No. 20351

FINLAND and BURMA

Air Transport Agreement (with annex). Signed at Rangoon on 8 March 1980

Authentic text: English.

Registered by Finland on 18 August 1981.

FINLANDE et BIRMANIE

Accord relatif aux transports aériens (avec annexe). Signé à Rangoon le 8 mars 1980

Texte authentique: anglais.

Enregistré par la Finlande le 18 août 1981.

AIR TRANSPORT AGREEMENT 1 BETWEEN THE GOVERN-MENT OF THE SOCIALIST REPUBLIC OF THE UNION OF BURMA AND THE GOVERNMENT OF THE REPUBLIC OF FINLAND

The Government of the Socialist Republic of the Union of Burma and the Government of the Republic of Finland,

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

Desiring to conclude an Agreement, supplementary to the said Convention, for the purpose of establishing air services between and beyond their respective territories,

Have agreed as follows:

- Article I. 1. For the purpose of the present Agreement and its Annex, 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 Annex adopted under Article 90 of that Convention and any amendment of the Annexes or Convention under Articles 90 and 94 thereof in 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 Socialist Republic of the Union of Burma, the Department of Civil Aviation of the Ministry of Transport and Communications or any person or agency authorized to perform the functions exercised at present by the Ministry of Transport and Communications and in the case of the Government of the Republic of Finland, the National Board of Aviation or any person or agency authorized to perform the functions exercised at present by the said aeronautical authority;
- (c) The term "designated airline" means an airline which one Contracting Party shall have designated, by written notification to the other Contracting Party, in accordance with Article III of the present Agreement for the operation of air services on the routes specified in such notification;
- (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" have the meanings respectively assigned to them in Article 96 of the Convention;

Came into force on 7 April 1980, i.e., 30 days after the date of signature, in accordance with article XVIII.
 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; vol. 1008, p. 213 and vol. 1175, p. 297.

- (f) The term "capacity" in relation to an aircraft shall mean the available pay load of that aircraft available on the route or section of a route; and
- (g) The term "capacity" in relation to "agreed service" shall mean the capacity of the aircraft used on such service multiplied by the frequency operated by such aircraft over a given period and route or section of a route.
- 2. The Annex to this Agreement forms an integral part of the Agreement, and all reference to the Agreement shall include reference to the Annex except where otherwise provided.
- Article II. 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 specified in the Annex. Such services and routes are, in this Agreement, called "the agreed services" and "the specified routes" respectively.
- 2. Subject to the provisions of the present Agreement, the airline designated by each Contracting Party shall enjoy, while operating the agreed services on the specified routes, the following privileges:
- (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 the points specified for that route in the Annex hereto, for the purpose of putting down and taking up international traffic in passengers, cargo and mail.
- 3. Nothing in paragraph 2 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 other Contracting Party.
- Article III. 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 airline designated 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. (a) Each Contracting Party shall have the right to refuse to accept the designation of an airline, to revoke the operating authorization or to suspend the exercise of the rights specified in Article II 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:

- (i) 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
- (ii) In the case of failure by that airline to comply with the laws or regulations of the Contracting Party granting these rights; or
- (iii) In case the airline otherwise fails to operate in accordance with the conditions prescribed in this Agreement.
- (b) Unless immediate revocation, suspension or imposition of the conditions mentioned in paragraph 4 (a) 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 consultations shall commence as soon as possible and at the latest within a period of sixty (60) days from the date of the request made by either Contracting Party for consultations.
- (c) In the event of action by one Contracting Party under this Article, the rights of the other Contracting Party under Article XV shall not be prejudiced.
- 5. At any time after the provisions of paragraphs 1 and 2 of this Article have been complied with, the airline so designated and authorized may begin to operate the agreed services, provided that a service shall not be operated unless a tariff established in accordance with the provisions of Article V of the present Agreement is in force in respect of that service.
- Article IV. 1. 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.
- 2. In operating the agreed services, the airline of each Contracting Party shall take into account the interest 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 Parties shall bear close relationship to the requirements of the public for transportation on the specified routes and 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 the carriage of passengers, cargo and mail originating from or destined for the territory of the Contracting Party which had designated the airline. Provision for the carriage of passengers, cargo and mail both taken up and put down at points on the specified routes in the territories of States other than that designating the airline shall be made in accordance with the general principles that capacity shall be related to:
- (a) Traffic requirements between the country of origin and the country of destination;
- (b) Traffic requirements of the area through which the airline passes, after taking account of other transport services established by airlines of the States comprising the area; and

- (c) The requirements and the economics of through airline operation.
- 4. The capacity to be provided at the outset shall be agreed between both Contracting Parties before the agreed services are inaugurated; hereafter any changes in capacity to be provided shall be discussed and agreed between the aeronautical authorities of both Contracting Parties.
- Article V. 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 on any of the agreed services shall be established at reasonable levels, due regard being paid to all relevant factors, including cost of operation, reasonable profit, characteristic of service (such as standards of speed and accommodation) and the tariffs of other airlines for any part or the whole of the specified routes.
- 3. The tariffs referred to in paragraph 1 of this Article, shall, if possible, be agreed in respect of each of the specified routes and sectors thereof between the designated airlines concerned. The rate-fixing formula of the International Air Transport Association shall, where possible, be made use of in determining the tariffs referred to above. The tariffs so agreed on shall be submitted for the approval of the aeronautical authorities of both Contracting Parties. 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 this paragraph, these tariffs shall be considered as approved.
- 4. If the designated airlines concerned cannot agree on the tariffs or if the aeronautical authorities of either Contracting Party do not approve the tariffs submitted, in accordance with the provisions of paragraph 3 of this Article, the aeronautical authorities of the Contracting Parties shall endeavour to reach agreement on the appropriate tariffs.
- 5. If the agreement under the provisions of paragraph 4 of this Article cannot be reached, the dispute shall be settled in accordance with the provisions of Article XV of this Agreement.
- 6. No new tariff shall come into effect if the aeronautical authorities of either Contracting Party are dissatisfied with it except under the terms of Article XV of this Agreement. Pending determination of the tariffs in accordance with the provisions of the present Article, the tariffs already in force shall prevail.
- Article VI. Each Contracting Party shall grant to the designated airline of the other Contracting Party the right of transfer of excess of receipts over expenditure earned by that airline in the territory of the first Contracting Party in connection with the carriage of passengers, baggage, cargo and mail in accordance with the foreign exchange regulations in force (if any) at the official bank rate of exchange.

- Article VII. Each of the Contracting Parties may impose or permit to be imposed on the designated airline of the other Contracting Party just and reasonable charges for the use of public airports and other facilities under its control. Each of the Contracting Parties agrees, however, that these charges shall not be higher than would be paid for the use of such airports and other facilities by its national aircraft engaged in similar international services.
- Article VIII. 1. Fuel, lubricating oils, spare parts, regular aircraft equipment and aircraft stores (including food, beverages and tobacco) introduced into the territory of one Contracting Party, or taken on board an aircraft in that territory by or on behalf of the other Contracting Party or its designated airline and intended solely for use by or in the aircraft of that airline shall be accorded by the first Contracting Party, in respect of customs duties, inspection fees and other similar national or local duties and charges, treatment not less favourable than that granted to its national airline engaged in the operation of international air services. In any case the treatment of the designated airline of either Contracting Party shall not be less favourable than that accorded to airlines of third countries engaged in the operation of international air services to and from the territory of the other Contracting Party.
- 2. The aircraft, its fuel, lubricating oils, spare parts, regular equipment and aircraft stores retained on board aircraft of the designated airline of one Contracting Party authorized to operate the routes and services described in the Annex shall upon arriving in or leaving the territory of the other Contracting Party, be exempt from customs, inspection fees or similar duties or charges, even though such supplies be used or consumed by such aircraft on flights in that territory. The supplies so exempted may only be unloaded with the approval of the customs authorities of the other Contracting Party and may, when unloaded, if required be kept under the supervision of the customs authorities until they are re-loaded.
- Article IX. Certificates of airworthiness, certificates of competency and licences 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 described in the Annex, provided that the requirements under which such certificates or licences were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Convention on International Civil Aviation. Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flights in its own territory, certificates of competency and licences granted to its own nationals by another State.
- Article X. 1. The laws and regulations of the Contracting Party relating to the admission to or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of the airline designated by the other Contracting Party, and shall be complied with by such aircraft upon entrance into or departure from or while within the territory of the first Contracting Party.

- 2. The laws and regulations of one Contracting Party as to the admission to or departure from its territory of passengers, crew and cargo of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs, currency, health and quarantine shall be applicable to such passengers, crews and cargo arriving in or departing from the territory of that Contracting Party in the aircraft of the airline designated by the other Contracting Party.
- Article XI. The aeronautical authorities of each Contracting Party shall cause the designated airline to supply to the aeronautical authorities of the other Contracting Party at their request:
- (i) Such traffic statistics as may be appropriate for the purpose of reviewing the frequency and capacity of the agreed services; and
- (ii) Such periodic statements as may be reasonably required, relating to the traffic carried by the designated airline on services to, from or through the territories of that other Contracting Party, including information concerning the origin and destination of such traffic.
- Article XII. 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 Annex thereto.
- 2. Requests for consultation between the aeronautical authorities may be made at any time by either Contracting Party and consultation shall begin within a period of sixty (60) days from the date of receipt by one of the Contracting Parties of a request from the other Contracting Party stating the subject or subjects on which consultation is desired.
- Article XIII. Either Contracting Party may at any time request consultation with the other Contracting Party for the purpose of amending the present Agreement. Such consultation shall begin within a period of sixty (60) days from the date of receipt of such request. If the amendment relates only to the Annex, the consultation shall be between the aeronautical authorities of both Contracting Parties. When these authorities have agreed on a new or revised Annex, the agreed amendments on the matter will come into effect after they have been confirmed by an exchange of diplomatic notes.
- Article XIV. In the event of the conclusion of any general multilateral convention concerning air transport by which the two Contracting Parties become bound, the present Agreement shall be amended so as to conform with the provisions of such a convention.
- Article XV. 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 between themselves.
- 2. If the Contracting Parties fail to reach a settlement by negotiation the dispute shall be submitted for decision to a tribunal of three arbitrators, one to be named by each Contracting Party and the third to be agreed upon by

the two arbitrators so chosen. Each of the Contracting Parties shall designate an arbitrator within forty-five (45) days from the date of receipt by either Contracting Party from the other Contracting Party of a diplomatic note requesting arbitration of the dispute and the third arbitrator shall be agreed upon within a further period of forty-five (45) days. If either Contracting Party fails to designate its arbitrator or if the third arbitrator is not agreed upon, the vacancies thereby created shall be filled by persons designated by the President of the Council of the International Civil Aviation Organization on application by either Contracting Party. In all cases, the third arbitrator shall not be a national of either Contracting Party.

3. The Contracting Parties undertake to comply with any decision given under paragraph 2 of this Article, and each Contracting Party shall pay a moiety of the expenses of the Arbitral Tribunal unless the Tribunal should decide otherwise.

Article XVI. Either of the Contracting Parties 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 the event of such notice being given, the present Agreement shall terminate twelve (12) months after the date of receipt of the notice to terminate by the other Contracting Party, unless by Agreement between the Contracting Parties the notice under reference is withdrawn before the expiry of that period. If the other Contracting Party fails to acknowledge receipt, the notice shall be deemed to have been received fourteen (14) days after its receipt by the International Civil Aviation Organization.

Article XVII. The present Agreement and its Annex and any subsequent amendment thereto shall be registered with the International Civil Aviation Organization.

Article XVIII. The present Agreement shall enter into force thirty (30) days from the date of signature.

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

DONE in duplicate at Rangoon this day the 8th March 1980, in the English language.

For the Government of the Republic of Finland: ESKO REKOLA

For the Government of the Socialist Republic of the Union of Burma:

Brigadier-General SEIN LWIN

ANNEX

SCHEDULE I

The route to be operated in both directions and conditions to be observed by the designated airline of the Socialist Republic of the Union of Burma:

Point in the Socialist Republic of the Union of Burma	Intermediate points	Point in Finland	Points beyond
Rangoon	Dacca, Colombo, Kathmandu, a point in India, Karachi, Kabul, Dubai, Bahrain, Kuwait, Tehran, Baghdad, Dhahran, Damascus, Cairo, Amman, Tel Aviv, Beirut, a point in Turkey, Larnaca (Cyprus), a point in Greece, a point in USSR, Bucharest, Budapest, Prague, a point in Yugoslavia, a point in Italy, Sofia, Vienna, a point in Switzerland, a point in the Democratic Republic of Germany, a point in the Federal Republic of Germany, Paris, London, Amsterdam, Copenhagen, Oslo, Stockholm.	Helsinki	Shannon, New York or Washington, Tokyo or Osaka, Montreal or Toronto, a point in the People's Republic of China, Seoul, Pyongyang.

NOTE. The designated airline of the Socialist Republic of the Union of Burma may omit calling at any one or more points on the specified route on any or all flights or change the sequence of points at its option of the above route. It shall also have the right to terminate its services in the territory of Finland. These rights may be exercised provided the services of the designated airline of the Socialist Republic of the Union of Burma commence or terminate in the territory of Burma.

ANNEX

SCHEDULE II

The route to be operated in both directions and conditions to be observed by the designated airline of the Republic of Finland:

Point of origin	Intermediate points	Point in Burma	Points beyond
A point in Finland	A point in the Federal Republic of Germany, a point in the Democratic Republic of Germany, a point in Switzerland, Vienna, Sofia, a point in Italy, a point in	Rangoon	Bangkok, Hong Kong, Kuala Lumpur, Singa- pore, Djakarta, Manila, a point in Australia, Auck-
			Vol. 1247, I-20351

Point of origin

Intermediate points

Yugoslavia, Prague, Budapest, Bucharest, a point in USSR, a point in Greece, Larnaca (Cyprus), a point in Turkey, Beirut, Tel Aviv, Amman, Cairo, Damascus, Dhahran, Baghdad, Tehran, Kuwait, Bahrain, Dubai, Kabul, Karachi, a point in India, Kathmandu, Colombo, Dacca.

Point in Burma

Points beyond

land, a point in the People's Republic of China, Seoul, Pyongyang, a point in Japan.

NOTE. The designated airline of the Republic of Finland may omit calling at any one or more points on the specified route on any or all flights or change the sequence of points at its option on the above route. It shall also have the right to terminate its service in the territory of Burma. These rights may be exercised provided the services of the designated airline of the Republic of Finland commence or terminate in the territory of Finland.