

**No. 18808**

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**SWEDEN  
and  
FINLAND**

**Agreement relating to air services (with annex and exchange of notes). Signed at Helsinki on 19 May 1978**

*Authentic text: English.*

*Registered by the International Civil Aviation Organization on 12 May 1980.*

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**SUÈDE  
et  
FINLANDE**

**Accord relatif aux services aériens (avec annexe et échange de notes). Signé à Helsinki le 19 mai 1978**

*Texte authentique : anglais.*

*Enregistré par l'Organisation de l'aviation civile internationale le 12 mai 1980.*

## AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE KINGDOM OF SWEDEN AND THE GOVERNMENT OF THE REPUBLIC OF FINLAND RELATING TO AIR SERVICES

The Government of the Kingdom of Sweden and the Government of the Republic of Finland,

Being Parties to the Convention on International Civil Aviation and the International Air Services Transit Agreement, opened for signature at Chicago on the seventh day of December, 1944,<sup>2</sup> and

Desiring to conclude an Agreement, in conformity with the said Convention, for the purpose of promoting air services between and beyond their respective territories, Have agreed as follows:

### *Article 1. DEFINITIONS*

For the purpose of this Agreement:

(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 annex adopted under article 90 of that Convention and any amendment of the annexes or the Convention under articles 90 and 94 thereof, so far as those annexes and amendments have been adopted by both Contracting Parties.

(b) The term “aeronautical authorities” means, in the case of the Government of the Kingdom of Sweden, the Board of Civil Aviation (Luftfartsverket); and, in the case of the Government of the Republic of Finland, the National Board of Aviation (Ilmailuhallitus); or, in both cases, any person or body authorized to perform the functions presently exercised by the said authorities.

(c) The term “designated airline” means an airline which has been designated in accordance with article 3 of this Agreement.

(d) The terms “territory”, “air service”, “international air service”, “airline” and “stop for non-traffic purposes” have the meanings laid down in articles 2 and 96 of the Convention.

(e) “Annex” means the annex to this Agreement or as amended in accordance with the provisions of paragraph 2 of article 14 of this Agreement. The annex forms an integral part of this Agreement and all references to the Agreement shall include reference to the annex, except otherwise provided.

(f) 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.

<sup>1</sup> Came into force on 20 August 1978, i.e., 30 days following the exchange of diplomatic notes (effected on 7 and 21 July 1978) confirming that the constitutional requirements had been complied with, in accordance with article 19 (1).

<sup>2</sup> 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 2. TRAFFIC RIGHTS*

1. 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 annex to this Agreement. Such services and routes are hereafter 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 in the annex to this Agreement for the purpose of putting down and taking on international traffic in passengers, cargo and mail, separately or in combination.

2. Nothing in paragraph 1 of this article shall be deemed to confer on the airline of one Contracting Party the privilege of taking up, in the territory of the other Contracting Party, passengers, cargo and mail carried for remuneration or hire and destined for another point in the territory of that Contracting Party.

### *Article 3. DESIGNATION OF AIRLINE*

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 this article, without delay grant to the designated airline the appropriate operating 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 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 authorization 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 2, 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 authorized, it may begin to operate the agreed services, provided that a tariff established in accordance with the provisions of article 9 of this Agreement is in force in respect of that service.

### *Article 4. REVOCATION, SUSPENSION AND IMPOSITION OF CONDITIONS*

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 this 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 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. In such a case the consultation shall begin within a period of thirty (30) days from the date of the request made by either Contracting Party for the consultation.

#### *Article 5. EXEMPTION FROM CUSTOMS AND OTHER DUTIES*

1. Aircraft operated on international services by the designated airline of either Contracting Party, as well as their regular equipment, supplies of fuels 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 duties or taxes 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.

2. There shall also be exempt from the same duties and taxes, with the exception of charges corresponding to the service performed:

- (a) Aircraft stores taken on board in the territory of either Contracting Party, within limits fixed by the authorities of said Contracting Party, and for use on board aircraft engaged in an international service of the other Contracting Party;
- (b) Spare parts entered into the territory of either Contracting Party for the maintenance or repair of aircraft used on international services by the designated airline of the other Contracting Party;
- (c) Fuel and lubricants destined to supply aircraft operated on international services by the designated airline of the other Contracting Party, even 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.

Materials referred to in subparagraphs (a), (b) and (c) above may be required to be kept under customs supervision or control.

#### *Article 6. STORAGE OF AIRBORNE EQUIPMENT AND SUPPLIES*

The regular airborne equipment, as well as the materials and supplies retained on board the aircraft operated by 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 such territory. In such case, they may be placed under the supervision of said authorities up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.

#### *Article 7. ENTRY CLEARANCE REGULATIONS*

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

### Article 8. CAPACITY PROVISIONS

1. The capacity to be provided by the designated airlines of the Contracting Parties shall bear a close relationship to the requirements of the public for transportation on the specified routes between the territories of the Contracting Parties.

2. There shall be fair and equal opportunity for the airlines of both Contracting Parties to operate the agreed services on the specified routes between their respective territories.

3. In operating the agreed services between their respective territories, the 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 same routes.

4. The total capacity offered for the neighbouring traffic shall be divided as far as possible equally between the designated airlines of the Contracting Parties in the carriage of the traffic between their respective territories. The capacity to be provided as well as the frequency of services to be operated, the types of aircraft to be used by the designated airlines on the local routes and the timetables shall be agreed on between the designated airlines.

In the absence of an agreement between the airlines, they shall be required, at the latest sixty (60) days before the beginning of the traffic period, to submit the issue to the aeronautical authorities, who will endeavour to resolve the problem. Pending an arrangement either at the airline level or between the aeronautical authorities the *status quo* shall be maintained.

5. In order to meet unexpected traffic demand of a temporary character, the designated airlines may, notwithstanding the provisions of paragraph 4 of this article, agree between them to such temporary increases of capacity as are necessary to meet the traffic demand.

6. On any agreed route where 5th freedom traffic rights have been granted, the 5th freedom traffic shall be regarded as being of subsidiary character as compared to the traffic between the territory of the Party which has designated the airline and the states of ultimate destination of the traffic.

### Article 9. TARIFFS

1. The tariffs to be charged by the designated airline of one Contracting Party for carriage 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 other airlines.

2. The tariffs referred to in paragraph 1 of this article shall, if possible, be agreed on by the designated airlines, after consultation with the other airlines operating over the whole or part of the route, and such agreement shall, wherever possible, be reached by the use of the procedures of the International Air Transport Association for the working out of tariffs.

3. The tariffs so agreed on shall be submitted for the approval of the aeronautical authorities of the Contracting Parties at least ninety (90) days before the proposed date of their introduction. In special cases, this period may be reduced, subject to the agreement of the said authorities.

4. This approval may be given expressly. If neither of the aeronautical authorities has expressed disapproval within thirty (30) days from the date of submission, in accordance with paragraph 3 of this article, these tariffs shall be considered

as approved. In the event of the period for submission being reduced, as provided for in paragraph 3, the aeronautical authorities may agree that the period within which any disapproval must be notified shall be less than thirty (30) days.

5. If a tariff cannot be agreed on in accordance with paragraph 2 of this article, or if, during the period applicable in accordance with paragraph 4 of this article, one aeronautical authority gives the other aeronautical authority notice of its disapproval of any tariff agreed on in accordance with the provisions of paragraph 2, the aeronautical authorities of the Contracting Parties shall, after consultation with the aeronautical authorities of any other State whose advice they consider useful, endeavour to determine the tariff by mutual agreement.

6. If the aeronautical authorities cannot agree on any tariff submitted to them under paragraph 3 of this article, or on the determination of any tariff under paragraph 5 of this article, the dispute shall be settled in accordance with the provisions of article 16 of this Agreement.

7. A tariff established in accordance with the provisions of this article shall remain in force until a new tariff has been established. Nevertheless, a tariff shall not be prolonged by virtue of this paragraph for more than twelve (12) months after the date on which it otherwise would have expired.

#### *Article 10. FINANCIAL PROVISIONS*

Each Contracting Party undertakes to grant the other Party free transfer, at the official rate of exchange, of the excess of receipts over expenditure achieved on its territory in connection with the carriage of passengers, baggage, mail shipments and freight by the designated airline of the other Party. Wherever the payments system between the Contracting Parties is governed by a special agreement, this Agreement shall apply.

#### *Article 11. EXCHANGE OF STATISTICS*

1. The aeronautical authorities of either Contracting Party shall supply to the aeronautical authorities of the other Contracting Party, at the latter's 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 airline of the first Contracting Party.

2. Such statements shall include all information required to determine the amount of traffic carried by the airline on the agreed services and the on-line origin and destination of such traffic.

#### *Article 12. APPROVAL OF FLIGHT SCHEDULES*

1. The airline designated by either Contracting Party shall submit its traffic programme for each summer and winter period to the aeronautical authorities of the other Contracting Party for approval at least sixty (60) days prior to the beginning of the operation. The programme shall include the timetables, the frequency of the services and the types of aircraft to be used. The aeronautical authorities of the other Contracting Party shall give their decision of approval or disapproval of this programme not later than thirty (30) days prior to the beginning of the operation.

2. Any necessary minor alteration to the traffic programme made at a later date shall be communicated to the aeronautical authorities of both Contracting Parties not later than fourteen (14) days prior to the beginning of that altered operation.

### *Article 13.* CONSULTATIONS

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 this Agreement and the annex thereto.

2. Either Contracting Party may request consultation, which may be through discussion or by correspondence and shall begin within a period of sixty (60) days from the date of receipt of the request, unless both Contracting Parties agree to an extension of this period.

### *Article 14.* AMENDMENTS

1. If either of the Contracting Parties considers it desirable to modify any provision of this Agreement, it may request consultation with the other Contracting Party; such consultation, which may be between aeronautical authorities and which may be through discussion or by correspondence, shall begin within a period of sixty (60) days from the date of receipt of the request, unless both Contracting Parties agree to an extension of this period. Any modifications so agreed to shall come into force when they have been confirmed by an exchange of diplomatic notes.

2. Modifications to the annex to this Agreement may be made by direct agreement between the competent aeronautical authorities of the Contracting Parties and shall enter into force upon notification through diplomatic channels.

### *Article 15.* CONFORMITY WITH MULTILATERAL CONVENTIONS

This Agreement and its annex will be amended so as to conform with any multilateral convention which may become binding on both Contracting Parties.

### *Article 16.* 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, or 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 a period of sixty (60) days from the date of receipt by either Contracting Party from the other of a notice through diplomatic channels requesting arbitration of the dispute 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 may be requested by either Contracting Party to appoint an arbitrator or arbitrators as the case requires. In such case, the third arbitrator shall be a national of a third State and shall act as president of the arbitral body.

3. The Contracting Parties undertake to comply with any decision given under paragraph 2 of this article.

### *Article 17.* TERMINATION

Either Contracting Party may at any time give notice 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 18. REGISTRATIONS*

This Agreement and its annex and any subsequent amendment thereto shall be registered with the International Civil Aviation Organization.

*Article 19. ENTRY INTO FORCE*

1. This Agreement shall enter into force thirty (30) days from the exchange of diplomatic notes confirming that the constitutional requirements of the Contracting Parties for the entering into force of this Agreement have been complied with.

2. The Air Transport Agreement between Sweden and Finland (*Luftfartsöverenskommelse mellan Sverige och Finland/Ruotsin ja Suomen välinen lentoliikennesopimus*) of April 26, 1949, shall terminate on the date of entry into force of this Agreement.

IN WITNESS THEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE, in duplicate, at Helsinki this 19th day of May, 1978, in the English language.

[Signed — Signé]<sup>1</sup>

For the Government  
of the Kingdom of Sweden

[Signed — Signé]<sup>2</sup>

For the Government  
of the Republic of Finland

ANNEX TO THE AGREEMENT BETWEEN THE GOVERNMENT OF THE KINGDOM OF SWEDEN AND THE GOVERNMENT OF THE REPUBLIC OF FINLAND RELATING TO AIR SERVICES

I. Routes to be operated by the designated airline of the Government of Finland:

- a) Helsinki–Stockholm v.v.;
- b) Helsinki–Stockholm–Oslo v.v.; may be operated seven times a week;
- c) Turku–Stockholm v.v.;
- d) Mariehamn–Stockholm v.v.;
- e) Vaasa–Umeå–Sundsvall v.v.;
- f) Helsinki–Gothenburg v.v.;
- g) Helsinki–Gothenburg–Amsterdam v.v.; may be operated seven times a week.

<sup>1</sup> Signed by Sten Sundfeldt — Signé par Sten Sundfeldt.

<sup>2</sup> Signed by Paavo Väyrynen — Signé par Paavo Väyrynen.



II. Routes to be operated by the designated airline of the Government of Sweden:

- a) Stockholm-Helsinki v.v.;
- b) (Oslo-)Stockholm-Helsinki v.v.;
- c) (Copenhagen-)Stockholm-Helsinki v.v.;
- d) Stockholm-Turku v.v.;
- e) Stockholm-Mariehamn v.v.;
- f) Sundsvall-Umeå-Vaasa v.v.;
- g) Gothenburg-Helsinki v.v.

III. Any route mentioned above can be combined with points in the territory of the Contracting Party designating the airline.

NOTE. The route II b) and c), may be operated with throughgoing route numbers.

## EXCHANGE OF NOTES

### I

MINISTRY OF FOREIGN AFFAIRS OF FINLAND

Helsinki, May 19, 1978

Your Excellency,

With reference to the Agreement between the Government of the Republic of Finland and the Government of the Kingdom of Sweden relating to air services, signed today, I have the honour to notify Your Excellency that, in accordance with article 3 of the Agreement, the Government of the Republic of Finland designate Finnair to operate the routes specified in the annex attached to the Agreement.

In acknowledging simultaneously the notification given by the Government of the Kingdom of Sweden in a Note of today's date of your Government's corresponding designation of AB Aerotransport (ABA), I have the honour to confirm, on behalf of my Government, the following understanding:

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.

Please accept, Your Excellency, the assurance of my highest consideration.

[Signed]

PAAVO VÄYRYNEN

His Excellency Mr. Sten Sundfeldt  
Ambassador of Sweden  
Helsinki

II

Helsinki, May 19, 1978

Your Excellency,

With reference to the Agreement between the Government of the Kingdom of Sweden and the Government of the Republic of Finland relating to air services, signed today, I have the honour to notify Your Excellency that, in accordance with article 3 of the Agreement, the Government of the Kingdom of Sweden designate AB Aerotransport (ABA) to operate the routes specified in the annex attached to the Agreement.

In this connection I have the honour to confirm, on behalf of my Government, the following understanding:

[See note I]

On behalf of my Government, I have the honour to acknowledge simultaneously the notification given by the Government of the Republic of Finland in a Note of today's date of your Government's corresponding designation of Finnair.

Please accept, Your Excellency, the assurance of my highest consideration.

STEN SUNDFELDT

His Excellency Mr. Paavo Väyrynen  
Minister for Foreign Affairs of Finland

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