No. 13465

SWITZERLAND and IRAN

Agreement concerning air services (with annex). Signed at Tehran on 31 December 1972

Authentic texts of the Agreement: French and Persian. Authentic text of the annex: French. Registered by the International Civil Aviation Organization on 5 August 1974.

SUISSE

et

IRAN

Accord relatif aux services aériens (avec annexe). Signé à Téhéran le 31 décembre 1972

Textes authentiques de l'Accord: français et persan. Texte authentique de l'annexe: français. Enregistré par l'Organisation de l'aviation civile internationale le 5 août 1974.

[TRANSLATION — TRADUCTION]

AGREEMENT I BETWEEN THE SWISS CONFEDERATION AND IRAN CONCERNING AIR SERVICES

The Swiss Federal Council and His Imperial Majesty the Shahinshah of Iran,

Equally desirous of concluding an agreement for the purpose of establishing and operating commercial air services between and beyond the territories of Switzerland and Iran,

Have appointed their plenipotentiaries, duly authorized for this purpose, who have agreed as follows:

Article 1. DEFINITIONS

For the application of this Agreement, unless the text indicates otherwise:

(a) The term "aeronautical authorities" shall mean, in the case of Switzerland, the Federal Air Office and any person or body authorized to perform the functions exercised at present by that Office or similar functions and, in the case of Iran, the Department of Civil Aviation and any person or body authorized to perform the functions exercised at present by that Department or similar functions;

(b) The term "designated airline" means an airline which has been designated and authorized in accordance with the provisions of article 3 of this Agreement;

(c) The term "capacity" in relation to an aircraft means the pay load provided on a route or segment thereof, and the term "capacity" in relation to an "agreed service" means the capacity of the aircraft used on that service, multiplied by the frequency of the flights of the said aircraft during a given peirod on a route or segment thereof;

(d) The term "territory" in relation to a State means the land areas and territorial waters adjacent thereto under the sovereignty of that State;

(e) The terms "air service", "international air service", "airline" and "stop for non-traffic purposes" shall have the meanings assigned to them in article 96 of the Chicago Convention on International Civil Aviation, of 7 December 1944.²

It shall be understood that the headings of the articles in this Agreement in no way restrict or extend the meaning of the provisions of this Agreement.

Article 2. TRAFFIC RIGHTS

1. Each Contracting Party shall grant to the other Contracting Party the rights specified in this Agreement for the operation of scheduled international air services by the designated airline of the other Contracting Party, as follows:

¹ Came into force on 2 December 1973, the date of the second notification between the Contracting Parties to the effect that their constitutional formalities had been completed, in accordance with article 17.

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.

- (a) The right to fly without landing over the territory of the other Contracting Party;
- (b) The right to make stops in the said territory for non-traffic purposes; and
- (c) The right to make stops in the said territory, at the points specified for that route in the route schedule annexed to this Agreement, in order to set down and pick up international traffic in passengers, cargo and mail.

2. Nothing in the provisions of this Agreement shall be deemed to confer on the designated 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 to another point in the territory of the other Contracting Party.

3. In war areas or areas under military occupation or in the regions affected by such operations, the operation of the agreed services shall be subject to the approval of the competent military authorities.

Article 3. Designation and authorization

1. Each Contracting Party shall have the right to designate in writing to the other Contracting Party an airline to operate the agreed services on the specified routes.

2. Upon 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 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 applied by such authorities to the operation of international air services, in conformity with the provisions of the Chicago Convention on International Civil Aviation, of 7 December 1944.

4. Each Contracting Party shall have the right to withhold the operating authorization mentioned in paragraph 2 of this article or to impose such conditions as it may deem necessary for the exercise by the designated airline of the rights specified in article 2 of this Agreement, whenever the said Contracting Party is not satisfied that preponderant ownership and effective control of such airline are vested in the Contracting Party which has designated the airline or in its nationals.

Article 4. SUSPENSION AND REVOCATION

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 this Agreement by the designated airline of 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 preponderant ownership and effective control of that airline are vested in the Contracting Party designating the airline or in its nationals, or
- (b) In the event of failure by that airline to comply with the laws and/or regulations of the Contracting Party granting these rights, or
- (c) In the event that the airline otherwise fails to operate the agreed services in the conditions prescribed under this Agreement.

2. Unless the revocation, suspension or imposition of conditions mentioned in paragraph 1 of this article are immediately required in order to prevent further infringements of laws and/or regulations, such right may be exercised only after consultation with the other Contracting Party.

Article 5. Application of laws and regulations

1. The laws and regulations of one Contracting Party governing entry to and departure from its territory of aircraft engaged in international air navigation or the operation and navigation of such aircraft over or inside its territory shall apply to the designated airline of the other Contracting Party.

2. The laws and regulations of one Contracting Party governing entry to, sojourn in or departure from its territory of passengers, crew, cargo or mail, such as those relating to entry, departure, emigration and immigration, customs and health measures shall apply to passengers, crew, cargo or mail carried by the aircraft of the airline designated by the other Contracting Party while they are in its territory.

3. Each Contracting Party shall provide copies of the applicable laws and regulations mentioned in this article to the other Contracting Party, at its request.

4. The designated airline of one Contracting Party shall have the right to maintain its own agents on the territory of the other Contracting Party. If a general agent or a general sales agent is appointed, that agent shall be the designated airline of the other Contracting Party, unless the two designated airlines agree otherwise.

5. Transfers of funds received by the designated airlines of the Contracting Parties shall be effected in accordance with the rules concerning foreign exchange in the two countries. The Contracting Parties shall do everything in their power to facilitate the transfer of such funds.

Article 6. Exemption from customs duties and other taxes

1. Aircraft operated on international services by the designated airline of one Contracting Party, as well as supplies of fuels, lubricants, other fungible technical supplies, spare parts, regular equipment and aircraft stores remaining on the aircraft of the said airline which is authorized to operate the routes and services specified in this Agreement shall, subject to reciprocity, be exempt upon arriving in or departing from the territory of the other Contracting Party from customs duties, inspection fees and other national duties or taxes, even if such supplies are used or consumed by such aircraft in flight over the said territory.

2. Fuels, lubricants, fungible technical supplies, spare parts, regular equipment and stores imported into the territory of one Contracting Party by the other Contracting Party or its nationals and to be used exclusively by the aircraft of the said Contracting Party shall, subject to reciprocity, be exempt from customs duties, inspection fees and other national duties or taxes.

3. Fuels, lubricants, other fungible technical supplies, spare parts, regular equipment and supplies taken on board aircraft of the airline of one Contracting Party in the territory of the other Contracting Party and used on international services shall, subject to reciprocity, be exempt from customs duties, taxes, inspection fees and other national duties or taxes.

4. The regular airborne equipment, as well as the articles and supplies on board the aircraft of the designated airline of one Contracting Party may be unloaded in the territory of the other Contracting Party only with the permission of the customs authorities of that territory. In such case, they may be placed under the supervision of the said authorities until such time as they are re-exported or otherwise utilized in accordance with customs regulations.

Article 7. AIRPORT CHARGES AND CHARGES FOR FACILITIES AND SERVICES

Each Contracting Party may impose or authorize the imposition of fair and reasonable charges for the use of the airports and other facilities and services for which it is responsible. Each Contracting Party agrees, however, that such charges shall not be greater than those which would be paid, for such airports and such facilities and services, by national aircraft engaged in similar international services.

Article 8. Provisions concerning capacity and approval of flight schedules

1. The designated airlines of the two Contracting Parties shall receive equal and fair treatment, so that they may have equal possibilities to operate the agreed services on the specified routes.

2. In operating the agreed services, the designated airline of each Contracting Party shall take into account the interests of the airline of the other Contracting Party, so as not to affect unduly the services which the latter provides on the whole or part of the same routes.

3. The agreed services provided by the designated airlines of the Contracting Parties shall have as their primary objective the provision, at a reasonable load factor, of transport capacity suited to the current and reasonably anticipated traffic requirements for passengers, cargo and mail between the territory of the Contracting Party designating the airline and the territory of the other Contracting Party.

4. Subject to the principles stated in paragraphs 1, 2 and 3 of this article, the designated airline of one Contracting Party may also provide a capacity corresponding to traffic requirements between the territory of the third countries listed in the route schedule annexed to this Agreement and the territory of the other Contracting Party.

5. The capacity provided, including the frequency of the services and the type of aircraft used by the designated airlines of the Contracting Parties on the agreed services, shall be subject to the approval of the aeronautical authorities, on the recommendation of the designated airlines. The designated airlines shall make such recommendation after duly consulting each other, taking into account the principles stated in paragraphs 1, 2 and 3 of this article.

6. In the event of disagreement between the designated airlines of the Contracting Parties, the questions mentioned in paragraph 5 above shall be settled by agreement between the aeronautical authorities of the two Contracting Parties. Until such agreement has been reached, the capacity offered by the designated airlines shall remain unchanged.

7. The designated airline of each Contracting Party shall submit the flight schedules for the approval of the aeronautical authorities of the other Contracting Party at least 30 days before the introduction of services on the specified routes. In the event of subsequent changes, the same procedure shall be followed. In individual cases, this period may be reduced if the said authorities so agree.

Article 9. Recognition of certificates and licences

Certificates of airworthiness, certificates of competency and licences issued or validated by one Contracting Party shall be recognized as valid by the other Contracting Party, if they are still in force, for the operation of the routes and services specified in this Agreement, provided that the conditions in which such certificates or licences have been issued or validated are equal to or above the minimum standards which have been or may be set in accordance with the Chicago Convention on International Civil Aviation, of 7 December 1944. Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flight over its territory, certificates of competency and licences issued to or validated for its own nationals by the other Contracting Party or by any other State.

Article 10. Air transport tariffs

1. The tariffs to be charged by the airlines of the Contracting Parties for the agreed services shall be established at reasonable rates, taking duly into consideration all determining factors, including cost of operation, reasonable profit, the characteristics of the services and the tariffs charged by the other airlines operating regular services over the same route or parts thereof.

2. The tariffs mentioned in paragraph 1 of this article shall be established according to the following rules:

- (a) When the designated airlines of the two Contracting Parties are members of an international airline association which has its own tariff-fixing procedure and when a decision on the tariffs to be charged for the agreed services already exists, the tariffs shall be established by agreement between the designated airlines of the Contracting Parties, in accordance with that decision on tariffs;
- (b) When no decision has been taken on the tariffs to be charged for the agreed services, or when one or both of the two designated airlines of the Contracting Parties are not members of the same association mentioned in paragraph (a) above, the designated airlines of the Contracting Parties shall themselves establish by mutual agreement the tariffs to be charged for the agreed services;
- (c) The tariffs so established shall be submitted for approval to the aeronautical authorities of the Contracting Parties not later than 30 days prior to the proposed date of their entry into force; this period may be reduced if the said authorities so agree;
- (d) If the designated airlines of the Contracting Parties fail to agree on the tariffs to be charged, or one Contracting Party has not designated its airline to operate the agreed services, or if during the first 15 days of the 30-day period mentioned in paragraph (c) of this article the aeronautical authorities of one Contracting Party express to the aeronautical authorities of the other Contracting Party their disapproval of the tariffs established by the designated airlines of the Contracting Parties in accordance with paragraphs (a) and (b) of this article, the aeronautical authorities of the Contracting Parties shall endeavour to reach agreement on the appropriate tariffs to be charged; no tariff shall enter into force, however, if the aeronautical authorities of either Contracting Party have not approved it.

3. 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. PROVISION OF STATISTICS

The aeronautical authorities of one of the Contracting Parties shall provide to the aeronautical authorities of the other Contracting Party at their request the information and statistics concerning the traffic carried on the agreed services by the designated airline of the former Contracting Party to and from the territory of the other Contracting Party, in the manner in which such information and statistics are normally prepared and submitted by the designated airline to its national aeronautical authorities. Any additional statistical data concerning traffic which the aeronautical authorities of one Contracting Party may wish to obtain from the aeronautical authorities of the other Contracting Party shall, upon request, be the subject of discussions and mutual agreements between the two Contracting Parties.

Article 12. Consultations and modifications

1. Each Contracting Party or its aeronautical authorities may at any time request a consultation with the other Contracting Party or with its aeronautical authorities.

2. A consultation requested by one of the Contracting Parties or its aeronautical authorities shall begin within sixty (60) days from the date of receipt of the request.

3. Any modification of this Agreement shall enter into force when the two Contracting Parties have informed each other of the completion of their constitutional formalities concerning the conclusion and entry into force of international agreements.

4. Modifications of the annex to this Agreement may be agreed upon directly by the aeronautical authorities of the Contracting Parties. They shall enter into force after they have been confirmed by an exchange of notes through the diplomatic channel.

Article 13. SETTLEMENT OF DISPUTES

1. In the event of a dispute between the Contracting Parties concerning the interpretation or application of this Agreement, the Contracting Parties shall in the first place endeavour to settle it by negotiation.

2. If the Contracting Parties fail to reach a settlement by negotiation, they may agree to submit the dispute to a person or body for consultation.

3. If the Contracting Parties fail to reach a settlement in accordance with paragraphs 1 and 2 above, the dispute shall be submitted to a tribunal of three members, one to be nominated by each Contracting Party and the third to be appointed by the two so nominated. Each Contracting Party shall nominate an arbitrator within a period of sixty days from the date of receipt by one of the Contracting Parties from the other of a notice through diplomatic channels requesting arbitration of the dispute by such a tribunal, 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, the other Contracting Party may request the President of the Council of the International Civil Aviation Organization to appoint an arbitrator or arbitrators as the case requires; if the President of the Council of the International Civil Aviation Organization is a national of one of the Contracting Parties, the first Vice-President of the Council or, if he too is a national of one of the Contracting Parties, the senior member of the Council who is not such a national shall be requested to make the necessary appointment or appointments. In any case, the third arbitrator shall be a national of a third State and shall act as president of the arbitral tribunal.

4. The arbitral tribunal shall determine its own procedure and decide on the apportionment of the expenses resulting from that procedure.

5. The Contracting Parties undertake to comply with any decision given under this article.

Article 14. DENUNCIATION

Each Contracting Party may at any time give notice to the other Contracting Party of its intention to terminate this Agreement; such notice shall be simultaneously communicated to the International Civil Aviation Organization. In such case the Agreement shall terminate twelve months after the date of receipt of the notice by the other Contracting Party, unless the notice of denunciation 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 days after the receipt of the notice by the International Civil Aviation Organization.

Article 15. Conformity with multilateral conventions

If the two Contracting Parties accede to a general multilateral air transport convention or agreement, this Agreement shall be brought into harmony with the provisions of that convention or agreement.

Article 16. REGISTRATION

This Agreement and any modifications thereof shall be registered with the International Civil Aviation Organization.

Article 17. ENTRY INTO FORCE

This Agreement shall enter into force on the date of the second notification between the Contracting Parties to the effect that the constitutional formalities for the entry into force of this Agreement have been completed.

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

DONE at Tehran on 31 December 1972 in duplicate in the French and Persian languages.

For the Swiss Federal Council:

For His Imperial Majesty the Shaninshah of Iran:

D. GAGNEBIN

A. A. Khalatbari

ANNEX

ROUTE SCHEDULES

Schedule I

Routes on which air services may be operated in both directions by the airline designated by Switzerland:

Points	Intermediate	Points	Points
of origin	points	in Iran	beyond Iran
Points in Switzerland	Vienna Athens	Tehran	New Delhi Dacca

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Points	Intermediate	Points	Points
of origin	points	in Iran	beyond Iran
	Istanbul Ankara Nicosia Beirut Tel Aviv		Colombo Bangkok Manila Hong Kong Tokyo Seoul Kuala Lumpur Singapore Djakarta Melbourne Sydney

Schedule II

Routes on which air services may be operated in both directions by the airline designated by Iran:

Points	Intermediate	Points	Points
of origin	points	in Switzerland	beyond Switzerland
Points in Iran	Tel Aviv Beirut Ankara Istanbul Athens Vienna Rome	Zurich or Geneva or Basel	Frankfurt Hamburg Copenhagen Oslo Amsterdam Brussels London Paris New York Chicago Detroit Los Angeles

Notes:

(1) Any one or more points on the routes specified in schedules I and II of the annex may, at the option of each of the designated airlines, be omitted on any or all flights.

(2) The designated airlines of either of the Contracting Parties shall have the right to terminate their services in the territory of the other Contracting Party.