

No. 15095

**CYPRUS
and
ITALY**

**Air Transport Agreement (with annex). Signed at Nicosia on
24 November 1972**

Authentic text: English.

*Registered by the International Civil Aviation Organization on 8 November
1976.*

**CHYPRE
et
ITALIE**

**Accord relatif aux transports aériens (avec annexe). Signé à
Nicosie le 24 novembre 1972**

Texte authentique: anglais.

*Enregistré par l'Organisation de l'aviation civile internationale le
8 novembre 1976.*

AIR TRANSPORT AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF CYPRUS AND THE GOVERNMENT OF THE ITALIAN REPUBLIC

The Government of the Republic of Cyprus and the Government of the Italian Republic (hereinafter referred to as the “Contracting Parties”) having ratified the Convention on International Civil Aviation opened for signature at Chicago on the 7th of December 1944,² and desiring to conclude an Agreement for the purpose of establishing air services between their respective territories and beyond, have agreed as follows:

Article I. 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 December 7th, 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 Authorities” means, in the case of the Republic of Cyprus, the Civil Aviation Administration of the Ministry of Communications and Works, and in the case of the Italian Republic, the Ministero dei Trasporti e dell’Aviazione Civile—Direzioe Generale dell’Aviazione Civile and in both cases any person or body authorized to perform the functions at present exercised by the above mentioned authorities;

(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 III of the present Agreement, for the operation of air services on the routes specified in such notification;

(d) The terms “territory”, “air service”, “international air services” and “stop for non-traffic purposes” shall have the meanings respectively assigned to them in articles 2 and 96 of the Convention.

Article II. 1. Each Contracting Party grants to the other Contracting Party the rights specified in the present Agreement for the purpose of establishing air services on the routes specified in the Annex to the present Agreement (hereinafter respectively referred to as the “agreed services” and the “specified routes”).

The agreed services may be inaugurated immediately or at a later date subject to the provisions of Article III of the present Agreement.

2. Subject to the provisions of the present Agreement, the designated airline of each Contracting Party shall enjoy the following privileges:

- (a) to fly without landing across the territory of the other Contracting Party;
- (b) to land in the territory of the other Contracting Party for non-traffic purposes; and

¹ Came into force on 25 June 1975, the date of the exchange of diplomatic notes indicating that the formalities required by each Contracting Party had been accomplished, in accordance with article XVI.

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; vol. 893, p. 117, and vol. 958, p. 217.

(c) while operating an agreed service on a specified route to make stops in the territory of the other Contracting Party, on the points specified for that route in the Annex to the present Agreement, for the purpose of putting down and taking on international traffic in passengers, cargo and mail coming from or destined to the territory of the other Contracting Party or of a third Country.

3. Nothing in paragraph 2 of this article shall be deemed to confer on the airline of one Contracting Party the privileges of taking up in the territory of the other Contracting Party passengers, cargo and mail destined for another point in the territory of that other Contracting Party.

4. The laws, regulations and instructions of one Contracting Party relating to the entry into or departure from its territory of aircraft or air services operated in international air navigation or to the operation of such aircraft or air services while within its territory shall be applied to the aircraft and agreed services of the designated airline of the other Contracting Party.

Article III. 1. Each Contracting Party shall have the right to designate in writing—through the Aeronautical Authorities—to the other Contracting Party one airline for the purpose of operating the agreed services on the specified routes.

2. On receipt of the designation the other Contracting Party, through its Aeronautical Authorities, and subject to the provisions of paragraphs 3 and 4 of this article, shall grant without delay to the airline designated the appropriate operating authorization.

3. The Aeronautical Authorities of one Contracting Party may request the designated airline of the other Contracting Party to satisfy them that it is qualified to fulfill the conditions prescribed under the laws and regulations which they normally apply to the activity of air carriers and 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 or to withhold or revoke the granting to an airline of the privileges specified in paragraph 2 of Article II of the present Agreement or to impose such appropriate conditions as it may deem necessary on the exercise by an airline of those privileges in cases where it is not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party or in nationals of the Contracting Party designating the airline.

5. The airline so designated and authorized may begin to operate the agreed services at any time, subject to the provisions of Article IX.

6. Each Contracting Party reserves the right to withhold or revoke the operating authorization or to impose such appropriate conditions as it may deem necessary in cases where the designated airline fails to comply with the laws or regulations of the Contracting Party granting those privileges, and where to the judgement of the former Party there is a failure to fulfill the conditions under which the rights are granted by this Agreement. Such action shall be exercised only after consultation between the two Contracting Parties and this consultation shall commence within a period of 60 days from the date of the request.

Article IV. Certificates of airworthiness, certificates of competency and licences issued by one Contracting Party, or rendered valid and still in force shall be recognized as valid by the other Contracting Party.

Each Contracting Party reserves the right, however, to refuse to recognise, for the purpose of flight over its own territory, the certificates of competency and licences, granted to its own nationals by the other Contracting Party or by a third Country.

Article V. 1. The airlines designated by each Contracting Party for the purpose of operating the agreed services shall provide capacity adequate to meet the current and reasonably anticipated requirements of the international air traffic of these services.

2. The Aeronautical Authorities of the two Contracting Parties shall agree on the practical application of the principles laid down in the above paragraph 1.

3. The agreements so reached will remain in force until new understandings are agreed upon by the Aeronautical Authorities either by the means of direct consultations or through approval of the understandings reached by the designated airlines.

4. The schedules of the services shall be submitted for approval to the Aeronautical Authorities at least 30 days before the date of their entry into force.

Article VI. 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 and beyond.

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 specified routes or part of the same routes.

Article VII. (a) The aircraft of the airline designated by one Contracting Party engaged in operating the agreed services shall, on arrival in the territory of the other Contracting Party, be exempt from customs duties, inspection fees and other duties or charges.

(b) Fuel, lubricating oils, aircraft stores, spare parts and regular equipment on board aircraft of the airline designated by one Contracting Party shall be admitted in the territory of the other Contracting Party free of customs duties, inspection fees and other duties or taxes, even though such supplies be used or consumed in flight over that territory. Goods so exempted may only be unloaded with the approval of the customs Authorities of the other Contracting Party.

(c) Fuel, lubricating oils, spare parts and regular equipment introduced into the territory of one Contracting Party by the other Contracting Party and intended solely for use by aircraft of the airline designated by the latter, engaged in operating the agreed services, shall be exempt from customs duties, inspection fees and other duties or charges.

(d) Fuel and lubricating oils taken on board aircraft of the designated airline of one Contracting Party in the territory of the other Contracting Party shall be exempt from any customs duties, inspection fees and other duties or taxes. The same exemption shall apply also to spare parts, regular equipment and aircraft stores within the limits and conditions fixed by the competent authorities of the other Contracting Party.

(e) The supplies enjoying the exemptions provided for in this article shall not be used for purposes other than air services. Where such supplies cannot be used

or consumed they shall be re-exported, unless their nationalization is granted in accordance with the regulations in force in the territory of the Contracting Party concerned. Up to such time as they are used or otherwise disposed of, they shall be kept under customs supervision and control.

(f) The exemption stated in this Article may be subject to compliance with particular formalities normally applicable in the territory of the Contracting Party granting the exemptions and they are not related to charges collected as an equivalent of services rendered.

Article VIII. Each Contracting Party grants to the designated airline of the other Contracting Party the right to remit to its head office the excess over-expenditure of receipts earned in the territory of the first Contracting Party in the foreign currency in which the receipts have been earned.

For the receipts in local currency each Contracting Party grants to the designated airline of the other Contracting Party the right to remit to its head office the excess over expenditure of receipts earned in the territory of the first Contracting Party at the official rate of exchange.

Article IX. 1. The tariffs on any agreed service 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 comfort) and, where it is deemed suitable, 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 shall, if possible, be agreed in respect of each of the specified routes, between the designated airlines (where it is deemed suitable in consultation with other airlines operating over the whole or part of that route). Such agreement shall be reached through the rate-fixing procedure of the International Air Transport Association (IATA).

3. Any tariffs so agreed shall be submitted for approval to the Aeronautical Authorities of both Contracting Parties at least thirty days prior to the proposed date of their introduction. This period may be reduced in special cases if the Aeronautical Authorities so agree.

4. In the event of disagreement between the designated airlines concerning the tariffs, the Aeronautical Authorities of the Contracting Parties shall endeavour to determine them by agreement between themselves.

5. If the Aeronautical Authorities cannot agree on the approval of any tariff submitted to them under paragraph 3 of this article or on the determination of any tariff under paragraph 4, the dispute shall be settled in accordance with the provision of Article XI of the present Agreement.

6. (a) No tariff shall come into force if the Aeronautical Authorities of either Contracting Party are dissatisfied with it, except under the provision of paragraph 3 of article XI 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 X. If either of the Contracting Parties consider desirable to modify and provision of the present Agreement, it may request consultation between the

Aeronautical Authorities of the two Contracting Parties and such consultation shall take place within sixty days from the date of the request.

Should the Aeronautical Authorities reach an agreement on amendment of the present Agreement, such amendment shall come into force when confirmed by an exchange of diplomatic notes.

Article XI. 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 negotiation:

- (a) they may agree to refer the dispute for decision to an arbitral tribunal appointed by agreement between them or to some other person or body, or
- (b) if the Contracting Parties fail to reach settlement by negotiation, 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 the period of sixty days from the date of receipt by either Contracting Party from the other of a diplomatic note requesting arbitration of the dispute and the third arbitrator shall be appointed within the further period of sixty 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 Organization 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 the designated airline or either Contracting Party fails to comply with the decision given under paragraph 2 of this Article, the other Contracting Party may limit, withhold or revoke any rights or privilege granted by virtue of the present Agreement to the Contracting Party in default or to the designated airline of that Contracting Party.

Article XII. In the event of the conclusion of any general multilateral Convention concerning air transport to which both Contracting Parties adhere, the present Agreement shall be amended so as to conform with the provisions of such Convention.

Article XIII. 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 Organization (ICAO). If such notice is given, the present Agreement shall terminate twelve 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 fifteen days after the receipt of the notice by the International Civil Aviation Organization (ICAO).

Article XIV. The present Agreement and any amendment to the same shall be registered with the Council of the International Civil Aviation Organization (ICAO).

Article XV. The present Agreement shall supersede and cancel any previous Agreements concerning air services between the Contracting Parties.

Article XVI. The present Agreement shall enter into force and effect on the date of the exchange of the diplomatic notes, indicating that the formalities required by each Contracting Party have been accomplished.

DONE in duplicate at Nicosia this 24th day of November, 1972, in the English language.

For the Government
of the Republic of Cyprus:

CHR. VENIAMIN

For the Government
of the Italian Republic:

VITTORIANO MANFREDI

ANNEX

I

Routes to be operated by the designated airline of the Italian Republic:

- (1) Italy-Nicosia-Middle East-Khartoum-Asmara-Addis Ababa-Mogadishu-Nairobi or Entebbe or Dar Es Salaam-Lusaka-Tananarive-Mauritius-Johannesburg and vice versa.
- (2) Italy-Nicosia-Teheran-one point in India-Colombo-Bangkok or Saigon-Hong Kong-Kuala Lumpur or Singapore-one point in Indonesia-two points in Australia-Auckland and vice versa.

II

Routes to be operated by the designated airline of the Republic of Cyprus:

- (1) Nicosia-Athens-Rome-London and vice versa.
- (2) Nicosia-Athens-Rome-Zurich-Frankfurt or Munich-Paris-Amsterdam-Brussels-London and vice versa.

III

Any point or points on the specified routes may, at the option of the designated airline of each Contracting Party, be omitted on any or all flights.

IV

The designated airline of each Contracting Party has the right to operate a total of four (4) weekly frequencies on the specified routes.

V

For the purpose of the present Agreement the expression Middle East contained in the Italian route (1) includes the following countries:

Israel, Jordan, Syria, Iraq, Saudi Arabia, Yemen, South Yemen, Qatar, Kuwait, Bahrein, Iran, Trucial States, Muscat and Oman.