

No. 16673

**SWEDEN
and
IRAN**

**Air Transport Agreement (with annex and related note).
Signed at Tehran on 10 June 1975**

Authentic texts of the Agreement and annex: Swedish, Persian and English.

Authentic text of the related note: English.

Registered by the International Civil Aviation Organization on 5 May 1978.

**SUÈDE
et
IRAN**

**Accord relatif aux transports aériens (avec annexe et note
connexe). Signé à Téhéran le 10 juin 1975**

Textes authentiques de l'Accord et de l'annexe : suédois, persan et anglais.

Texte authentique de la note connexe : anglais.

Enregistré par l'Organisation de l'aviation civile internationale le 5 mai 1978.

AIR TRANSPORT AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE KINGDOM OF SWEDEN AND THE IMPERIAL GOVERNMENT OF IRAN

The Government of the Kingdom of Sweden and the Imperial Government of Iran,

Being equally desirous to conclude an Agreement for the purpose of establishing and operating commercial air services between and beyond their respective territories, have agreed as follows:

Article 1. DEFINITIONS

For the purpose of the present Agreement, unless the context otherwise requires:

a) The term “aeronautical authorities” means, in the case of Iran, the Department General of Civil Aviation, and any person or body authorized to perform any functions at present exercised by the said Department General or similar functions, and, in the case of Sweden, the Board of Civil Aviation, and any person or body authorized to perform any functions at present exercised by the said Board 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 the present Agreement.

c) The term “capacity” in relation to an aircraft means the payload of that aircraft available on a route or section of a route, and the term “capacity” in relation to “an agreed service” means the capacity of the aircraft used on such service, multiplied by the frequency operated by such aircraft over a given period on a route or section of a route.

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 meaning respectively assigned to them in Article 96 of the Chicago Convention on International Civil Aviation, December 7, 1944.²

Article 2. TRANSIT AND TRAFFIC RIGHTS

1) Each Contracting Party grants to the other Contracting Party the rights specified in the present Agreement for the conduct of scheduled international air services by the designated airline of the other Contracting Party as follows:

- a) To fly, without landing, across the territory of the other Contracting Party,
- b) To make stops in the said territory for non-traffic purposes, and
- c) To make stops in the said territory at points specified for that route in the Route Schedule annexed to the present Agreement for the purpose of putting down and taking on international traffic in passengers, cargo and mail.

¹ Applied provisionally from 10 June 1975, the date of signature, and came into force definitively on 24 June 1976, the date of the last of the notifications (effected on 2 and 24 June 1976) by which the Contracting Parties informed each other that their constitutional requirements had been complied with, 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; vol. 740, p. 21; vol. 893, p. 117; vol. 958, p. 217, and vol. 1008, p. 213.

2) Nothing in the provisions of the present Agreement shall be deemed to confer on the airline of one Contracting Party the right to take up, in the territory of the other Contracting Party, passengers, cargo or mail carried for remuneration or hire and destined for another point in the territory of the other Contracting Party.

3) In areas of hostilities or of military occupation, or areas affected thereby, the operation of such services shall be subject to the approval of the competent military authorities.

Article 3. DESIGNATION AND NECESSARY AUTHORIZATIONS

1) Each Contracting Party shall have the right to designate in writing to the other Contracting Party one airline for the purpose of operating the agreed services on the specified routes.

2) On receipt of such designation, the other Contracting Party shall, subject to the provisions of paragraphs 3 and 4 of the present Article and the provisions of Article 8 of the present Agreement, without delay grant to the airline designated 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 to the operation of international air services by such authorities in conformity with the provisions of the Chicago Convention on International Civil Aviation, December 7, 1944.

4) Each Contracting Party shall have the right to refuse to grant the operating authorizations referred to in paragraph 2 of this Article, or to impose such conditions as it may deem necessary on the exercise by the designated airline of the rights specified in Article 2 of the present Agreement, in any case where the said Contracting Party is not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or 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 the present Agreement by the airline designated by 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 substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or in nationals of such Contracting Party, or
- b) In the case of failure by that airline to comply with the laws and/or regulations of the Contracting Party granting these rights, or
- c) In case the airline otherwise fails to operate in accordance with the conditions prescribed under the present Agreement.

2) Unless immediate revocation, suspension or imposition of the conditions mentioned in paragraph 1 of this Article is essential to prevent further infringements of laws and/or regulations, such right shall be exercised only after consultation with the other Contracting Party.

Article 5. APPLICABILITY OF LAWS AND REGULATIONS

1) The laws and regulations of one Contracting Party relating to entry into or departure from its territory of aircraft engaged in international air navigation or to

operation and navigation of such aircraft above or within its territory shall apply to aircraft of the designated airline of the other Contracting Party.

2) The laws and regulations of one Contracting Party as to the admission to or departure from its territory of passengers, crew, cargo or mail of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs and quarantine shall be complied with by or on behalf of such passengers, crew, cargo or mail upon entrance into or departure from or while within the territory of that Contracting Party.

3) Each Contracting Party shall upon request supply to the other Contracting Party copies of the relevant laws and regulations referred to in this Article.

Article 6. EXEMPTION FROM CUSTOMS AND OTHER DUTIES

1) Aircraft of the designated airline of one Contracting Party operating international services, and supplies of fuel, lubricating oils, other consumable technical supplies, spare parts, regular equipment and stores retained on board aircraft of the airline of one Contracting Party authorized to operate the routes and services provided for in this Agreement shall, upon arriving in or leaving the territory of the other Contracting Party, be exempt on a basis of reciprocity from customs duties, inspection fees and other national duties or charges, even though such supplies be used or consumed by such aircraft of flights above that territory.

2) Fuel, lubricating oils, other consumable 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 intended solely for use by aircraft of such Contracting Party, shall be exempt on a basis of reciprocity from customs duties, inspection fees and other national duties or charges.

3) Fuel, lubricating oils, other consumable technical supplies, spare parts, regular equipment and stores taken on board aircraft of the airline of one Contracting Party in the territory of the other Contracting Party and used in international services shall be exempt on a basis of reciprocity from customs duties, excise taxes, taxes, inspection fees and other national duties or charges.

4) The regular airborne equipment, as well as the materials and supplies retained on board the aircraft of the designated airline of either Contracting Party may be unloaded in the territory of the other Contracting Party only with the approval of the customs authorities of that territory. In such cases, they may be placed under the supervision of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.

Article 7. FACILITIES AND AIRPORT CHARGES

Each of the Contracting Parties may impose or permit to be imposed just and reasonable charges for the use of airports and other facilities under its control. Each of the Contracting Parties agrees, however, that such charges shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international service.

Article 8. CAPACITY REGULATIONS

1) The designated airlines of the two Contracting Parties shall be afforded fair and equal treatment in order that they may enjoy equal opportunities in the operation of 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 Party shall have as their primary objective the provision, at a reasonable load factor, of capacity adequate to carry the current and reasonably anticipated requirements for carriage of 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 laid down in paragraphs 1), 2) and 3) of this Article, the designated airline of one Contracting Party may also provide capacity to meet the traffic requirements between:

- a) The territories of the third countries listed in the Route Schedule annexed to the present Agreement and the territory of the other Contracting Party,
- b) The territory of one Contracting Party and points on the Route Schedule not in the territory of the other Contracting Party,
- c) Points on the Route Schedule in the territories of third countries.

5) The commercial aspects relating to the operation of agreed services by the designated airlines of the two Contracting Parties shall be subject to direct consultations between the designated airlines, with a view to reaching an agreement between themselves, who in doing so shall take into account the principles laid down in the preceding paragraphs of this Article. The report of such consultation shall be submitted by the designated airlines to their respective aeronautical authorities for their consideration and necessary action.

6) In case of disagreement between the designated airlines of the Contracting Parties the issues referred to in paragraph 5) above shall be resolved by agreement between the aeronautical authorities of the two Contracting Parties.

Article 9. RECOGNITION OF CERTIFICATES AND LICENSES

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 are or may be established pursuant to the Chicago Convention on International Civil Aviation, December 7, 1944. Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licenses granted to its own nationals by another State.

Article 10. AIR TRANSPORT TARIFFS

1) In the following paragraphs, the term "tariff" means the prices to be paid for the carriage of passengers, baggage and freight and the conditions under which those prices apply, including prices and conditions for agency and other auxiliary services, but excluding remuneration or conditions for the carriage of mail.

2) The tariffs to be charged by the airline of one Contracting Party for carriage to and from the territory of the other Contracting Party shall be established at reasonable levels, due regard being paid to all relevant factors including the

economics of operation, reasonable profit, characteristics of service and the tariffs of other airlines operating scheduled services over the whole or part of the same route.

3) The tariffs referred to in paragraph 1 of this Article shall be established according to the following rules:

- a) When the designated airlines of both Contracting Parties are members to an international airline association with a rate-fixing machinery and a tariff resolution already exists in respect of the agreed services, the tariffs shall be agreed upon by the designated airlines of the Contracting Parties in accordance with such tariff resolution.
- b) When there is no tariff resolution in respect of the agreed services or where either or both of the designated airlines of the Contracting Parties are not members to the same airline association referred to in paragraph a) above, the designated airlines of the Contracting Parties shall agree between themselves on the tariffs to be charged in respect of the agreed services.
- c) The tariffs agreed upon between the designated airlines of the the Contracting Parties according to paragraphs a) and b) of this Article shall be submitted for the approval of the aeronautical authorities of the Contracting Parties at least ninety days before the proposed date of their introduction. This time limit may be reduced, subject to the consent of the said authorities.
- d) In case the designated airlines of the Contracting Parties fail to agree on the tariffs to be charged, or where a Contracting Party has not designated its airline for the operation of the agreed services, or where, during the first thirty days of the ninety days' period referred to in paragraph c) of this Article, the aeronautical authorities of a Contracting Party give the aeronautical authorities of the other Contracting Party notice of their dissatisfaction with any tariff agreed between 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 try to reach an agreement on the appropriate tariffs to be charged; however, no tariff shall come into force if the aeronautical authorities of either Contracting Party have not approved it.

4) 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. SUPPLY OF STATISTICS AND APPROVAL OF TIME-TABLES

1) The aeronautical authorities of either Contracting Parties shall supply to the aeronautical authorities of the other Contracting Party, at their request, such information and statistics relating to the traffic carried on the agreed services by the designated airline of the first Contracting Party to and from the territory of the other Contracting Party as may normally be prepared and submitted by the designated airline to their national aeronautical authorities. Any additional statistical traffic data which the aeronautical authorities of the Contracting Party may desire from the aeronautical authorities of the other Contracting Party shall, upon request, be a subject of mutual discussion and agreement between the two Contracting Parties.

2) The designated airline of each Contracting Party shall submit for approval to the aeronautical authorities of the other Contracting Party not later than thirty days prior to the introduction of services on the specified routes the flight time-tables. This shall, likewise, apply to later changes. In special cases, this time limit may be reduced subject to the approval of the said authorities.

Article 12. CONSULTATION AND MODIFICATION

1) In a spirit of close cooperation, the aeronautical authorities of the Contracting Parties shall consult each other, from time to time, with a view to ensuring the implementation of, and satisfactory compliance with, the provisions of the present Agreement and the Annexes and Route Schedule thereto.

2) If either of the Contracting Parties considers it desirable to modify any provision of this Agreement, it may request consultation, which may be through discussion or by correspondence. Such consultation shall begin within a period of sixty days from the date of the request, unless both Contracting Parties agree to an extension of this period. Any modifications so agreed shall come into force thirty days after they have been confirmed by an exchange of diplomatic notes.

3) Modifications to the Route Schedule shall be agreed between the aeronautical authorities of the Contracting Parties and shall come into force on the date of an exchange of diplomatic notes to this effect.

Article 13. SETTLEMENT OF DISPUTES

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.

2) If the Contracting Parties fail to reach a settlement by negotiation, they may agree to refer the dispute for an advisory report to some person or body.

3) If the Contracting Parties fail to reach a settlement pursuant to paragraphs 1) and 2) above, the dispute shall be referred to a tribunal of three arbitrators, one to be nominated by each Contracting Party and the third to be agreed upon by the two so nominated. Each of the Contracting Parties shall nominate an arbitrator within a period of sixty days from the date of receipt by either Contracting Party 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 its arbitrator 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 may require; provided that if the President of the Council of the International Civil Aviation Organization is a national of either Contracting Party, the senior Vice-President of the Council or if he is such a national, the oldest member of the Council who is not such a national may be requested to make the appointment or appointments as the case may be. The third arbitrator, however, shall be a national of a third State and shall act as the president of the arbitral tribunal.

4) The Contracting Parties undertake to comply with any decision given under paragraph 3) of this Article.

Article 14. CONFORMITY WITH MULTILATERAL CONVENTIONS

If a general multilateral air transport convention or agreement comes into force in respect of both Contracting Parties, the present Agreement shall be amended so as to conform with the provisions of such convention or agreement.

Article 15. REGISTRATION

This Agreement, its Annexes and all amendments thereto shall be registered with the International Civil Aviation Organization.

Article 16. TERMINATION

Either Contracting Party may at any time give notice to the other Contracting Party of its intention to terminate the present 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 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 fourteen days after the receipt of the notice by the International Civil Aviation Organization.

Article 17. ENTRY INTO FORCE

This Agreement and its Annexes shall be approved by each Contracting Party and shall enter into force on the date of the last notification by either Contracting Party to the other that it has complied with its constitutional requirements for the entry into force of the present Agreement.

IN WITNESS WHEREOF, the undersigned plenipotentiaries, being duly authorized by their respective Governments, have signed the present Agreement and have affixed their seals thereto.

DONE at Tehran in triplicate, this 10th day of June 1975, in the Swedish, Persian and English languages, all being equally authentic.

For the Government
of the Kingdom of Sweden:

[Signed — Signé]¹

For the Imperial Government
of Iran:

[Signed — Signé]²

ANNEX

1) The airline of Sweden designated by the Government of the Kingdom of Sweden shall be entitled to operate air services in both directions on the following points:

<i>Points of Origin</i>	<i>Intermediate Points</i>	<i>Destination</i>	<i>Points Beyond</i>
Stockholm	Oslo	Tehran	Karachi*
	Copenhagen		Calcutta or
	Frankfurt		New Delhi
	Zurich		Bangkok
	Vienna		Kuala Lumpur
	Rome		Singapore
	Athens		Djakarta
	Istanbul		Hong Kong*
	Beirut		Manila
	Baghdad		Tokyo
			Sydney

* Without traffic rights between Tehran-Karachi and Tehran-Hong Kong.

¹ Signed by Bengt Odhner — Signé par Bengt Odhner.

² Signed by Abbas Ali Khalatbary — Signé par Abbas Ali Khalatbary.

2) The points to be served by the airline of Iran designated by the Imperial Government of Iran shall be agreed upon at a later date prior to the said airline's operation to and/or through Sweden.

3) The designated airlines may on all or any flights omit calling at any of the above-mentioned points, provided that the agreed services of these routes begin in the territory of the Contracting Party designating the airline.

4) The conditions of operations of agreed services on the points specified in Section 1 and also in Section 2 when agreed shall be governed by the provisions of Article 8 of the Agreement.

RELATED NOTE

ROYAL SWEDISH EMBASSY

Tehran, 10 June 1975

No. 57/10/75

Your Excellency,

With reference to the Air Transport Agreement between the Government of the Kingdom of Sweden and the Imperial Government of Iran signed today, I have the honour to notify Your Excellency that, in accordance with Article 3 of the Agreement, the Government of Sweden designate AB Aerotransport (ABA) to operate the routes specified in the route schedule attached to the Agreement.

In this connection, I have the honour to confirm, on behalf of my Government, the following understanding reached in the course of the negotiations preceding the signature of the Agreement:

(1) AB Aerotransport (ABA) co-operating with Det Danske Luftfartselskab A/S (DDL) and Det Norske Luftfartselskap A/S (DNL) under the designation of Scandinavian Airlines System (SAS) may operate the routes for which it has been designated under the Agreement with aircraft, crews and equipment of either or both of the other two airlines.

(2) In so far as AB Aerotransport (ABA) employ aircraft, crews and equipment of the other airlines participating in the Scandinavian Airlines system (SAS), the provisions of the Agreement shall apply to such aircraft, crews and equipment as though they were the aircraft, crews and equipment of AB Aerotransport (ABA) and the competent Swedish authorities and AB Aerotransport (ABA) shall accept full responsibility under the Agreement therefor.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

BENGT ODHNER
Ambassador of Sweden

His Excellency Mr. Abbas Ali Khalatbary
Minister for Foreign Affairs
Tehran
