

**No. 19664**

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**FINLAND  
and  
FEDERAL REPUBLIC OF GERMANY**

**Air Services Agreement (with exchange of notes). Signed at  
Bonn on 21 May 1974**

*Authentic texts: Finnish, German and English.*

*Registered by Finland on 25 March 1981.*

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**FINLANDE  
et  
RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE**

**Accord relatif aux services aériens (avec échange de notes).  
Signé à Bonn le 21 mai 1974**

*Textes authentiques : finnois, allemand et anglais.*

*Enregistré par la Finlande le 25 mars 1981.*

## AIR SERVICES AGREEMENT<sup>1</sup> BETWEEN THE REPUBLIC OF FINLAND AND THE FEDERAL REPUBLIC OF GERMANY

The Republic of Finland and the Federal Republic of Germany,

Being parties to the Convention on International Civil Aviation (ICAO) opened for signature at Chicago on the seventh day of December, 1944,<sup>2</sup>

Desiring to make arrangements for the regulation of air services between and beyond their respective territories,

Have agreed as follows:

*Article 1.* For the purposes of the present Agreement, unless otherwise provided:

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 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 Federal Republic of Germany, the Federal Minister of Transport; in the case of the Republic of Finland the National Board of Aviation and in both cases any other person or agency authorized to perform the functions exercised by the said authorities;

c) The term “designated airline” means the airline that one Contracting Party has designated in writing to the other Contracting Party in accordance with Article 3 of the present Agreement as being the airline which is to operate international air services on the routes specified in accordance with paragraph 2 of Article 2 of the present Agreement;

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 services”, “international air services”, “airline” and “stop for non-traffic purposes” shall have the meanings laid down in Article 96 of the Convention.

*Article 2.* 1. Each Contracting Party grants to the other Contracting Party for the purpose of operating international air services by the designated airline over the routes specified in accordance with paragraph 2 of this Article,

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

b) The right to land in its territory for non-traffic purposes; and

c) The right to land in its territory at the points named on the routes specified in accordance with paragraph 2 of this Article, in order to take on or discharge passengers, mail and/or cargo on a commercial basis.

<sup>1</sup> Came into force on 10 April 1980, i.e., 30 days from the date on which the Contracting Parties informed each other by an exchange of diplomatic notes (effected on 11 March 1980) that their constitutional requirements had been fulfilled, in accordance with article 16.

<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.

2. The routes over which the designated airlines of the Contracting Parties will be authorized to operate international air services shall be specified in a Route Schedule to be agreed upon in an exchange of notes between the Governments of the Contracting Parties.

*Article 3.* 1. The international air services on the routes specified in accordance with paragraph 2 of Article 2 of the present Agreement may be started at any time, provided:

- a) The Contracting Party to whom the rights specified in paragraph 1 of Article 2 are granted, has designated one airline in writing, and
- b) The Contracting Party granting these rights has authorized the designated airline to initiate the air services.

2. The Contracting Party granting these rights shall, subject to the provisions of paragraphs 3 and 4 of this Article and subject to the provisions of Article 9 of the present Agreement, give without delay the said authorization to operate the international air services.

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.

4. Each Contracting Party may withhold the exercise of the rights provided for in Article 2 of the present Agreement from the airline designated by the other Contracting Party if such airline is not able to prove upon request that substantial ownership and effective control of such airline are vested in nationals or corporations of the other Contracting Party or in that Party itself.

*Article 4.* Each Contracting Party may revoke, or limit by the imposition of conditions, the authorization granted in accordance with paragraph 2 of Article 3 of the present Agreement in the event of failure by the designated airline to comply with the laws and regulations of the Contracting Party granting the rights or to comply with the provisions of the present Agreement or to fulfil the obligations arising therefrom. This shall also apply if the proof referred to in paragraph 4 of Article 3 is not furnished. Each Contracting Party shall exercise this right only after consultation as provided for in Article 12 of the present Agreement, unless an immediate suspension of operations or imposition of conditions is necessary to avoid further infringements of laws or regulations.

*Article 5.* The charges imposed in the territory of either Contracting Party for the use of airports and other aviation facilities on the aircraft of the designated airline of the other Contracting Party shall not be higher than those imposed on aircraft of a national airline engaged in similar international air services.

*Article 6.* 1. Aircraft operated by the designated airline of either Contracting Party and entering, departing again from, or flying across the territory of the other Contracting Party, as well as fuel, lubricants, spare parts, regular equipment and aircraft stores on board such aircraft, shall be exempt from customs duties and other charges levied on the occasion of importation, exportation or transit of goods. This shall also apply to such goods on board the aircraft consumed during the flight across the territory of the latter Contracting Party.

2. Fuel, lubricants, aircraft stores, spare parts and regular equipment, temporarily imported into the territory of either Contracting Party, there to be

immediately or after storage installed in or otherwise taken on board the aircraft of the designated airline of the other Contracting Party, or to be otherwise exported again from the territory of the former Contracting Party, shall be exempt from the customs duties and other charges mentioned in paragraph 1 of this Article.

3. Fuel and lubricants taken on board the aircraft of a designated airline of either Contracting Party in the territory of the other Contracting Party and used in international air services, shall be exempt from the customs duties and other charges mentioned in paragraph 1 of this Article, as well as from any other special consumption charges.

4. Each Contracting Party may keep the goods mentioned in paragraphs 1 to 3 of this Article under customs supervision.

*Article 7.* 1. There shall be fair and equal opportunity for the designated airline of each Contracting Party to operate air services on any route specified in accordance with paragraph 2 of Article 2 of the present Agreement.

2. In the operation of international air services on the routes specified in accordance with paragraph 2 of Article 2 of the present Agreement, the designated airline of either 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 over the same routes or parts thereof.

3. The international air services on the routes specified in accordance with paragraph 2 of Article 2 of the present Agreement shall have as their primary objective the provision of capacity adequate to the foreseeable traffic demand to and from the territory of the Contracting Party designating the airline. The right of such airline to carry traffic between points of a route specified in accordance with paragraph 2 of Article 2 of the present Agreement which are located in the territory of the other Contracting Party, and points in third countries, shall be exercised, in the interest of an orderly development of international air transport, in such a way that capacity is related to:

- a) The traffic demand to and from 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 air services;
- c) The requirements of an economical operation of through traffic routes.

4. The frequencies to be provided for the services offered shall be agreed upon between the designated airlines according to the principles of paragraphs 1 to 3 above. Such agreement shall be subject to the approval of the above mentioned authorities of the two Contracting Parties.

5. If the designated airlines cannot agree on a subject for which agreement is necessary according to this Article the aeronautical authorities of the two Contracting Parties shall endeavour to reach a satisfactory settlement.

6. Until an agreement according to paragraph 4 or a settlement according to paragraph 5 is reached, the existing frequency authorizations shall remain in force.

*Article 8.* Each Contracting Party grants to the designated airline of the other Contracting Party the right of free transfer at the official bank rate of exchange

of the excess of receipts over expenditures earned by that airline in its territory in connection with the carriage of passengers, mail and cargo.

*Article 9.* 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 for passengers and cargo on the routes specified in accordance with paragraph 2 of Article 2 of the present Agreement, shall be fixed with due regard to all factors, such as cost of operation, a reasonable profit, the characteristics of the various routes and the tariffs charged by any other airline which operates over the same routes or parts thereof.

3. The tariffs shall, if possible, be agreed for each route between the designated airlines concerned. For this purpose the designated airlines shall be guided by such decisions as are applicable under the traffic conference procedures of the International Air Transport Association (IATA), or shall, if possible, agree on such tariffs directly between themselves after consulting with airlines of third countries which operate over the same routes or parts thereof.

4. Any tariffs so agreed shall be submitted for approval to the aeronautical authorities of both Contracting Parties not later than thirty days prior to the proposed date of their introduction. This period may be reduced in special cases if the aeronautical authorities so agree.

5. If no agreement has been reached between the designated airlines in accordance with paragraph 2 above, or if one of the Contracting Parties does not consent to the tariffs submitted for its approval in accordance with paragraph 4 above, the aeronautical authorities of the two Contracting Parties shall endeavour to determine those tariffs for routes or parts thereof by mutual agreement.

6. If no accord as envisaged in paragraph 5 above is reached between the aeronautical authorities of the two Contracting Parties, the provisions of Article 13 of the present Agreement shall apply. Until such time as an arbitral award has been rendered, the Contracting Party which has withheld its consent to a given tariff, shall be entitled to require the other Contracting Party to maintain the tariff previously in effect.

*Article 10.* Each Contracting Party grants to the designated airline of the other Contracting Party for the purpose of operating the agreed air services or business activities the right to establish and maintain offices in its territory.

*Article 11.* Exchanges of views shall take place as needed between the aeronautical authorities of the Contracting Parties in order to achieve close cooperation and agreement in all matters pertaining to the application of the present Agreement or the Route Schedule.

*Article 12.* Consultation may be requested at any time by either Contracting Party concerning amendments to the present Agreement or to the Route Schedule or questions relating to interpretation. The same applies to discussions concerning the application of the present Agreement or the Route Schedule if either Contracting Party considers that an exchange of views within the meaning of Article 11 has not produced any satisfactory results. Such consultation shall begin within

sixty days from the date of receipt by the other Contracting Party of any such request. In cases referred to in Article 4 this period shall be twenty days.

*Article 13.* 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, the dispute shall be submitted at the request of either Contracting Party 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 days from the date of receipt by either Contracting Party from the other of a written 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 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 chairman of the arbitral tribunal.

3. The arbitral tribunal shall reach its decisions by a majority of votes. Such decisions shall be binding on both Contracting Parties. Each Contracting Party shall bear the cost of its own member as well as of its representation in the arbitral proceedings; the cost of the chairman and any other costs shall be borne in equal parts by the Contracting Parties. In all other respects, the arbitral tribunal shall determine its own procedure.

*Article 14.* In the event of a general multilateral air transport convention accepted by both Contracting Parties entering into force, the provisions of such convention shall prevail. Any discussions with a view to determining the extent to which the present Agreement is terminated, superseded, amended or supplemented by the provisions of the multilateral convention, shall take place in accordance with Article 12 to the present Agreement.

*Article 15.* Either Contracting Party may at any time give notice to the other Contracting Party of its decision 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 acknowledgment 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 16.* The present Agreement shall enter into force thirty days from the date on which the two Contracting Parties have informed each other by an exchange of diplomatic notes that their constitutional requirements for the entry into force of the present Agreement have been fulfilled.

DONE at Bonn on this 21st day of May 1974 in two originals, each in the Finnish, German and English languages, all the texts being equally authentic; in case of any divergence of interpretation the English text shall prevail.

For the Republic of Finland:

[Signed]

YRJÖ VÄÄNÄNEN

For the Federal Republic of Germany:

[Signed]

H. G. SACHS

## EXCHANGE OF NOTES

### I

*The Secretary of State at the Ministry for Foreign Affairs  
of the Federal Republic of Germany to the Finnish Ambassador*

404-455.00 FIN

Bonn, May 21, 1974

Excellency,

I have the honour in implementation of paragraph 2 of Article 2 of the Air Services Agreement between the Federal Republic of Germany and the Republic of Finland signed today, to propose to you on behalf of the Government of the Federal Republic of Germany that the following Arrangement be concluded:

Air services between our respective territories may be operated over the routes specified in the following Route Schedule:

#### ROUTE SCHEDULE

#### I. *Routes to be operated by the airline designated by the Federal Republic of Germany:*

<i>Points of origin</i>	<i>Points in the Territory of the Republic of Finland</i>
Points in the Territory of the Federal Republic of Germany	Helsinki, one other point

#### II. *Routes to be operated by the airline designated by the Republic of Finland:*

<i>Points of origin</i>	<i>Points in the Territory of the Federal Republic of Germany</i>
Points in the Territory of the Republic of Finland	Frankfurt/Main, Hamburg

If the Government of the Republic of Finland agrees to the above Route Schedule, I have the honour to propose that the present note and your Excellency's note in reply expressing your Government's agreement shall constitute an Arrangement between our Governments, to enter into force on the same date as the Air Services Agreement mentioned above.

Accept, Excellency, the assurance of my highest consideration.

H. G. SACHS

His Excellency Dr. Yrjö Väinänen  
Ambassador of the Republic of Finland  
Bonn

## II

*The Finnish Ambassador to the Secretary of State at the Ministry  
for Foreign Affairs of the Federal Republic of Germany*

FINNISH EMBASSY

Bonn, May 21, 1974

Excellency,

I have the honour to confirm the receipt of your note dated May 21, 1974, which reads as follows:

[See note I]

I have the honour to inform you that the Government of the Republic of Finland agrees to the Route Schedule contained in your note and to your proposal that your note and the present note in reply shall constitute an Agreement between our Governments, to enter into force on the same date as the Air Services Agreement between the Republic of Finland and the Federal Republic of Germany signed today.

Accept, Excellency, the assurance of my highest consideration.

[Signed]

YRJÖ VÄÄNÄNEN

His Excellency the State Secretary at the Federal Foreign  
Office  
Dr. Hans-Georg Sachs  
Bonn