

No. 16699

**CYPRUS
and
YUGOSLAVIA**

**Air Transport Agreement (with annex). Signed at Nicosia
on 27 February 1976**

Authentic text: English.

*Registered by the International Civil Aviation Organization on 25 May
1978.*

**CHYPRE
et
YOUGOSLAVIE**

**Accord relatif aux transports aériens (avec annexe). Signé
à Nicosie le 27 février 1976**

Texte authentique : anglais.

*Enregistré par l'Organisation de l'aviation civile internationale le 25 mai
1978.*

AIR TRANSPORT AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF CYPRUS AND THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF YUGOSLAVIA

The Government of the Republic of Cyprus and the Government of the Socialist Federal Republic of Yugoslavia hereinafter referred to as “the Contracting Parties”, desiring to conclude an agreement on air transport between and beyond their respective territories have agreed as follows:

Article 1. For the purposes of the present Agreement, unless the context otherwise requires:

a) The term “aeronautical authorities” means: for the Socialist Federal Republic of Yugoslavia, Federal Civil Aviation Administration; for the Republic of Cyprus, the Civil Aviation Administration of the Ministry of Communications and Works.

These authorities may be replaced by any other authority or person who could be authorized to take over their present functions;

b) The term “designated airline” means the airline which has been designated and authorized in accordance with article 3 of the present Agreement;

c) The term “territory” in relation to a State means the land areas and territorial waters adjacent thereto under the sovereignty of that State;

d) The term “agreed service” means any scheduled air services performed by aircraft for public transport of passengers, cargo and mail on the routes referred to in the annex to the present Agreement; and

e) The terms “air services”, “international air services” and “stop for non-traffic purposes” shall have, in the application of the present Agreement the meaning specified in articles 2 and 96 of the Convention on International Civil Aviation.²

Article 2. 1) Each Contracting Party grants to the other Contracting Party the rights specified in the present Agreement for the purpose of establishing scheduled international air services on the routes to be specified in accordance with the appropriate section of the annex to the present Agreement.

Such services and routes are hereinafter called “the agreed services” and “the specified routes” respectively.

The airline designated by each Contracting Party shall enjoy, while operating an agreed service on a specified route, the following rights:

- 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;
- c) to make stops in the said territory at the points specified for the route or routes in the annex to the present Agreement, for the purpose of embarkation

¹ Came into force on 9 June 1977, the date of the exchange of notes confirming that it had been approved according to the respective constitutional provisions of each Contracting Party, in accordance with article 21.

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.

and disembarkation of passengers, cargo and mail on international services, and in accordance with the conditions of the annex to the present Agreement.

2) No item from paragraph (1) of this article permits the airline of one Contracting Party to embark with remuneration or hire on the territory of the other Contracting Party for another point in the territory of that other Contracting Party, passengers, cargo and mail.

Article 3. 1) The aeronautical authorities of each Contracting Party have the right to designate in writing to the aeronautical authorities of the other Contracting Party one airline for the purposes of operating the agreed services on the specified routes.

2) On receipt of such designation the aeronautical authorities of the other Contracting Party shall, subject to the provisions of paragraph 3 of this article, grant to the designated airline the appropriate operating authorization without delay.

3) When an airline has been designated and authorized, it may begin, at any time, to operate the agreed services, partly or in whole, provided that the tariffs established in accordance with the provisions of article 7 of the present Agreement are in force in respect to that service.

Article 4. 1) There shall be fair and equal opportunity for the designated airline of each Contracting Party to operate on any route specified in accordance with article 2 of the present Agreement.

2) In the operation of international air services on the routes specified in accordance with article 2 of the present Agreement, the designated airline of one Contracting Party shall take account of the interests of the designated airline of the other Contracting Party so as not to affect unduly the air services which the latter airline operates on the same routes or parts of them.

3) The international air services on the routes specified in accordance with article 2 of the present Agreement shall have as their primary objective the provision of capacity adequate to the foreseeable traffic demands in passengers, cargo and mail to and from the territory of the Contracting Party designating the airline. The right of each of the designated airlines to carry traffic between points in the territory of the other Contracting Party and points in the territory of third countries on the specified routes in accordance with article 2 of the present Agreement shall be exercised in the interests of an orderly development of international air transport in such a way that capacity is related to:

- a) the traffic demand from and to the territory of the Contracting Party designating the airline;
- b) the traffic demand existing in the areas through which the air services pass, taking account of local and regional services;
- c) the requirements of an economical operation of through services.

Article 5. The designated airline of each Contracting Party shall communicate for approval to the aeronautical authorities of the other Contracting Party not later than thirty (30) days prior to the inauguration of services on the routes specified in accordance with article 2 of the present Agreement the types of aircraft to be used and the flight schedules. This shall likewise apply to later changes.

Article 6. 1) The aeronautical authorities of 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 aeronautical authorities of 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 case of failure by that airline to comply with the laws and 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 or regulations, such right shall be exercised only after consultations with the other Contracting Party.

Article 7. 1) Aircraft operated on international services by the designated airline of either Contracting Party, as well as their regular equipment, fuels and lubricants, aircraft stores (including food, beverages and tobacco) on board such aircraft shall be exempted from all customs duties, inspection fees or other charges on arriving in the territory of the other Contracting Party, provided that such equipment and supplies remain on board the aircraft until it leaves the territory of that Contracting Party.

2) There shall also be exempted from the same duties, fees and charges, with exception of charges corresponding to the services performed:

- a) aircraft stores taken on board in the territory of a Contracting Party, within limits fixed by the appropriate authorities of the said Contracting Party, and for use on board aircraft engaged in an international service of the other Contracting Party;
- b) spare parts introduced into the territory of either Contracting Party for the maintenance or repair of the aircraft used on international services by the authorized airline of the other Contracting Party;
- c) fuel and lubricants destined to supply the aircraft operated on international services by the designated airline of the other Contracting Party, even in case when these supplies are to be used on the part of the journey performed over the territory of the Contracting Party in which they are taken on board.

Material referred to in sub-paragraphs (a), (b) and (c) may be kept under Customs supervision or control.

Article 8. The regular airborne equipment, as well as the material and spare parts retained on board the aircraft of either Contracting Party may be unloaded in the territory of the other Contracting Party only with the approval of the Customs authorities of such Party. In such case this material may be placed under supervision of the said authorities until it is loaded on board aircraft and is leaving the territory of that Contracting Party or is otherwise disposed in accordance with Customs regulations.

Article 9. Passengers in transit across the territory of either Contracting Party shall be subject to no more than a very simplified control. Baggage and cargo in direct transit shall be exempt from Customs duties and other similar taxes.

Article 10. 1) The tariffs to be charged by the airline of one Contracting Party for transport to or from the territory of the other Contracting Party shall be established at reasonable levels, due regard being paid to all relevant factors including cost of operation, reasonable profit and the tariffs of the other airlines.

2) The tariffs referred to in paragraph (1) of this article, together with the rates of agency commission applicable, shall, if possible, be agreed by the designated airlines concerned of both Contracting Parties, consultation with the other airlines operating over the whole route or part of it, and such agreement shall, where possible, be reached through the rate-fixing machinery of the International Air Transport Association.

3) The tariffs so agreed shall be submitted for approval to the aeronautical authorities of the Contracting Parties at least thirty (30) days before the proposed date of their introduction; in special cases this limit may be reduced, subject to the agreement of the said authorities.

4) If the designated airlines can not agree on any of these tariffs, or if for some other reason a tariff can not be fixed in accordance with the provisions of paragraph (2) of this article, or if during the first fifteen (15) days of a thirty (30)-day period referred to in paragraph (3) of this article one Contracting Party gives the other Contracting Party a notice of its disagreement with any tariff agreed in accordance with the provisions of paragraph (2) of this article, the aeronautical authorities of the Contracting Parties will try to determine the tariffs by agreement between themselves.

5) If the aeronautical authorities can not agree in regard to the approval of any tariff submitted 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 provisions of article 16 of the present Agreement.

6) Subject to the provisions of paragraphs (3) and (5) of this article, no tariff shall come into force if the aeronautical authorities of either Contracting Party have not approved it.

7) 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. 1) The designated airline of one Contracting Party shall comply, in its commercial and financial activities on the territory of the other Contracting Party, with the laws and regulations of that Contracting Party.

2) The Contracting Parties agree that the charges levied by one Contracting Party on the designated airline of the other Contracting Party for the use of airports, air navigation facilities and other technical installations shall not exceed those levied on foreign airlines engaged in similar international services.

Article 12. 1) The laws and regulations which on the territory of each Contracting Party regulate entry into and departure from its territory of the aircraft engaged in international air service, or for the flights and manoeuvres

of these aircraft within its territory, will be applied to the aircraft of the designated airline of the other Contracting Party.

2) The laws and regulations of one Contracting Party which regulate entry, stay in and departure from its territory of passengers, crews, cargo and mail, such as regulations relating to entry, passport and customs control, quarantine and currency, will be applicable to such passengers, crews, cargo and mail carried on board aircraft of the designated airline of the other Contracting Party while within the territory of that Contracting Party.

3) A fair treatment shall be accorded to the airlines of both Contracting Parties in respect of operation of the agreed services and no difference shall be made by the Contracting Parties between the airline designated by the other Contracting Party and foreign airlines on their respective territories.

Article 13. Certificates of airworthiness and licences issued or rendered valid by one Contracting Party shall be recognized by the other Contracting Party for the purpose of operating the agreed services.

Aircraft used by the designated airline of the Contracting Parties, and which are engaged on the agreed services, as well as the members of their crews, shall carry respectively the valid documents normally applied in the international air services.

Article 14. 1) Each Contracting Party shall give to the aircraft of the other Contracting Party, if in distress over its territory, the assistance which it would render to its own aircraft. This obligation will be extended to search for a missing aircraft as well.

2) In the event of an accident to an aircraft, involving death, serious injury or indicating serious technical defect in the aircraft or air navigation facilities, the Contracting Party in which the accident occurs will institute an inquiry into the circumstances and causes of the accident. The Contracting Party to which such aircraft belongs will be given the opportunity to send observers to be present at the inquiry. The Contracting Party exercising the inquiry shall communicate the report and findings in the matter to the other Contracting Party through its aeronautical authorities.

Article 15. 1) In a spirit of close cooperation, the aeronautical authorities of the Contracting Parties will consult each other from time to time with a view to ensure the implementation of and satisfactory compliance with the provisions of the present Agreement and the annex thereto and shall also consult when necessary to provide for modification thereof.

2) The aeronautical authorities of the Contracting Parties may request consultations which may be through discussion or by correspondence and shall begin within a period of sixty (60) days of the date of request, unless both aeronautical authorities of the Contracting Parties agree to an extension of this period.

Article 16. 1) In case that any dispute should arise between the Contracting Parties relating to the interpretation or application of the present Agreement and its annex, the Contracting Parties shall endeavour to settle it by negotiations.

2) If the Contracting Parties fail to reach a settlement by negotiations, the Contracting Parties shall submit the dispute to an Arbitral Tribunal. For this purpose each Contracting Party shall nominate an arbitrator. The arbitrators

so designated shall designate a third arbitrator, who must be a national of a third State and shall act as President of the Tribunal.

3) If either Contracting Party fails to designate an arbitrator within a period of sixty (60) days after one of the Contracting Parties has notified its intention to refer the dispute for decision to an Arbitral Tribunal, or if the arbitrators fail to reach an agreement to designate the third arbitrator within a period of thirty (30) days, the President of the Council of the International Civil Aviation Organization may be requested by either Contracting Party to designate an arbitrator or arbitrators, as the case requires. If the President of the Council of the International Civil Aviation Organization is a national of either Contracting Party, the Vice-President of that Council, who is a national of a third State, may be requested to designate the above-mentioned arbitrators.

4) Each Contracting Party shall pay the expenses of the arbitrator it has nominated. The remaining expenses of the arbitration tribunal shall be shared equally by the Contracting Parties.

5) The Contracting Parties undertake to comply with any decision given by the Arbitral Tribunal.

Article 17. 1) If either Contracting Party considers it desirable to modify any provision in the present Agreement, such Contracting Party can at any time request, through diplomatic channels, consultations on the matter between the aeronautical authorities. Such consultations shall begin not later than sixty (60) days, or in the term agreed by the Contracting Parties, from the date of request. If the said authorities reach an agreement on the modifications to be made, such modifications shall become effective when each Contracting Party notifies to the other that it has ratified or approved them, in accordance with its constitutional regulations.

2) If the aeronautical authorities of either Contracting Party consider it desirable to modify or to make any addition to the provisions of the annex to this Agreement, they can at any time request consultations with the aeronautical authorities of the other Contracting Party. Such consultations shall begin not later than sixty (60) days or in the term agreed by the Contracting Parties, from the date of request. If the said authorities agree on the proposed modifications or additions, such modifications or additions shall be brought into effect by a written arrangement between them, which will specify the date of their application as well. Such written arrangement cannot be contrary to the principles established in this Agreement.

Article 18. The present Agreement and its annex shall be amended so as to conform with any multilateral convention which may become binding on both Contracting Parties.

Article 19. The Contracting Parties shall notify the International Civil Aviation Organization on this Agreement and its annex, modifications which may be made, as well as the information on its eventual termination.

Article 20. Either Contracting Party may at any time notify the other of its intention to terminate the present Agreement; such a notice shall be sent simultaneously to the International Civil Aviation Organization. In such case the Agreement shall terminate twelve (12) months after the date on which the notice of termination is received by the other Contracting Party, unless withdrawn before the end of this period. Should the other Party not acknowledge receipt,

the notification will be considered as having been received fourteen (14) days subsequent to the date of its receipt by the International Civil Aviation Organization.

Article 21. The present Agreement shall enter into force upon the date when each Contracting Party has communicated to the other by an exchange of notes, which will take place at Nicosia, as early as possible, that it has ratified or approved the Agreement in accordance with its constitutional provisions.

IN WITNESS WHEREOF, the Plenipotentiaries, being duly authorized by their respective Governments, have signed the present Agreement.

DONE in two originals in [the] English language at Nicosia this 27th day of February of the year one thousand nine hundred and seventy-six.

GEORGE PELAGHIAS
For the Government
of the Republic of Cyprus

LJUBISA CURGUS
For the Government
of the Socialist Federal
Republic of Yugoslavia

ANNEX

SECTION I

1. The designated airline of the Socialist Federal Republic of Yugoslavia may operate scheduled air services on the following routes:

<i>Points of departure</i>	<i>Intermediate points</i>	<i>Points in Cyprus</i>	<i>Points beyond</i>
Points in Yugoslavia	Athens Thessalonica and the other points to be specified later	Nicosia Larnaca	Damascus Baghdad and the other points to be agreed upon later

2. The intermediate points and/or points beyond may be omitted on any or all of the flights.

SECTION II

1. The designated airline of the Republic of Cyprus may operate scheduled air services on the following routes:

<i>Points of departure</i>	<i>Intermediate points</i>	<i>Points in Yugoslavia</i>	<i>Points beyond</i>
Nicosia Larnaca	To be specified later	Belgrade Dubrovnik	Copenhagen Vienna and the other points to be agreed upon later

2. The intermediate points and/or points beyond may be omitted on any or all of the flights.

NOTE. No traffic rights will be granted from the intermediate points Athens and Thessalonica.