No. 14405

and ROMANIA

Agreement concerning civil air transport (with annex). Signed at Budapest on 13 May 1969

Authentic text: Hungarian and Romanian. Registered by Hungary on 10 November 1975.

HONGRIE et ROUMANIE

Accord relatif aux transports aériens civils (avec annexe). Signé à Budapest le 13 mai 1969

Textes authentiques : hongrois et roumain. Enregistré par la Hongrie le 10 novembre 1975.

[TRANSLATION — TRADUCTION]

AGREEMENT' BETWEEN THE GOVERNMENT OF THE HUN-GARIAN PEOPLE'S REPUBLIC AND THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA CONCERNING CIVIL AIR TRANSPORT

The Government of the Hungarian People's Republic and the Government of the Socialist Republic of Romania,

Wishing to pursue the development of international co-operation in the field of air transport, and

Desiring to conclude an agreement for the purpose of establishing regular air services between and beyond their respective countries,

Have appointed their plenipotentiaries, who have agreed as follows:

- Article 1. 1. For the purposes of the application of this Agreement:
- (a) The term "Agreement" means this Agreement and its annex, save as otherwise provided in the text of the Agreement;
- (b) The term "aeronautical authorities" means, in the case of the Hungarian People's Republic, the Ministry of Communications and Posts or any person or body authorized by the Government of the Hungarian People's Republic to perform the functions at present exercised by the aforesaid Ministry and, in the case of the Socialist Republic of Romania, the Ministry of Motor, Water and Air Transport or any person or body authorized by the Government of the Socialist Republic of Romania to perform the functions at present exercised by the aforesaid Ministry;
- (c) The term "territory" in relation to a State means the land areas and territorial waters adjacent thereto and the air space thereover, under the sovereignty of that State:
- (d) The term "air service" means any scheduled or non-scheduled international flight made by an aircraft for the carriage of passengers, mail and cargo;
- (e) The term "scheduled service" means air services operated by a designated airline according to schedules drawn up and published in advance for a specific period of operations;
- (f) The term "non-scheduled service" means air services operated occasionally by a designated airline:
- (g) The term "agreed services" means the scheduled and non-scheduled air services which may be operated on the basis of this Agreement;
- (h) The term "specified routes" means the routes specified in the relevant section of the annex to this Agreement, on which the agreed services may be operated;
- (i) The term "stop for non-traffic purposes" means a landing made for a purpose other than setting down or taking on passengers, cargo or mail;
- (j) The term "designated airline" means an airline which has been designated and authorized by the aeronautical authorities of the Contracting Parties in accordance with the provisions of article 3 of this Agreement.

¹ Came into force on 6 November 1969, the date on which the Parties notified one another of the completion of their constitutional formalities, in accordance with article 21.

- 2. The annex to this Agreement shall be considered to form an integral part of the Agreement.
- Article 2. 1. Each Contracting Party shall grant the other Contracting Party the rights specified in this Agreement for the purpose of establishing air services on the routes specified in the annex to this Agreement.
- 2. The designated airline of each Contracting Party shall enjoy the following rights:
- (a) To fly without landing over the territory of the other Contracting Party;
- (b) To take on and set down in that territory, as part of the agreed services, international traffic in passengers, cargo and mail in accordance with the conditions prescribed in this Agreement and its annex.
- 3. Nothing in this Agreement may be construed as conferring on the designated airline of one Contracting Party the right to take on, in the territory of the other Contracting Party, passengers, cargo or mail carried for remuneration and travelling to another point in the territory of that other Contracting Party (cabotage).
- Article 3. 1. Each Contracting Party shall have the right to designate an airline to operate the agreed services. The aeronautical authorities of the Contracting Parties shall notify one another in writing of such designation.
- 2. The Contracting Party receiving notification of such designation shall, without delay, grant the designated airline of the other Contracting Party the necessary operating permit, subject to the provisions of paragraphs 3 and 4 of this article.
- 3. The aeronautical authorities of one Contracting Party may require the designated airline of the other Contracting Party to furnish proof that it is properly qualified to fulfil the requirements prescribed in the laws and regulations normally applied by those authorities for the operation of international air services.
- 4. Each Contracting Party shall be entitled to withhold the operating permit referred to 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 in any case where that Contracting Party has no proof that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or in its nationals.
- 5. Upon receiving the operating permit referred to in paragraph 2 of this article the designated airline may begin at any time to operate any of the agreed services.
- Article 4. 1. Each Contracting Party shall have the right to revoke an operating permit or to suspend the exercise, by the airline designated by the other Contracting Party, of the rights specified in article 2 of this Agreement, or to impose such conditions as it may deem necessary for the exercise of these rights:
- (a) In any case where it has no proof that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or in nationals of that 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 fails to operate the agreed services in accordance with the conditions prescribed in this Agreement.

- 2. The rights referred to in paragraph 1 of this article shall be exercised only after the other Contracting Party has been notified of the intention to exercise them and only if negotiations between the aeronautical authorities of the two Contracting Parties have failed to result in an understanding within 45 (forty-five) days from the date of such notification.
- Article 5. 1. The designated airlines of the two Contracting Parties shall enjoy fair and equal opportunities for the operation of the agreed services between the territories of the Contracting Parties.
- 2. In the operation of the agreed services, the designated airline of each Contracting Party shall take account of the interests of the designated airline of the other Contracting Party so as to ensure that the air services operated by the latter airline on all or part of the same routes are not unduly affected.
- 3. The operation of the agreed services shall be closely related to the requirements of the public for transport on the specified routes. The primary objective of any of the agreed services shall be to provide a transport capacity adequate to meet the current and reasonably anticipated requirements for the carriage of passengers, cargo and mail originating in or destined for the territory of the Party which designated the airline.
- 4. The rights granted to each of the designated airlines for the carriage of passengers, cargo and mail between the territories of third States and the territory of the other Contracting Party shall be exercised in such a way that, in accordance with the general principles of development of international air transport, the transport capacity offered on the route of each agreed service is related to:
- (a) The requirements of traffic originating in or destined for the territory of the Contracting Party which designated the airline;
- (b) The requirements of traffic of the area through which the airline passes, after taking into account other air services established by airlines of the States situated in the area.
- Article 6. 1. The designated airlines shall determine by direct agreement the frequency of the services, the apportionment of schedules and the other economic and technical conditions for the operation of the agreed services; arrangements concerning these questions shall be subject, in accordance with the laws and regulations of each Contracting Party, to approval by their aeronautical authorities.
- 2. The schedules for the agreed services shall be submitted for approval to the aeronautical authorities of the two Contracting Parties at least 30 (thirty) days before commencement of the operation of those services. The same requirements shall apply to any subsequent amendments.
- Article 7. 1. The tariffs for any of the agreed services shall be established at reasonable levels having regard to all relevant factors, including cost of operation, reasonable profit, characteristics of each service and the tariffs of other airlines operating over the whole or part of the same route.
- 2. The tariffs referred to in paragraph 1 of this article shall, if possible, be established by agreement between the designated airlines of the two Contracting Parties, after consultation with the other airlines operating over the whole or part of the same route. The designated airlines shall, as far as possible, reach such agreement by means of the procedure established at the international level for the determination of tariffs.

- 3. The tariffs thus established shall be submitted for approval to the aeronautical authorities of the Contracting Parties at least 30 (thirty) days before the date proposed for their introduction. In exceptional cases, this time-limit may be reduced, with the approval of the aforesaid authorities.
- 4. If the designated airlines cannot reach an agreement or if the tariffs established by them are not approved by the aeronautical authorities of one of the Contracting Parties within a period of 30 (thirty) days, the aeronautical authorities of the two Contracting Parties shall endeavour to determine the tariffs in question by mutual agreement.
- 5. If an agreement cannot be reached between the aeronautical authorities in accordance with the provisions of paragraph 4 above, the dispute shall be settled in accordance with the procedure specified in article 18 of this Agreement.
- 6. The tariffs established in accordance with the provisions of this article shall remain in effect until new tariffs, established in accordance with the same procedure, are introduced.
- Article 8. 1. The aircraft operated on international services by the designated airline of one Contracting Party, as well as their regular equipment, supplies of fuels and lubricants and aircraft stores (including food, beverages, tobacco and other products intended for sale to passengers in limited quantities during the flight) on board such aircraft shall be exempt from all customs duties, inspection fees and other duties and charges on arrival in the territory of the other Contracting Party, provided that such equipment, supplies and aircraft stores remain on board the aircraft until such time as they are re-exported.
- 2. The following shall also be exempt from the same duties and charges, with the exception of charges representing services rendered:
- (a) Aircraft stores taken on board in the territory of one Contracting Party, within limits fixed by the authorities of that Contracting Party and intended for consumption on board the aircraft operated on international services by the designated airline of the other Contracting Party;
- (b) Fuels and lubricants taken on board in the territory of one Contracting Party and intended to supply aircraft operated on international services by the designated airline of the other Contracting Party, even when such supplies are used on the part of the journey performed over the territory of the Contracting Party in which they are taken on board;
- (c) Spare parts and regular airborne equipment introduced into the territory of one Contracting Party for the maintenance or repair of aircraft used on international services by a designated airline of the other Contracting Party;
- (d) Office equipment and furniture, commercial documents and forms (including tickets, air way-bills and prepaid ticket advices) as well as advertising material—upon arrival in the territory of one Contracting Party, for the period in which they remain in that territory and upon re-export—provided that such articles are intended for use by the designated airline of the other Contracting Party.
- 3. The regular airborne equipment, as well as the materials and supplies retained on board the aircraft operated by a designated airline of one Contracting Party may be unloaded in the territory of the other Contracting Party only with the consent of the customs authorities of such territory. In that case, they may be placed under the supervision of the aforesaid authorities until such time as they are reexported or otherwise disposed of in accordance with the customs regulations.

- Article 9. 1. The laws and regulations of each Contracting Party governing the entry into, stay in and departure from its territory of aircraft engaged in international air navigation or governing the operation, navigation and piloting of such aircraft while within that territory shall also apply to aircraft of the designated airlines of the other Contracting Party.
- 2. The laws and regulations of each Contracting Party governing the entry into, stay in and departure from its territory of passengers, crew, cargo and mail, as well as those relating to entry, departure, emigration and immigration formalities or to customs and health measures, shall also apply to passengers, crew, cargo and mail carried by the aircraft of the designated airline of the other Contracting Party while within the aforesaid territory.
- Article 10. 1. Each Contracting Party shall make available within its territory to the designated airline of the other Contracting Party airports, radio services, meteorological services and other installations and services for the protection of air navigation.
- 2. Fees and other charges due for the use of airports, installations and technical equipment in the territory of one Contracting Party shall be payable in accordance with the rates and tariffs established for general application under the laws and regulations of that Contracting Party.
- Article 11. The designated airline of each Contracting Party shall have the right to maintain in the territory of the other Contracting Party an office with the necessary technical personnel for the operation of the agreed services and the necessary commercial personnel for the promotion of traffic. Such personnel shall consist only of nationals of one or other of the Contracting Parties. The designated airlines shall agree on the number of persons to be employed for this purpose, subject to the approval of the aeronautical authorities.
- Article 12. 1. The balance between receipts and expenditure accruing in the territory of one Contracting Party to the designated airline of the other Contracting Party shall be transferred in accordance with the provisions of the Payments Agreement in force between the two Contracting Parties.
- 2. The receipts and profits earned by the designated airline of either Contracting Party in the territory of the other Contracting Party shall be exempt from income tax
- Article 13. 1. Any aircraft of the designated airline of a Contracting Party used for the agreed services shall bear its own nationality and registration marks and carry the following documents:
- (a) Its certificate of registration;
- (b) Its certificate of airworthiness;
- (c) Certificates of competency and flight licences or certificates of the crew members;
- (d) Its radio licence;
- (e) The other aircraft documents prescribed by the regulations of either Contracting Party, and of which the other Party shall be notified.
- 2. The certificates of airworthiness, the certificates of competency and the licences issued or rendered valid by one Contracting Party shall be recognized as valid by the other Contracting Party for the period of their validity.

- Article 14. Aircraft used in international traffic by the designated airline of one Contracting Party may not for any reason be sequestered or held in the territory of the other Contracting Party.
- Article 15. 1. If an aircraft belonging to the designated airline of one Contracting Party should be in danger, make a forced landing or meet with an accident in the territory of the other Contracting Party, the latter Party shall, in the light of the circumstances and to the best of its ability:
- (a) Render any necessary assistance to the crew and passengers;
- (b) Notify the aeronautical authority of the other Contracting Party without delay of the details and circumstances of the accident;
- (c) Ensure that all necessary measures are taken to safeguard the aircraft and its contents, including baggage, cargo and mail;
- (d) Institute an inquiry into the circumstances of the accident;
- (e) Afford the authorized representatives of the aeronautical authorities of the other Contracting Party, the representatives of the airline operating the aircraft and the expert from the factory which produced the aircraft all necessary facilities for attending the inquiry as observers and grant them access to the aircraft;
- (f) Release the aircraft and its contents as soon as they are no longer needed for the inquiry;
- (g) Report the findings of the inquiry to the aeronautical authorities of the other Contracting Party and, if they so request, send them a copy of the complete file on the inquiry.
- 2. The crew members of the aircraft meeting with the accident and the airline operating it shall comply with all the rules applied in the territory in which the accident occurred, particularly as regards the information provided to the persons conducting the inquiry.
- 3. The designated airline of a Contracting Party whose aircraft has been involved in a flight incident in the territory of the other Contracting Party shall defray the costs connected with the aircraft, and the passengers, cargo and mail on such aircraft, and connected with any works or services required by that airline.
- Article 16. In a spirit of close collaboration the aeronautical authorities of the Contracting Parties shall consult one another from time to time, at the request of either Contracting Party, for the purpose of ensuring that the principles laid down in this Agreement are applied and that the purposes of this Agreement are being satisfactorily achieved.
- Article 17. 1. If either Contracting Party wishes to amend any provisions in this Agreement, it may request a consultation for that purpose with the other Contracting Party.

Any amendment to this Agreement shall take effect on the date on which the two Contracting Parties notify one another, with respect to such amendments, of the completion of their constitutional formalities concerning the conclusion and entry into force of international agreements.

- 2. Amendments to the annex to this Agreement may be agreed upon directly between the aeronautical authorities of the Contracting Parties. They shall enter into force after they have been confirmed by an exchange of diplomatic notes.
- 3. Consultation between the Contracting Parties or between the aeronautical authorities with a view to amending the provisions of this Agreement or its annex

shall begin within a time-limit of 60 (sixty) days, reckoned from the date of receipt of a request to that effect.

- Article 18. 1. Any dispute concerning the interpretation or application of this Agreement or its annex shall be settled by direct negotiations between the aeronautical authorities of the two Contracting Parties. The negotiations shall begin within 60 (sixty) days from the date of receipt, through the diplomatic channel, of a request from one Contracting Party, unless the request is transmitted in accordance with article 4, paragraph 2, of this Agreement, in which case the time-limit shall be 20 (twenty) days from the receipt of notification.
- 2. If the aforesaid authorities fail to reach agreement, the dispute shall be settled through the diplomatic channel.
- Article 19. If both Contracting Parties become parties to a multilateral air transport convention, of a general nature, the provisions of that multilateral convention shall prevail and the Contracting Parties shall, by mutual agreement, amend this Agreement in accordance with the provisions of the convention.
- Article 20. Either Contracting Party may at any time notify the other Contracting Party of its intention to denounce this Agreement. The denunciation shall take effect after 12 (twelve) months have elapsed from the date of receipt of notification by the other Contracting Party, unless the denunciation is withdrawn by mutual agreement before the expiry of that time-limit.
- Article 21. This Agreement shall enter into force on the date on which the Parties notify one another of the completion of their constitutional formalities concerning the conclusion and entry into force of international agreements. On that date the Agreement between the Government of the Hungarian People's Republic and the Government of the Romanian People's Republic concerning air transport, signed at Bucharest on 3 February 1956, shall cease to have effect.

In witness whereof the plenipotentiaries of the two Contracting Parties, being duly authorized for the purpose by their Governments, have signed this Agreement.

Done at Budapest on 13 May 1969, in duplicate in the Hungarian and Romanian languages, both texts being equally authentic.

For the Government of the Hungarian People's Republic: [György Csanády] For the Government of the Socialist Republic of Romania:
[ION BAICU]

ANNEX

Routes on which air services may be operated by the designated airlines of the Socialist Republic of Romania:

Bucharest - Budapest and points beyond, to the north and north-west, in both directions.

¹ United Nations, Treaty Series, vol. 362, p. 233.

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Routes on which air services may be operated by the designated airlines of the Hungarian People's Republic:

Budapest-Bucharest and points beyond, to the south and east, in both directions.

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- 1. Any point or points on the specified routes may be omitted, on all flights or on a particular flight, in the interests of the designated airline concerned.
- 2. The designated airline of either Contracting Party may have the terminal point of its services in the territory of the other Contracting Party.
- 3. The points in third countries where the designated airlines of one Contracting Party may take on or set down passengers, cargo and mail travelling to or from the territory of the other Contracting Party shall be determined by the aeronautical authorities of the two Contracting Parties.
- 4. Non-scheduled flights may take place at the prior request of the designated airline of either Contracting Party.