No. 16666

UNITED STATES OF AMERICA and SINGAPORE

Exchange of notes constituting an agreement relating to air transport services (with memorandum of consultation dated at Washington, 23 September 1977). Singapore, 18 and 31 October 1977.

Authentic text: English.

Registered by the United States of America on 27 April 1978.

ÉTATS-UNIS D'AMÉRIQUE et SINGAPOUR

Échange de notes constituant un accord relatif aux services de transports aériens (avec mémorandum de consultation en date à Washington du 23 septembre 1977). Singapour, 18 et 31 octobre 1977.

Texte authentique: anglais.

Enregistré par les États-Unis d'Amérique le 27 avril 1978.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND SINGAPORE RELATING TO AIR TRANSPORT SERVICES

Ι

The American Chargé d'affaires ad interim to the Singaporan Acting Minister of Foreign Affairs

Singapore, October 18, 1977

No. 570/77

Excellency:

I have the honor to refer to the negotiations held between representatives of the Government of the United States of America and the Government of Singapore concerning air transport relations between the two countries and to propose, on behalf of my Government, that the attached Memorandum of Consultation govern the conduct of each Government with respect to the scheduled and charter passenger, cargo and combination air services of the respective United States and Singapore Airlines which are authorized to conduct operations between the two countries. The Memorandum of Consultation summarizes the understanding between the two delegations and is acceptable to my Government. In due course, we will submit the revised portions to the previously agreed-to Air Transport Agreement of July 5, 1974. These revised portions together with the other provisions will contain the final details governing air services between our two countries.

If your Government agrees to the foregoing proposal, I have the honor to propose that this note and your reply to that effect constitute an agreement between the two Governments which shall enter into effect on the date of your reply.

Accept, Excellency, the renewed assurances of my highest consideration and esteem.

Enclosure:

Memorandum of Consultation

EDWARD C. INGRAHAM Chargé d'affaires ad interim

His Excellency Lee Khoon Choy Acting Minister of Foreign Affairs Singapore

¹ Came into force on 31 October 1977, the date of the note in reply, in accordance with the provisions of the said notes.

MEMORANDUM OF CONSULTATION

1. Delegations representing the Governments of Singapore and the United States of America met in Washington, D.C., from September 19 to 23, 1977, to discuss mutual civil aviation issues. Delegation lists are attached. The Delegations agreed to the following:

2. Rights:

A. For Singapore:

1. Route (Combination and All-cargo):

Between Singapore, on the one hand, and Guam, Honolulu and San Francisco, on the other hand, via Hong Kong.*

- 2. Frequencies:
 - a. Third and Fourth Freedom traffic (Combination and All-cargo): Unrestricted as to frequency.
 - b1. Fifth Freedom traffic (Combination only): At inauguration of service, three frequencies per week; from April, 1979, four frequencies per week; from April, 1980, five frequencies per week.
 - b2. Fifth Freedom traffic (All-cargo only):** At inauguration of service, three frequencies per week; from April, 1979, four frequencies per week; from April, 1980, five frequencies per week.

B. For the United States:

1. Ground Handling in Singapore: Both Delegations agreed that designated U.S. airlines should, to the greatest extent possible, be permitted flexibility in ground handling. In accordance with this principle, airlines will be permitted to perform or to choose a contractor from authorized sources at the option of the airline to perform the functions of check-in passengers, maintenance, flight planning and operations, selection of fuel vendor, freight receipt, packing and unpacking, customs clearance and documentation preparation, and freight delivery. Other functions such as food service and ramp (apron) service may be continued by designated carriers if feasible, but, if selection is required, the choice of authorized vendors shall be at the option of the designated airlines.

With respect to ground services, there will be no discrimination as between carriers operating international flights and prices charged should be reasonable and related to the costs of providing the service.

2. Route (Combination and All-cargo):

Between the United States and its territories, and Singapore, and, as either intermediates or beyonds at the airlines' discretion, Japan, Korea,*** Hong Kong, Taiwan, the Philippines, Thailand,*** Indonesia and Malaysia.

- 3. Frequencies:
 - a. Third and Fourth Freedom traffic (Combination and All-cargo): Unrestricted as to frequency.
 - b1. Fifth Freedom traffic (Combination only): At inauguration of service, three frequencies per week; from April, 1979, four frequencies per week; from April, 1980, five frequencies per week.
 - b2. Fifth Freedom traffic (All-cargo only)**: At inauguration of service three frequencies per week; from April, 1979, four frequencies per week; from April, 1980, five frequencies per week.

^{*} If rights to Hong Kong are not obtained, discussions will take place within 30 days to determine a substitute point from the following: Thailand, Taiwan, the Philippines and Korea.

^{**} All-cargo frequencies may not be converted to combination services.

^{***} All-cargo operations only.

3. Non-scheduled Air Services:

Both Governments adopt the following provisions relating to passenger and cargo charter air services, whether performed by scheduled or supplemental airlines:

- A. Each Party may designate airlines to operate charter flights between the two countries and the other Party will grant licenses to such airlines authorizing charter air services consistent with the agreement;
- B. Each Party grants to the other Party rights necessary to conduct charter air services (1) without limitations on volume, frequency, or regularity of service; (2) without limitations on traffic access or movement; and (3) without the requirement for prior approval of individual flights or series of flights. The charterworthiness of flights will be determined by the rules of the country of traffic origin and prices will be established by charterers under the surveillance of the country of traffic origin.

4. Flight Operations:

Rules and regulations governing the operation of scheduled and charter services performed by the designated airlines of both countries shall be applied on a nondiscriminatory basis.

5. Multiple Designation:

Both Governments have the right to designate an airline or airlines to operate the agreed services.

6. Equipment:

Selection of the type of aircraft to be utilized will be at the discretion of the designated airlines of each country.

7. Fares and Rates:

Both Governments are committed to expanding passenger and cargo air transportation opportunities between the two countries. This can best be achieved by implementing innovative low-fare services (scheduled and charter), which are beneficial to travelers and shippers. The Governments will encourage airlines to explore, propose and implement the lowest possible level of fares and rates which can be economically justified.

Review:

Consultations will be held at the request of either Government at a mutually convenient time and place after April, 1980, to review matters related to frequencies, routes and whether a change in destination from San Francisco to Los Angeles is possible. Both Delegations agreed that no commitments were made in regard to the outcome of the issues involved in future consultations. However, if a review of routes, frequencies and possible change of destination is requested, both Delegations agreed to recommend that their Governments submit, in advance, traffic data pertinent to the discussion.

9. Bilateral Agreement (July 1, 1974):

Both Delegations agreed to review the draft agreement and to present necessary modifications, such as the inclusion of a route schedule and a charter article, to the other Government as soon as possible. When agreement is reached between the Governments, an exchange of diplomatic notes will bring the bilateral agreement into effect.

10. Effectiveness:

The *ad referendum* agreements recorded in this Memorandum of Understanding will become effective upon an exchange of diplomatic notes.

[Signed]

ROBERT A. BROWN
Chairman
United States Delegation

[*Signed*] SIM KEE BOON Chairman

Singapore Delegation

Washington, D.C., September 23, 1977.

Attachment A SINGAPORE DELEGATION

Chairman: Honorable Sim Kee Boon

Permanent Secretary

Ministry of Communications

Mr. Ho Beng Huat

Senior Assistant Director Department of Civil Aviation

Mr. Joseph Tam Operations Officer

Department of Civil Aviation

Mr. Lee Bian Tian State Counsel

Attorney General's Chambers

Mr. J. Y. M. Pillay

Chairman

Singapore International Airlines

Mr. Lim Chin Beng Managing Director

Singapore International Airlines

Mr. Peter Lai

Director of Planning

Singapore International Airlines

Observers:

Mr. P. K. Wee

Regional Director, Americas Singapore International Airlines

Mr. Pau Chern Seow

International Relations Officer Singapore International Airlines

Mr. Ram Chandra Nair

First Secretary Singapore Embassy Washington, D.C.

Attachment B
UNITED STATES DELEGATION

Chairman:

Mr. Robert A. Brown

Chief, Aviation Negotiations Division

Office of Aviation
Department of State
Honorable Lee R. West

Member

Civil Aeronautics Board Mr. John T. Golden Assistant to Member Civil Aeronautics Board Mr. James S. Horneman Chief, Pacific and Far East Bureau of International Affairs Civil Aeronautics Board

Mr. C. Robert Mallalieu Pacific and Far East

Bureau of International Affairs

Civil Aeronautics Board

Mr. Mark Easton

Economic Desk Officer for Singapore

Department of State
Mr. Thomas J. Roesch
Office of Aviation
Department of State
Mr. John B. Flynn

Director, Air Transportation Policy Staff

Department of Transportation

Technical Advisers:

Mr. Edward A. Dingivan

Vice President

National Air Carrier Association

Mr. Donald C. Comlish

Vice President, International Affairs Department

Air Transport Association of America

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MAJULAH SINGAPURA¹ ACTING MINISTER FOR FOREIGN AFFAIRS, SINGAPORE

31 October 1977

Excellency,

I have the honour to refer to the Note No. 570/77 dated 18th October 1977, which Mr. Edward C. Ingraham addressed to me when he was Chargé d'affaires ad interim, which reads as follows:

[See note I]

I have the honour to confirm that the Government of Singapore also accepts the Memorandum of Consultation referred to in the aforesaid Note and is agreeable to the proposal that the said Note and this reply shall constitute an agreement between the two Governments which will enter into force on the date of this reply.

I take the opportunity to record the understanding of my Government that the Memorandum of Consultation is in the nature of a working document which would normally operate in conjunction with an Air Transport Agreement. The Air Transport Agreement between our two Governments, although initialled in July 1974, has yet to be formally concluded. In this connection, I note with satisfaction that, in pursuance of paragraph 9 of the Memorandum of Consultation, your

¹ Republic of Singapore.

Government, on its part, will submit revisions of the text of the Agreement to take account of the results of the recent negotiations in Washington and with a view to finalising the Agreement. It is the hope of my Government, and I believe yours as well, that the Agreement will be concluded at the earliest date possible and that the aviation relations of our two countries can thereby be put on a firm footing.

Accept, Excellency, the assurances of my highest consideration.

[Signed]
LEE KHOON CHOY

His Excellency Mr. John H. Holdridge Ambassador Embassy of the United States of America Singapore