No. 13793

UNITED STATES OF AMERICA
and
ROMANIA

Agreement relating to civil air transport (with schedule and related letters). Signed at Washington on 4 December 1973

Authentic texts: English and Romanian.

Registered by the United States of America on 17 March 1975.

ÉTATS-UNIS D'AMÉRIQUE
et
ROUMANIE

Accord relatif aux transports aériens civils (avec annexe et lettres connexes). Signé à Washington le 4 décembre 1973

Textes authentiques : anglais et roumain.

Enregistré par les États-Unis d'Amérique le 17 mars 1975.

AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA RELATING TO CIVIL AIR TRANSPORT

The Government of the United States of America and the Government of the Socialist Republic of Romania,

Desiring to provide a basis for the development of civil air transport between the two countries in the spirit of cooperation and mutual respect,

Have agreed as follows:

Article I. For the purposes of the present Agreement:

1. The term "Agreement" shall mean this Agreement, the Schedule attached thereto, and any amendments thereto.

2. The term "aeronautical authorities" shall mean, in the case of the United States of America, the Civil Aeronautics Board, and, in the case of the Socialist Republic of Romania, the Civil Aviation Command in the Ministry of National Defense, or, in both cases, any person or agency authorized to perform the functions exercised at the present time by those authorities.

3. The term "designated airline" shall mean an airline that one Contracting Party has notified the other Contracting Party to be an airline which will operate a specific route or routes listed in the Schedule of this Agreement. Such notification shall be communicated in writing, through diplomatic channels.

4. The term "Chicago Convention" shall mean the Convention on International Civil Aviation opened for signature at Chicago on December 7, 1944.[2]

5. The terms "territory," "air service," "international air service," and "stop for non-traffic purposes" shall have the meanings respectively assigned to them in articles 2 and 96 of the Chicago Convention.

Article II. Each Contracting Party grants to the other Contracting Party rights necessary for the conduct of air services by the designated airlines as follows: the rights of transit, of stops for non-traffic purposes, and of commercial entry and departure for international traffic in passengers, cargo and mail, separately or in combination, at the points in its territory named on each of the routes specified in the appropriate paragraph of the Schedule of this Agreement.

Article III. Air service on a route specified in the Schedule of this Agreement may be inaugurated by an airline or airlines of one Contracting Party at any time after that Contracting Party has designated such airline or airlines for that route and the other Contracting Party has granted the appropriate operating permission. Such other Contracting Party shall, subject to article IV, grant this

[1] Came into force provisionally on 4 December 1973 by signature, and definitively on 25 April 1974, the date of written notification from the Government of Romania to the Government of the United States of America that the constitutional requirements of Romania had been fulfilled, in accordance with article XIX.

[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; vol. 740, p. 21, and vol. 893, p. 117.

permission, provided that the designated airline or airlines may be required to qualify before the aeronautical authorities of that Contracting Party, under the laws and regulations normally applied by those authorities, before being permitted to engage in the operations contemplated in this Agreement.

Article IV. 1. Each Contracting Party reserves the right to withhold or revoke the operating permission referred to in article III of this Agreement with respect to an airline designated by the other Contracting Party, or to impose conditions on such permission, in the event that:

(*a*) Such airline fails to qualify under the laws and regulations normally applied by the aeronautical authorities of that Contracting Party;

(*b*) Such airline fails to comply with the laws and regulations referred to in article V of this Agreement; or

(*c*) That Contracting Party is not satisfied that substantial ownership and effective control of such airline are vested in the Contracting Party designating the airline or in nationals of that Contracting Party.

2. Unless immediate action is essential to prevent infringement of the laws and regulations referred to in article V of this Agreement, the right to withhold or revoke such permission shall be exercised only after consultation with the other Contracting Party.

Article V. 1. The laws and regulations of one Contracting Party relating to the admission to 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 be applied to the aircraft of the airline or airlines designated by the other Contracting Party and shall be complied with by such aircraft upon entrance into or departure from and while within the territory of the first Contracting Party.

2. The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of passengers, crew or cargo of aircraft, including regulations relating to prevention of unlawful interference with aircraft, entry, clearance, immigration, passports, customs, and quarantine shall be complied with by or on behalf of such passengers, crew or cargo of the airlines of the other Contracting Party upon entrance into or departure from, and while within, the territory of the first Contracting Party.

Article VI. Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one Contracting Party, and still in force, shall be recognized as valid by the other Contracting Party for the purpose of operating the routes and services provided for in this Agreement, provided that the requirements under which such certificates or licenses were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Chicago Convention. Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flights above its own territory, certificates of competency and licenses granted to its own nationals by the other Contracting Party.

Article VII. Each Contracting Party may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control. Such charges for the designated airlines of Romania within the United States shall not be higher than the charges imposed for the use of such

airports and facilities by United States aircraft engaged in similar international air services. Such charges for the designated airlines of the United States within Romania shall not be higher than the charges which are imposed on the designated airlines of Romania within the United States.

Article VIII. 1. Each Contracting Party shall exempt the designated airline or airlines of the other Contracting Party to the fullest extent possible under its national law from import restrictions, customs duties, excise taxes, inspection fees, and other national duties and charges on fuel, lubricants, consumable technical supplies, spare parts including engines, regular equipment, ground equipment, stores, and other items intended for use solely in connection with the operation, maintenance, or servicing of aircraft of the airlines of such other Contracting Party engaged in international air service. These exemptions shall apply to the items mentioned in this paragraph when they are:

(*a*) Introduced into the territory of one Contracting Party by or on behalf of the designated airlines of the other Contracting Party;

(*b*) Retained on aircraft of the designated airlines of one Contracting Party upon arriving in or leaving the territory of the other Contracting Party; or

(*c*) Taken on board aircraft of the designated airlines of one Contracting Party in the territory of the other and intended for use in international air service;

whether or not such items are used or consumed wholly within the territory of the Contracting Party granting the exemption.

2. The exemptions granted by this Article shall also be available in situations where the designated airline or airlines of one Contracting Party have entered into arrangements with another airline or airlines for the loan in the territory of the other Contracting Party, of the items specified in paragraph 1 above, provided such other airline or airlines similarly enjoy such exemptions from such other Contracting Party.

Article IX. There shall be a fair and equal opportunity for the airlines of each Contracting Party to operate on any route covered by this Agreement.

Article X. In the operation by the airlines of either Contracting Party of the air services described in this Agreement, the interest of the airlines of the other Contracting Party shall be taken into consideration so as not to affect unduly the services which the latter provide on all or part of the same routes.

Article XI. 1. The air services made available to the public by the airlines operating under this Agreement shall bear a close relationship to the requirements of the public for such services.

2. Services provided by a designated airline under this Agreement shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country of which such airline is a national and the countries of ultimate destination of the traffic. The right to embark or disembark on such services international traffic destined for and coming from third countries at a point or points on the routes specified in this Agreement shall be exercised in accordance with the general principles of orderly development to which both Contracting Parties subscribe and shall be subject to the general principle that capacity should be related to:

(*a*) traffic requirements between the country or origin and the countries of ultimate destination of the traffic;

(*b*) the requirements of through airline operation; and

(*c*) the traffic requirements of the area through which the airline passes, after taking account of local and regional services.

Article XII. Without prejudice to the right of each Contracting Party to impose such uniform conditions on the use of airports and airport facilities as are consistent with article 15 of the Chicago Convention, neither Contracting Party shall unilaterally restrict the airline or airlines of the other Contracting Party with respect to capacity, frequency, scheduling or type of aircraft employed in connection with services over any of the routes specified in the Schedule to this Agreement. In the event that one of the Contracting Parties believes that the operations conducted by an airline of the other Contracting Party have been inconsistent with the standards and principles set forth in articles IX, X, or XI, it may request consultations pursuant to article XV of this Agreement for the purpose of reviewing the operations in question to determine whether they are in conformity with said standards and principles.

Article XIII. 1. All rates to be charged by an 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, such as costs of operation, reasonable profit, and the rates charged by any other airlines, as well as the characteristics of each service. Such rates shall be subject to the approval of the aeronautical authorities of the Contracting Parties, who shall act in accordance with their obligations under this Agreement, within the limits of their legal powers.

2. Any rate proposed to be charged by an airline of either Contracting Party for carriage to or from the territory of the other Contracting Party shall, if so required, be filed by such airline with the aeronautical authorities of the other Contracting Party at least thirty (30) days before the proposed date of introduction unless the aeronautical authorities with whom the filing is to be made permit filing on shorter notice. The aeronautical authorities of each Contracting Party shall use their best efforts to insure that the rates charged and collected conform to the rates filed, and that no airline rebates any portion of such rates by any means, directly or indirectly.

3. If the aeronautical authorities of a Contracting Party, on receipt of the notification referred to in paragraph 2 above, are dissatisfied with the rate proposed, the other Contracting Party shall be so informed at least fifteen (15) days prior to the date that such rate would otherwise become effective, and the Contracting Parties shall endeavor to reach agreement on the appropriate rate.

4. If the aeronautical authorities of a Contracting Party, upon review of an existing rate charged for carriage to or from the territory of that Party by an airline or airlines of the other Contracting Party, are dissatisfied with that rate, the other Contracting Party shall be so informed and the Contracting Parties shall endeavor to reach agreement on the appropriate rate.

5. In the event that an agreement is reached pursuant to the provisions of paragraph 3 or 4 above, each Contracting Party will exercise its best efforts to put such rate into effect.

6. The aeronautical authorities of the Contracting Party raising the objection to the rate may take such steps as may be considered necessary to prevent the operation of the service in question at the rate complained of if:

(*a*) under the circumstances set forth in paragraph 3 above, no agreement can be reached prior to the date that such rate would otherwise become effective; or

(*b*) under the circumstances set forth in paragraph 4 above, no agreement can be reached prior to the expiration of sixty (60) days from the date of notification.

However, the aeronautical authorities of the Contracting Party raising the objection shall not require the charging of a rate higher than the lowest rate charged by its own airline or airlines for comparable service between the same points.

7. Any rate specified in the national currency of one of the Contracting Parties shall be established in an amount which reflects the effective exchange rate (including all exchange fees or other charges) at which the airlines of both Parties can convert and remit the revenues from their transport operations into the national currency of the other Party.

Article XIV. 1. Each designated airline shall have the right to establish and maintain representatives in the territory of the other Contracting Party for management, promotional, informational, and operational activities.

2. Each designated airline shall have the right to engage in the sale of air transportation in the territory of the other Contracting Party directly and, in its discretion, through its agents. Such airline shall have the right to sell such transportation, and any person shall be free to purchase such transportation, in the currency of that territory or in freely convertible currencies of other countries.

3. Each designated airline shall have the right to convert and remit to its country local revenues in excess of sums locally disbursed. Conversion and remittance shall be permitted promptly and without restrictions at the rate of exchange in effect for the sale of transportation at the time such revenues are presented for conversion and remittance and shall be exempted from taxation on the basis of reciprocity and to the fullest extent permitted by national law. If a Contracting Party does not have a convertible currency and requires the submission of applications for conversion and remittance, the designate airline or airlines of the other Contracting Party shall be permitted to file such applications as often as weekly free of burdensome or discriminatory documentary requirements.

Article XV. Either Contracting Party may at any time request consultations on the interpretation, application or amendment of this Agreement. Such consultations shall begin within a period of sixty (60) days from the date the other Contracting Party receives the request.

Article XVI. 1. The Contracting Parties shall endeavor to resolve any dispute relating to the interpretation or application of the Agreement by direct negotiations through diplomatic channels.

2. If the dispute has not been resolved in accordance with paragraph 1 above, it shall, upon request of either Contracting Party, be submitted to arbitration in accordance with the procedure set forth herein.

3. Arbitration shall be by a tribunal of three arbitrators constituted as follows:

(*a*) One arbitrator shall be named by each Contracting Party within sixty (60) days of the date of delivery by either Contracting Party to the other of a request for arbitration. Within thirty (30) days after such period of sixty (60) days, the two arbitrators so designated shall by agreement designate a third arbitrator, who shall not be a national of either Contracting Party.

(*b*) If either Contracting Party fails to name an arbitrator, or if the third arbitrator is not agreed upon in accordance with subparagraph (*a*), either Contracting Party may request the President of the Council of the International Civil Aviation Organization to designate the necessary arbitrator or arbitrators.

4. Each Contracting Party shall use its best efforts consistent with its national law to put into effect any decision or award of the arbitral tribunal.

5. The expenses of the arbitral tribunal, including the fees and expenses of the arbitrators, shall be shared equally by the Contracting Parties.

Article XVII. This Agreement and all amendments thereto shall be registered with the International Civil Aviation Organization.

Article XVIII. Either Contracting Party may at any time notify the other of its intention to terminate this Agreement. Such notice shall be sent simultaneously to the International Civil Aviation Organization. This Agreement shall terminate one year after the date on which the notice of termination is received by the other Contracting Party, unless withdrawn before the end of this period by agreement between the Contracting Parties.

Article XIX. This Agreement will enter into force provisionally on the day it is signed and will enter into force definitively upon the date of written notification from the Government of the Socialist Republic of Romania to the Government of the United States of America that the constitutional requirements of the Socialist Republic of Romania concerning the entry into force of international agreements have been fulfilled. The exercise of rights accorded by this Agreement shall be subject to the supplementary understandings contained in the exchange of letters attached to this Agreement.

DONE in duplicate at Washington, in the English and Romanian languages, both texts being equally authentic, this fourth day of December, 1973.

For the Government of the United States of America:	For the Government of the Socialist Republic of Romania:
[*Signed — Signé*][1]	[*Signed — Signé*][2]

SCHEDULE TO THE AGREEMENT RELATING TO CIVIL AIR TRANSPORT

A. An airline or airlines designated by the Government of the United States shall be entitled to operate air services on each of the specified routes, in both directions, and to make scheduled landings in Romania at the points specified in this paragraph:

From the United States via points in the United Kingdom, Denmark, the Netherlands, Belgium, France, the Federal Republic of Germany, Czechoslovakia,

[1] Signed by Henry A. Kissinger — Signé par Henry A. Kissinger.
[2] Signed by G. Macovescu — Signé par G. Macovescu.

Austria, Hungary, and Yugoslavia* to Bucharest and beyond to points in Bulgaria, Turkey, Lebanon, Iran, Pakistan, India, and beyond.

B. An airline or airlines designated by the Government of the Socialist Republic of Romania shall be entitled to operate air services on each of the specified routes, in both directions, and to make scheduled landings in the United States at the points specified in this paragraph:

From Romania via points in Czechoslovakia, the Federal Republic of Germany, France, Denmark, Belgium, the Netherlands,** and Montreal*** to New York.

C. Points on any of the specified routes may, at the option of each designated airline, be omitted on any or all flights.

* No more than four intermediate points will be served during any summer or winter traffic season. The selection of these points may be changed, at the discretion of the United States designated airline, at the beginning of each summer and winter traffic season. Notice of the selection of points to be served will be given thirty days in advance to the Romanian aeronautical authorities.

** No more than two intermediate points in Europe will be served during any summer or winter traffic season. In case one of such points is in France, the second point shall not be in the Federal Republic of Germany, and vice versa. The selection of these points may be changed, at the discretion of the Romanian designated airline, at the beginning of each summer and winter traffic season. Notice of the selection of points to be served will be given thirty days in advance to the United States aeronautical authorities.

*** Montreal may be served either as an intermediate point to New York or as a point beyond New York.

RELATED LETTERS

I

Washington, December 4, 1973

Excellency:

I have the honor to refer to the Agreement relating to civil air transport signed today between the Government of the United States of America and the Government of the Socialist Republic of Romania. In order to assure that the Agreement reflects an equitable exchange of opportunities and benefits for the airlines of each country, after taking into account the nature of the respective markets and the commercial access which each country is able to make available to the other, I propose, on behalf of my Government, that the Agreement be subject to the following supplementary understandings:

1. The designated airline of Romania will enjoy the full rights and privileges of article XIV of the Agreement.

2. The Romanian authorities are unable at this time to implement that part of article XIV which contemplates the right of the designated airline of the United States to make direct sales of air transportation in Romania for Romanian currency using its own transportation documents. However, the designated airline of the United States will otherwise enjoy the full rights and privileges of article XIV of the Agreement. With respect to paragraphs 2 and 3 of article XIV, these rights and privileges will be implemented as follows:

(*a*) The designated airline of the United States will be allowed to sell air transportation in Romania directly to any person for freely convertible currency using its own transportation documents.

(*b*) Sales of air transportation in Romania for Romanian currency on all services of the designated airline of the United States will be made, in compliance with the Romanian currency laws, through the designated airline of Romania. A general sales agency agreement for this purpose will be concluded between the designated airlines promptly and, in any event, before the designated airline of Romania commences service to the United States. Such agreement shall be subject to the approval of the respective aeronautical authorities.

(*c*) The revenues earned from sales performed under subparagraph (*b*) above may, at the option of the designated airline of the United States, be used in whole or in part to cover its local expenses connected with the operation of its air services and with the activities of its local representatives and, with the approval of the Romanian authorities, for other purposes. Local expenses for which such revenues may be used include rent and maintenance of offices and housing, salaries of employees, purchase and maintenance of company vehicles, advertising, landing and other airport fees, airport ground handling fees, catering, and domestically produced items necessary for the maintenance and servicing of aircraft.

(*d*) Any revenues in excess of sums locally disbursed in accordance with subparagraph (*c*) above may be converted and remitted in United States currency in accordance with paragraph 3 of article XIV.

3. (*a*) The designated airline of Romania will enjoy the right to operate on its route the following number of roundtrip frequencies per week, including extra sections, during the periods indicated:

Period	*Number of frequencies*
1974 summer season	2
1974-75 winter season	2
1975 summer season	2
1975-76 winter season	2
1976 summer season	2

(*b*) Additional frequencies, including extra sections, will be operated only following approval by the United States authorities. Requests for additional frequencies will be made by filing the proposed schedule through diplomatic channels at least 120 days but no more than 180 days before its proposed effective date, and the Romanian authorities will be informed of the decision made by the United States authorities no later than 60 days after the United States authorities receive the request. Requests for extra sections will be made by filing through diplomatic channels at least 15 days before the proposed date of operation. Any additional frequencies, including extra sections, which may be approved by the United States authorities will be operated without traffic rights between intermediate points on the route and New York.

4. The foregoing understandings and any other necessary matters will be reviewed in consultations between the Contracting Parties to be initiated prior to October 31, 1976. If agreement on amending these understandings, in whole or in part, is not reached by that date, the Agreement relating to civil air transport will automatically terminate on that date.

If these understandings are acceptable to your Government, I have the honor to propose that this letter and your reply to that effect constitute an agreement between our two Governments relating to the Agreement relating to civil air transport.

Accept, Excellency, the assurances of my highest consideration.

[*Signed*]

HENRY A. KISSINGER

Secretary of State of the United States of America

His Excellency George Macovescu
Minister of Foreign Affairs of the Socialist Republic of Romania

II

Washington, 4 decembrie 1973

Excelentă,

Am onoarea a mă referi la scrisoarea dumneavoastră din decembrie 1973 al cărui texte este următorul:

« Am onoarea să mă refer la Acordul privitor la transporturile aeriene civile semnat astăzi între Guvernul Statelor Unite ale Americii şi Guvernul Republicii Socialiste România. In scopul de a asigura ca acest Acord să reflecte un schimb echitabil de posibilităţi şi avantaje pentru întreprinderile de transport aerian ale fiecărei ţări, după luarea în considerare a naturii pieţelor respective şi a accesului comercial pe care fiecare ţară poate să-l ofere celeilalte, propun, în numele Guvernului meu, ca Acordul să fie subordonat următoarelor înţelegeri suplimentare:

« 1. Intreprinderea de transport aerian desemnată de România se va bucura de drepturile şi privilegiile depline prevăzute la articolul XIV din Acord.

« 4. Înţelegerile de mai sus şi orice alte probleme considerate necesare vor fi revizuite prin consultări între Părtile contractante, care vor trebui să înceapă înainte de 31 octombrie 1976.

« Dacă la acea dată nu se va pztea ajunge la un acord pentru modificarea acestor înţelegeri, în, întregime sau în parte, Acordul privind transporturile aeriene civile îşi va înceta în mod automat valabilitatea la acea dată.

« Dacă aceste înţelegeri sînt acceptabile pentru Guvernul dumneavoastră, am onoarea a propune ca prezenta scrisoare împreună cu scrisoarea dumneavoastră în acest sens, să constituie o înţelegere între cela două Guverne ale noastre, în legătură cu Acordul provind transporturile aeriene civile. »

Am onoarea să confirm că înţelegerile propuse în scrisoarea dumneavoastră sînt acceptabile pentru Guvernul meu.

Primiţi, Excelenţă, asigurarea consideraţiunii mele cele mai înalte.

[*Signed — Signé*]

GEORGE MACOVESCU

Ministrul Afacerilor Externe
al Republicii Socialiste România

Excelenţei Sale Henry A. Kissinger
Secretar de Stat al Statelor Unite ale Americii

[TRANSLATION[1] — TRADUCTION[2]]

Washington, December 4, 1973

Excellency:

I have the honor to refer to your letter of December 1973, which reads as follows:

[*See letter I*]

I have the honor to confirm that the understandings proposed in your letter are acceptable to my Government.

Accept, Excellency, the assurances of my highest consideration.

[*Signed*]

GEORGE MACOVESCU

Minister of Foreign Affairs
of the Socialist Republic of Romania

His Excellency Henry A. Kissinger
Secretary of State of the United States of America

[1] Translation supplied by the Government of the United States of America.
[2] Traduction fournie par le Gouvernement des Etats-Unis d'Amérique.