

No. 20740

**ISRAEL
and
EGYPT**

**Air Transport Agreement (with annex). Signed at Cairo on
8 May 1980**

Authentic text: English.

Registered by Israel on 12 February 1982.

**ISRAËL
et
ÉGYPTE**

**Accord relatif aux transports aériens (avec annexe). Signé au
Caire le 8 mai 1980**

Texte authentique : anglais.

Enregistré par Israël le 12 février 1982.

AIR TRANSPORT AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE STATE OF ISRAEL AND THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT

The Government of the State of Israel and the Government of the Arab Republic of Egypt,

Being Parties to the Convention on International Civil Aviation² and to the International Air Services Transit Agreement,³ both concluded and opened for signature at Chicago on the seventh day of December 1944;

Acting in pursuance of Article 6, paragraph 4 of Annex 3 to the Treaty of Peace concluded and signed on the 26th March 1979 between the State of Israel and the Arab Republic of Egypt;⁴ and

Desiring to conclude an Agreement for the purpose of establishing regular air services between the respective territories,

Have agreed as follows:

Article I. DEFINITIONS

(1) For the purpose of the present Agreement, unless the context otherwise requires:

(a) The term "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 the Article 90 of the 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 ratified and or adopted by both Contracting Parties;

(b) The term "Aeronautical Authorities" means, in the case of the State of Israel, the Minister of Transport, and in the case of the Government of the Arab Republic of Egypt, the President of the Egyptian Civil Aviation Authority, or in both cases any person or body authorized to perform any function at present exercised by the above-mentioned authorities;

(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 4 of the present Agreement, for the operation of air services on the routes specified in the Annex;

(d) The terms "air service", "international air service", "airline" and "stop for non-traffic purposes" shall have in the application of this Agreement the meaning specified in Article 96 of the convention; and

(e) The term "Annex" means the Route Schedules annexed to the present Agreement or as amended in accordance with the provisions of Article 15 of the present Agreement.

¹ Came into force on 4 May 1981 by the exchange of the instruments of ratification, which took place at Jerusalem, in accordance with article 18.

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; vol. 1008, p. 213, and vol. 1175, p. 297.

³ *Ibid.*, vol. 84, p. 389.

⁴ *Ibid.*, vol. 1136, p. 100, and vol. 1138, p. 59.

(2) The Annex to this Agreement shall form an integral part of the Agreement, and all references to this Agreement unless otherwise expressly provided, shall apply to the Annex.

Article 2. CONFORMITY WITH INTERNATIONAL CIVIL AVIATION CONVENTION

The provisions of this Agreement shall be subject to the provisions of the Convention ratified by both Contracting Parties, insofar as those provisions are applicable to international scheduled air services.

Article 3. TRAFFIC RIGHTS

(1) Each Contracting Party grants to the other Contracting Party the rights specified in the present Agreement for the purpose of establishing international air services on the routes specified in the appropriate schedule of the Annex hereto, hereinafter 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 an agreed service on a specified route, 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 at the specified points mentioned in the appropriate schedule of the Annex to the present Agreement for the purpose of putting down and taking on international traffic in passengers, cargo and mail to and from the territory of the other Contracting Party.

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

Article 4. DESIGNATION OF AIRLINE

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

(2) On receipt of the designation, the Aeronautical Authorities of 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.

(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 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) At any time after the provisions of paragraphs (1) and (2) of this Article have been complied with, an 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 10 of the present Agreement is in force in respect of that service.

Article 5. SUSPENSION AND IMPOSITION OF CONDITIONS

(1) Each Contracting Party shall have the right to suspend the operating authorization or the exercise of rights granted under this Agreement by any 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 its nationals; or
- (b) In the case of failure by that airline to comply with the laws or the regulations in force in the territory 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 suspension or imposition of the conditions mentioned in paragraph (1) of this Article is essential to prevent further infringements of laws or regulations or the provisions of this Agreement, such right shall be exercised after consultation with the Aeronautical Authorities of the other Contracting Party. In such case, the consultation shall begin within a period of thirty (30) days from the date of request made by either Contracting Party for the consultation.

Article 6. EXEMPTION FROM CUSTOMS AND OTHER DUTIES

(1) Aircraft operating on international services by the designated airline of either Contracting Party, as well as their regular equipment, spare parts, 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) Supplies of fuels, lubricants, spare parts, regular equipment and aircraft stores introduced into the territory of one Contracting Party by the designated airline of the other Contracting Party or taken on board the aircraft operated by such designated airline and intended solely for use in the operation of international services shall be exempt from all national duties and charges, including customs duties and inspection fees imposed in the territory of the first Contracting Party, even when these supplies are to be used on the parts of the journey performed over the territory of the Contracting Party in which they are taken on board. The materials referred to above may be required to be kept under customs supervision or control within the limits and conditions established by the competent authorities of the said Contracting Party.

(3) The regular airborne equipment, spare parts, aircraft stores and supplies of fuels and lubricants 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 this Party, who may require that these materials be placed under their supervision up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.

Article 7. APPLICABILITY OF NATIONAL LAWS AND REGULATIONS

(1) The laws and regulations of one Contracting Party relating to admission to, flight within or departure from its territory of aircraft of its designated airline engaged in international air navigation, or to the operation or navigation of such aircraft while within its territory shall likewise apply to the aircraft of the designated airline of the other Contracting Party and shall be complied with by such aircraft, upon entering or departing from or while within the territory of that Contracting Party.

(2) The laws and regulations of one Contracting Party relating to admission to, stay in, or departure from its territory of passengers, crew and cargo including mail, such as regulations relating to entry, exit, emigration, immigration, passports as well as customs and sanitary measures, shall apply to passengers, crew and cargo including mail carried by the aircraft of the designated airline of the other Contracting Party upon entrance into or departure from or while within the territory of the said Contracting Party.

(3) When utilizing the airports and other facilities offered by one Contracting Party, the aircraft of the designated airline of the other Contracting Party shall not have to pay fees higher than those which have to be paid by national aircraft on scheduled international services.

Article 8. CERTIFICATES

(1) Certificates of air-worthiness, certificates of competency and licences issued or rendered valid by one of the Contracting Parties in which the aircraft is registered shall, during the period of their validity be recognized as valid by the other Contracting Party, 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 from time to time pursuant to the Convention.

(2) Each Contracting Party reserves its rights, however, not to recognize as valid, for the purpose of flights above its own territory, certificates of competency and licences granted to its own nationals or rendered valid for them by the other Contracting Party or by any other State.

Article 9. CAPACITY PROVISIONS

(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 designated airline of each Contracting Party shall take into account the interests of the designated airline of the other Contracting Party so as not to affect unduly the services which the latter provides on 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.

(4) The total capacity shall be divided as far as possible equally between the designated airlines unless otherwise agreed upon.

(5) The capacity offered and the frequency of the services on the specified routes shall be discussed, agreed upon and reviewed from time to time between the Aeronautical Authorities of the two Contracting Parties.

Article 10. TARIFFS

(1) For the purpose of the following paragraphs, the term "tariff" means the prices to be paid for the carriage of passengers, baggage and cargo and the conditions under which these prices apply, including prices and conditions for agency and other auxiliary services but excluding remuneration and conditions for the carriage of mail which shall be governed by any regulations agreed within the appropriate inter-governmental agencies.

(2) The tariffs to be applied 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 operating on the same routes.

(3) The tariffs referred to in paragraph (2) of this Article shall be agreed upon between the designated airlines of the Contracting Parties, in consultation with other airlines operating over the same route, using, where possible, the traffic conference procedure of the International Air Transport Association.

(4) 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, a shorter period may be accepted by the Aeronautical Authorities.

(5) If a tariff cannot be established in accordance with the provisions of paragraph (3) of this Article, or if during the first fifteen days of the thirty days' period referred to in paragraph (4) of this Article one Contracting Party gives the other Contracting Party notice of its dissatisfaction with any tariff submitted in accordance herewith, the Aeronautical Authorities of the Contracting Parties shall try to determine the tariff by agreement between themselves.

(6) If the Aeronautical Authorities cannot agree upon such tariffs the dispute shall be settled in accordance with the provisions of Article (14) of this Agreement.

(7) No tariff shall come into force, unless it has been approved or accepted by the Aeronautical Authorities of both Contracting Parties.

(8) 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 months after the date on which it would otherwise have expired.

Article 11. TRANSFER OF EARNINGS

Excess of receipts over expenditures earned by the designated airline of each Contracting Party in the territory of the other Contracting Party is transferable in freely convertible currency, at the applicable bankers' rate or the official rate of exchange wherever applied in each of the Contracting Parties in accordance with the respective applicable national laws and regulations.

Article 12. EXCHANGE OF STATISTICS

The Aeronautical Authorities of either 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 airline of the first Contracting Party. Such statements shall include all information required to determine the amount of traffic carried by the airline on the agreed services.

Article 13. CONSULTATIONS

(1) In a spirit of close cooperation 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 hereto.

(2) Either Contracting Party may request consultations which may be oral or in writing. Such consultations shall begin within a period of (60) sixty days from the date of the request unless both Contracting Parties agree to an extension of this period.

Article 14. 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.

(3) 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 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 may be requested by either Contracting Party to appoint arbitrator or arbitrators as the case requires. In such a case, the third arbitrator shall be a national of a third State and shall act as President of the arbitral tribunal.

(4) The arbitral tribunal shall determine its own procedure and decide on the apportionment of the costs of the arbitration.

(5) The Contracting Parties shall comply with any decision given under paragraphs (2), (3) and (4) of this Article.

Article 15. AMENDMENTS

(1) If either of the Contracting Parties considers it desirable to modify any provision of the present Agreement, it may request consultations with the other Contracting Party. Such consultations shall begin within a period of sixty days from the date of request. Modifications so agreed upon shall come into force thirty (30) days from the date they have been confirmed by an exchange of diplomatic notes that the constitutional requirements have been complied with.

(2) Modifications to the Annex of this Agreement may be made by direct agreement between the competent Aeronautical Authorities of the Contracting Par-

ties and shall come into force upon exchange of notifications through diplomatic channels.

Article 16. REGISTRATION

The present Agreement and any subsequent amendments thereto shall be registered with the International Civil Aviation Organization.

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 this Agreement shall terminate twelve (12) months after the date when the notice has been received 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. ENTRY INTO FORCE

This Agreement shall enter into force upon exchange of instruments of ratification through diplomatic channels.

DONE at Cairo on the eighth day of May 1980 in the English language.

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

For the Government
of the State of Israel:

[Signed — Signé]¹

For the Government
of the Arab Republic of Egypt:

[Signed — Signé]²

ANNEX

SCHEDULE OF ROUTES

Section I

The airline designated by the Government of Israel shall be entitled to operate air services on the following route:

Ben Gurion International Airport to Cairo International Airport and V.V.

Section II

The airline designated by the Government of the Arab Republic of Egypt shall be entitled to operate air services on the following route:

Cairo International Airport to Ben Gurion International Airport and V.V.

¹ Signed by Eliahu Ben Elissar — Signé par Eliahu Ben Elissar.

² Signed by E. Y. El Shinawi — Signé par E. Y. El Shinawi.