on the whole or part of the same route.

(3) The agreed services provided by the designated airlines of the Contracting Parties shall bear close relationship to the requirements of the public for transportation on the specified routes and shall have as their primary

objective the provision of a capacity adequate to carry the current and reasonably anticipated requirements for the carriage of passengers, cargo and mail originating from or destined for the territory of the Contracting Party which has designated the airline.

Provision for the carriage of passengers, cargo and mail both taken up and put down at points on the specified routes in the territories of States other than that designating the airline shall be made in accordance with the general principles that capacity shall be related to :

- (i) traffic requirements to and from the territory of the Contracting Party which has designated the airline;
- (ii) traffic requirements of the area through which the airline passes, after taking account of other transport services established by airlines of the States comprising the area; and
- (iii) the requirements of through airline operation.

Article 7

(1) The tariffs to be charged by the designated airlines 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, characteristics of service (such as standards of speed and accommodation) and the tariffs of other airlines for any part of the specified route. These tariffs shall be fixed in accordance with the following provisions of this Article.

(2) The tariffs referred to in paragraph (1) of this Article, together with the rates of agency commission used in conjunction with them shall, if possible, be agreed in respect of each of the specified routes between the designated airlines concerned, in consultation with other airlines operating over the whole or part of that route, and such agreement shall, where possible, be reached through the ratefixing machinery of the International Air Transport Association. The tariffs so agreed shall be subject to the approval of the aeronautical authorities of both Contracting Parties.

(3) If the designated airlines cannot agree on any of these tariffs, or if for some other reason a tariff cannot be agreed in accordance with the provisions of paragraph (2) of this Article, the aeronautical authorities of the Contracting Parties shall try to determine the tariffs by agreement between themselves.

(4) If the aeronautical authorities cannot agree on the approval of any tariff submitted to them under paragraph (2) of this Article or on the determination of any tariff under paragraph (3), the dispute shall be settled in accordance with the provisions of Article 10 of the present Agreement.

(5) (a) No tariff shall come into force if the aeronautical authorities of either Contracting Party are dissatisfied with it except under the provisions of paragraph (3) of Article 10 of the present Agreement.

(b) When tariffs have been established in accordance with the provisions of this Article, these tariffs shall remain in force until new tariffs have been established in accordance with the provisions of this Article.

Article 8

The aeronautical authorities of either Contracting Party shall supply to the aeronautical authorities of the other Contracting Party at their request such periodic or other statements of statistics as may be reasonably required for the purpose of reviewing the capacity provided on the agreed services by the designated airline or airlines of the first Contracting Party.

Article 9

There shall be regular and frequent consultation between the aeronautical authorities of the Contracting Parties to ensure close collaboration in all matters affecting the fulfilment of the present Agreement.

Article 10

(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 negotiation between themselves.

(2) If the Contracting Parties fail to reach a settlement by negotiations, 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. Each of the Contracting Parties shall nominate an arbitrator within a period of sixty (60) days from the date of receipt by either Contracting Party from the other of a notice through the diplomatic channel requesting arbitration of the dispute, and the third arbitrator shall be appointed within a further period of sixty (60) 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 Organisation may be requested by either Contracting Party to appoint an arbitrator or arbitrators as the case requires.

(3) The Contracting Parties undertake to comply with any decision given 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 a decision given under paragraph (2) of this Article, the other Contracting Party may limit, withhold or revoke

any rights or privileges which it has granted by virtue of the present Agreement to the Contracting Party in default or to the designated airline or airlines of that Contracting Party or to the designated airline in default.

Article 11

(1) If either of the Contracting Parties considers it desirable to modify any provision of the present Agreement or its Annex, 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 from the date of the request.

(2) Any modification of the present Agreement decided upon during the consultation referred to in paragraph (1) above shall be agreed upon in writing between the Contracting Parties and shall take effect on the date on which both Governments have informed each other in writing by exchange of notes that the formalities constitutionally required in their respective countries have been complied with.

(3) Any modification of the Annex of the present Agreement decided upon during the consultations referred to in paragraph (1) above shall be agreed upon in writing between the aeronautical authorities and shall take immediate effect, but shall be confirmed by an exchange of notes if so required by either of the Contracting Parties.

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

Article 12

Either Contracting Party may at any time give notice to the other if it desires to terminate the present Agreement. Such notice shall be simultaneously communicated to the International Civil Aviation Organisation. If such notice is given, the present 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 Organisation.

Article 13

The present Agreement and agreed modifications in accordance with Article 11 shall be registered with the International Civil Aviation Organisation.

Article 14

The present Agreement shall enter into force on the date of signature.

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

DONE this 23rd day of June nineteen hundred and seventy-one and in duplicate at Copenhagen.

For the Government
of Sweden :
RENÉ BELDING

For the Government
of the Republic of Indonesia :
FRANS SEDA

ANNEX

- I. Routes to be operated in both directions by the designated airline of the Kingdom of Sweden :

<i>Point of departure</i>	<i>Intermediate points</i>	<i>Destination</i>
Stockholm	Tasjkent Bangkok Kuala Lumpur Singapore	Djakarta

- II. Routes to be operated in both directions by the designated airline of the Republic of Indonesia :

<i>Point of departure</i>	<i>Intermediate points</i>	<i>Destination</i>
Djakarta	Singapore Kuala Lumpur Bangkok Tasjkent	Stockholm

- III. Except points of departure and destination, any or some of the points on the routes specified in this Annex may, at the option of the designated airline, be omitted on any or all flights.

EXCHANGE OF NOTES

I

Copenhagen, June 23rd, 1971

Sir,

With reference to the Agreement between the Republic of Indonesia and the Kingdom of Sweden for Air Services, signed at Copenhagen on June 23rd, 1971, I have the honour to notify you that, in accordance with Article 3 of the Agreement, the Government of the Republic of Indonesia will designate an airline or airlines at a later date to operate the routes given in the Annex attached 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) AB Aerotransport (ABA) co-operating with Det Norske Luftfartsel-skap (DNL) and Det Danske Luftfartsel-skab (DDL) 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 AB Aerotransport (ABA) 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 AB Aerotransport (ABA), and the competent Swedish authorities and AB Aerotransport (ABA) shall accept full responsibility under the Agreement therefor.

Please accept, Sir, the assurances of my highest consideration.

FRANS SEDA

Mr. René Belding
Chargé d'Affaires of Sweden
Copenhagen

II

Copenhagen, June 23rd, 1971

Your Excellency,

With reference to the Agreement between the Kingdom of Sweden and the Republic of Indonesia for Air Services, signed at Copenhagen on June 23rd, 1971, I have the honour to notify Your Excellency that, in accordance with Article 3 of the Agreement, the Government of Sweden designate AB Aero-transport (ABA) forming part of the joint operating organization, Scandinavian Airlines System (SAS), to operate the routes given in the Annex attached to the Agreement.

In this connection I have the honour to confirm, on behalf of my Govern-ment, the following understanding reached in the course of the negotiations preceding the signature of the Agreement :

[See note I]

Please accept, Your Excellency, the assurances of my highest consideration.

RENÉ BELDING

His Excellency Frans Seda
Minister of Communications
of the Republic of Indonesia