No. 17116

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND and AUSTRIA

Agreement for air services between their respective territories (with schedule). Signed at London on 17 November 1977

Authentic texts: English and German.

Registered by the United Kingdom of Great Britain and Northern Ireland on 5 October 1978.

ROYAUME-UNI DE GRANDE-BRETAGNE ET D'IRLANDE DU NORD

et

AUTRICHE

Accord relatif aux services aériens entre les territoires des deux pays (avec annexe). Signé à Londres le 17 novembre 1977

Textes authentiques : anglais et allemand.

Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 5 octobre 1978.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE AUSTRIAN FEDERAL GOVERNMENT FOR AIR SERVICES BETWEEN THEIR RESPECTIVE TERRITORIES

The Government of the United Kingdom of Great Britain and Northern Ireland and the Austrian Federal Government;

Being parties to the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944;²

Desiring to conclude an Agreement, supplementary to the said Convention, for the purpose of establishing air services between United Kingdom and Austrian territories;

Have agreed as follows:

Article 1. DEFINITIONS

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

(a) The term "the Convention" means the Convention on International Civil Aviation, opened for signature at Chicago on the seventh day of December 1944, and includes any amendment thereto which has entered into force under Article 94 (a) thereof and has been ratified by both Contracting Parties, and any Annex or any amendment thereto adopted under Article 90 of that Convention insofar as these have become effective for both Contracting Parties;

(b) The term "aeronautical authorities" means: in the case of the Government of the United Kingdom of Great Britain and Northern Ireland, the Secretary of State for Trade or any person or body authorised to perform a particular function to which this Agreement relates; and, in the case of the Austrian Federal Government, the Federal Ministry of Transport or any other authority empowered to perform the functions to which this Agreement relates exercised now by the said authorities;

(c) The term "designated airline" means an airline which has been designated and authorised in accordance with Article 4 of this Agreement;

(d) The term "territory" in relation to a State has the meaning assigned to it in Article 2 of the Convention;

(e) The terms "air service", "international air service", "airline" and "stop for non-traffic purposes" have the meanings respectively assigned to them in Article 96 of the Convention.

Article 2. APPLICATION OF THE CONVENTION

The provisions of this Agreement shall be subject to the provisions of the Convention insofar as those provisions are applicable to international air services.

¹ Came into force on 17 December 1977, i.e., 30 days after the date of signature, in accordance with article 14.

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.

Article 3. GRANT OF RIGHTS

(1) Each Contracting Party grants to the other Contracting Party the following rights in respect of its scheduled international air services:

(a) The right to fly across its territory without landing;

(b) The right to make stops in its territory for non-traffic purposes.

(2) Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement for the purpose of establishing scheduled international air services on the routes specified in the appropriate Section of the Schedule annexed to, and forming an integral part of, this Agreement. Such services and routes are hereafter called "the agreed services" and "the specified routes" respectively. While operating an agreed service on a specified route, the airlines designated by each Contracting Party shall enjoy in addition to the rights specified in paragraph (1) of this Article the right to make stops in the territory of the other Contracting Party at the points specified for that route in the Schedule for the purpose of taking on board and discharging passengers and cargo including mail.

(3) Nothing in paragraph (2) of this Article shall be deemed to confer on the airlines of one Contracting Party the privilege of taking on board, in the territory of the other Contracting Party, passengers and cargo including mail carried for hire or reward and destined for another point in the territory of that other Contracting Party.

Article 4. DESIGNATION OF AIRLINES

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

(2) On receipt of such designations the other Contracting Party shall without delay, subject to the provisions of paragraphs (3) and (4) of this Article, grant to the airline or airlines designated in accordance with paragraph (1) of this Article the appropriate operating authorisations.

(3) The aeronautical authorities of one Contracting Party may require an 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 and reasonably applied to the operation of international air services by such authorities in conformity with the provisions of the Convention.

(4) Each Contracting Party shall have the right to refuse to grant the operating authorisations referred to in paragraph (2) of this Article, or to impose such conditions as it may deem necessary on the exercise by a designated airline of the rights specified in Article 3 of this 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 in its nationals.

(5) When an airline has been so designated and authorised it may operate the agreed services, provided that a tariff established in accordance with the provisions of Article 8 of this Agreement is in force in respect of that service. (6) Each Contracting Party shall have the right, by written notification to the other Contracting Party, to withdraw the designation of any such airline and to designate another one.

Article 5. Revocation or Suspension of Operating Authorisations

(1) Each Contracting Party shall have the right to revoke an operating authorisation or to suspend the exercise of the rights specified in Article 3 of this Agreement by an 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 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 this 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 consultation with the other Contracting Party.

Article 6. EXEMPTION FROM CHARGES ON EQUIPMENT, FUEL, STORES, ETC.

(1) Aircraft operated on international air services by the designated airlines of either Contracting Party, as well as their regular equipment, supplies of fuel and lubricants, and aircraft stores (including food, beverages, and tobacco) on board such aircraft shall be exempt from all Customs duties, inspection fees and other similar charges on arriving in the territory of the other Contracting Party, provided such equipment and supplies remain on board the aircraft up to such time as they are re-exported or are used on the part of the journey performed over that territory. Equipment and supplies so exempted may be unloaded only with the approval of the Customs authorities of that territory. These goods may be placed under the supervision of the Customs authorities up to such time as they are re-exported or otherwise disposed of in accordance with Customs regulations.

(2) There shall also be exempt from the duties, fees and charges, referred to in paragraph (1) of this Article, with the exception of charges corresponding to the service performed:

- (a) Aircraft stores taken on board in the territory of a Contracting Party, within the limits fixed by the authorities of that territory, and for use on board outbound aircraft of a designated airline of the other Contracting Party engaged in an international air service;
- (b) Spare parts introduced into the territory of a Contracting Party for the maintenance or repair of aircraft used on international air services by a designated airline of the other Contracting Party;
- (c) Fuel and lubricants supplied in the territory of a Contracting Party to an aircraft of a designated airline of the other Contracting Party engaged in an international air service even when these supplies are to be used on a part of

the journey performed over the territory of the Contracting Party in which they are taken on board.

Materials referred to in sub-paragraphs (a), (b) and (c) of this paragraph may be required to be kept under Customs supervision or control.

Article 7. Principles Governing Operation of Agreed Services

(1) There shall be fair and equal opportunity for the designated airlines of both Contracting Parties to operate the agreed services on the routes specified in the Schedule to this Agreement.

(2) In operating the agreed services the designated airlines of each Contracting Party shall take into account the interests of the airlines of the other Contracting Party so as not to affect unduly the services which the latter provide on the whole or part of the same routes.

(3) The capacity to be provided by the airlines designated by the two Contracting Parties shall be adapted to the traffic requirements on the specified routes.

(4) In applying the principle established under paragraph (3) above the services operated by a designated airline shall have as their primary objective the provision, at a reasonable load factor, of capacity adequate to meet the normal and reasonably anticipated demand for the carriage of international air traffic from or to the territory of the Party designating the airline.

(5) In order to achieve a fair and equal treatment of the designated airlines, the airlines shall agree in advance the frequencies of their scheduled services, the types of aircraft to be used and the flight schedules, including the days of operation as well as the estimated times of arrival and departure.

(6) The flight schedules so agreed shall be submitted for approval to the aeronautical authorities of both Contracting Parties at least thirty (30) days before the proposed date of their introduction. In special cases, this time limitation may be reduced subject to the consent of the said authorities.

(7) If the designated airlines cannot agree on the flight schedules mentioned above, the aeronautical authorities of the Contracting Parties shall jointly agree the capacity and frequency to be provided on the agreed services specified in the Schedule to this Agreement.

(8) In determining the capacity and frequency the aeronautical authorities shall take into account:

- (a) All factors relevant to an economic operation (such as costs, revenue, break-even load factor, reasonable load factor), and
- (b) Such information as is available about economic and traffic trends which might affect the agreed services.

(9) Subject to the provisions of this Article, no flight schedule shall come into force if the aeronautical authorities of the Contracting Parties have not approved it.

(10) A flight schedule established for one season in accordance with the provisions of this Article shall remain in force for corresponding seasons until new flight schedules have been established in accordance with the provisions of this Article.

(11) Notwithstanding the existence of an agreement on capacity arrived at in accordance with the above paragraphs, the aeronautical authority of one Contracting Party may give temporary authorisation to the airline or airlines designated by the other Contracting Party to operate additional flights in order to meet exceptional demand.

Article 8. TARIFFS

The procedure to be used by the Contracting Parties for the establishment of tariffs, together with the definition of the term "tariff", shall be in accordance with the terms of Article 2 of the International Agreement on the Procedure for the Establishment of Tariffs for Scheduled Air Services, prepared by the European Civil Aviation Conference and opened for signature at Paris on the tenth day of July 1967.¹

Article 9. PROVISION OF STATISTICS

The aeronautical authorities of a Contracting Party shall supply to the aeronautical authorities of the other Contracting Party at their request such periodic or other statements of statistics as may be reasonably required for the purpose of reviewing the capacity provided on the agreed services by the designated airlines of the Contracting Party referred to first in this Article. Such statements shall include all information required to determine the amount of traffic carried by those airlines on the agreed services and the origins and destinations of such traffic.

Article 10. TRANSFER OF EARNINGS

Each Contracting Party grants to the designated airlines of the other Contracting Party the right of free transfer of the excess of their receipts in its territory over their expenditure therein. Such transfers shall be effected on the basis of the prevailing foreign exchange market rates for current payments.

Article 11. CONSULTATIONS AND MODIFICATIONS

(1) In a spirit of close co-operation, 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 Schedule thereto.

(2) If either of the Contracting Parties considers it desirable to modify any provisions of the present Agreement, it may request consultation with the other Contracting Party; such consultation, which may be through discussion or correspondence, shall begin within a period of sixty (60) days of the date of request.

Any modifications so agreed shall come into force sixty (60) days after they have been confirmed by an exchange of diplomatic notes.

(3) Modifications to the Schedule shall be agreed between the appropriate authorities of the Contracting Parties and shall come into force sixty (60) days after the date of an exchange of diplomatic notes.

¹ United Nations, Treaty Series, vol. 696, p. 31.

Vol. 1108, I-17116

Article 12. SETTLEMENT OF DISPUTES

(1) If any dispute arises between the Contracting Parties relating to the interpretation or application of this 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 decision to some person or body; if they do not so agree, the dispute shall 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 a period of sixty (60) days from the date of receipt by either Contracting Party from the other of a notice through the diplomatic channel requesting arbitration of the dispute by such a tribunal, and the third arbitrator shall be appointed within a further period of sixty (60) 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 or if he is prevented from acting or is a national of either of the Contracting Parties the Senior Vice-President may at the request of either Contracting Party appoint an arbitrator or arbitrators as the case requires. In such case, the third arbitrator, who shall be a national of a third State and shall not be habitually resident in the territory of, or be in the service of, either of the Contracting Parties, shall act as President of the arbitral tribunal.

(3) The Contracting Parties shall comply with any decision given under paragraph (2) of this Article.

Article 13. TERMINATION

Either Contracting Party may at any time give notice in writing to the other Contracting Party of its decision to terminate this Agreement; such notice shall be simultaneously communicated to the International Civil Aviation Organization. In such case the Agreement shall terminate twelve (12) 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 (14) days after the receipt of the notice by the International Civil Aviation Organization.

Article 14. ENTRY INTO FORCE

This Agreement shall enter into force thirty (30) days after the date of signature. This Agreement shall replace the Agreement between the Contracting Parties hereto signed at Vienna on 27 October 1956.¹

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¹ United Nations, Treaty Series, vol. 264, p. 67.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed the present Agreement.

DONE in duplicate at London this 17th day of November 1977 in the English and German languages, both texts being equally authoritative.

For the Government of the United Kingdom of Great Britain and Northern Ireland: ZU URKUND DESSEN haben die Unterfertigten, von ihren Regierungen hiezu ordnungsgemäss bevollmächtigt, das vorliegende Abkommen unterzeichnet.

GESCHEHEN in zweifacher Ausfertigung zu London am 17. November 1977 in englischer und deutscher Sprache, wobei der Wortlaut beider Sprachen gleichermassen authentisch ist.

Für die Regierung des Vereinigten Königreiches von Grossbritannien und Nordirland:

Frank Judd

For the Austrian Federal Government:

Für die Österreichische Bundesregierung:

K. ENDERL

1978

SCHEDULE

SECTION 1

Routes to be operated by the designated airline or airlines of the United Kingdom:

Points of Departure Points in the United Kingdom Destination Points (one or more of the following)

Vienna Salzburg Klagenfurt Innsbruck, or Graz, or Linz

Section 2

Routes to be operated by the designated airline or airlines of the Republic of Austria:

Points of Departure

Destination Points (one or more of the following)

Points in Austria

London Birmingham Manchester Prestwick, or Glasgow or Edinburgh