## No. 23697

# UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND and REPUBLIC OF KOREA

Agreement for air services between and beyond their respective territories (with annex). Signed at Seoul on 5 March 1984

Authentic texts: English and Korean.

Registered by the United Kingdom of Great Britain and Northern Ireland on 2 January 1986.

# ROYAUME-UNI DE GRANDE-BRETAGNE ET D'IRLANDE DU NORD et RÉPUBLIQUE DE CORÉE

Accord relatif aux services aériens entre leurs territoires respectifs et au-delà (avec annexe). Signé à Séoul le 5 mars 1984

Textes authentiques : anglais et coréen.

Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 2 janvier 1986.

AGREEMENT' BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE REPUBLIC OF KOREA FOR AIR SERVICES BETWEEN AND BEYOND THEIR RESPEC-TIVE TERRITORIES

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Korea;

Being parties to the Convention on International Civil Aviation opened for signature at Chicago on 7 December, 1944;<sup>2</sup>

Desiring to conclude an Agreement supplementary to the said Convention for the purpose of establishing and operating air services between and beyond their respective 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 7 December, 1944, and includes any Annex adopted under Article 90 of that Convention and any amendment of the Annexes or of the Convention adopted under Articles 90 and 94 thereof, in so far as those Annexes and amendments have become effective for, or have been ratified by, both Contracting Parties;
- (b) The term "aeronautical authorities" means, in the case of the United Kingdom, the Secretary of State for Trade and any person or body authorised to perform any functions at present exercisable by him or similar functions; and in the case of the Republic of Korea, the Minister of Transportation and any person or body authorised to perform any functions at present exercisable by him or similar functions:
- (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:
  - (f) The term "tariff" means:
  - (i) The fare charged by an airline for the carriage of passengers and their baggage on scheduled international air services, and any conditions on which such fare depends;

<sup>&</sup>lt;sup>1</sup> Came into force on 5 March 1984 by signature, in accordance with article 16 (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; vol. 1008, p. 213 and vol. 1175, p. 297.

- (ii) The freight rate charged by an airline for the carriage of cargo (excluding mail) on scheduled international air services, and any conditions on which such freight rate depends; and
- (iii) The rate of commission paid by an airline to an agent in respect of tickets sold or air way bills completed by that agent for carriage on scheduled international air services, and any conditions on which such rate of commission depends.

Where fares, freight rates or rates of commission differ according to the season, day of the week or time of the day on which a flight is operated, the direction of travel or according to some other factor, each different fare, freight rate or rate of commission shall be regarded as a separate tariff whether or not it has been filed separately with its related conditions with the relevant aeronautical authorities;

(g) The term "this Agreement" includes the Annex hereto and any amendments.

### Article 2. APPLICABILITY OF CHICAGO CONVENTION

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

## 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 Part of the Route Schedule annexed to 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 Route Schedule annexed to this Agreement 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 designated 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 the 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 not more than two airlines for the purpose of operating the agreed services on the specified routes.

- (2) On receipt of such designations the other Contracting Party shall, subject to the provisions of paragraphs (3) and (4) of this Article, without delay grant to the airline or airlines designated 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 begin at any time to 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 the service which is to be operated.

## 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 those 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 those 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, spare parts, 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.

- (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 based on the cost of the services provided:
- (a) Aircraft stores, introduced into or supplied in the territory of a Contracting Party, and taken on board, within reasonable limits, for use on outbound aircraft engaged in an international air service of a designated airline of the other Contracting Party;
- (b) Spare parts including engines introduced into the territory of a Contracting Party for the maintenance or repair of aircraft used in an international air service of a designated airline of the other Contracting Party; and
- (c) Fuel, lubricants and consumable technical supplies introduced into or supplied in the territory of a Contracting Party for use in an aircraft engaged in an international air service of a designated airline of the other Contracting Party, 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.
- (3) Equipment and supplies referred to in paragraphs (1) and (2) of this Article may be required to be kept under the supervision or control of the appropriate authorities.
- (4) The regular airborne equipment, as well as the materials and supplies 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 that territory. In such case, they may be placed under the supervision of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.

## 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 specified routes between their respective territories.
- (2) In operating the agreed services the 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 agreed services 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 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 and cargo including mail originating from or destined for the territory of the Contracting Party which has designated the airline. Provision for the carriage of passengers and cargo including mail both taken on board and discharged 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 to and from the territory of the Contracting Party which has designated the airline;

- (b) Traffic requirements of the area through which the agreed service passes, after taking account of other transport services established by airlines of the States comprising the area; and
- (c) The requirements of through airline operation.

#### Article 8. TARIFFS

- (1) The tariffs to be charged by the airlines 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 by the designated airlines concerned of both Contracting Parties, after consultation with the other airlines operating over the whole or part of the route.
- (3) The tariffs so agreed shall be submitted for approval of the aeronautical authorities of both 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) of this Article, 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 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 a tariff agreed in accordance with the provisions of paragraph (2) of this Article, the aeronautical authorities of the two 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 13 of this Agreement.
- (7) Subject to paragraph (8) of this Article, a tariff established in accordance with the provisions of this Article shall remain in force until a new tariff has been established.
  - (8) A tariff shall not be prolonged by virtue of paragraph (7) of this Article:
- (a) Where a tariff has a terminal date, for more than 12 months after that date;
- (b) Where a tariff has no terminal date, for more than 12 months after the date on which the designated airline or airlines of one Contracting Party, or both, propose in writing a new tariff to the aeronautical authorities of the Contracting Parties.

## 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 each designated airline of the other Contracting Party the right to remit to its head office the excess over expenditure of receipts earned in the territory of the first Contracting Party. The procedure for such remittances, however, shall be in accordance with the foreign exchange laws and regulations of the Contracting Party in the territory of which the revenue accrued.

#### Article 11. AIRLINE REPRESENTATION

The designated airline or airlines of one Contracting Party shall be entitled, in accordance with the laws and regulations relating to entry, residence and employment of the other Contracting Party, to bring in and maintain in the territory of the other Contracting Party those of their own managerial, technical, operational and other specialist staff who are required for the provision of air services.

#### Article 12. Consultation

- (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 shall consult when necessary to provide for modifications thereof.
- (2) Either Contracting Party may request consultation, which shall begin within a period of sixty (60) days of the date of receipt of a written request, unless both Contracting Parties agree to an extension of this period.

#### Article 13. 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 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 Organisation may at the request of either Contracting Party appoint an arbitrator or arbitrators as the case requires. The third arbitrator shall be a national of a third State and 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 14. AMENDMENT

If either of the Contracting Parties considers it desirable to modify any provision of this Agreement, such modification, if agreed between the Contracting Parties, shall come into effect when confirmed by an Exchange of Notes.

## Article 15. 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 Organisation. 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 Organisation.

## Article 16. ENTRY INTO FORCE

- (1) This Agreement shall enter into force on the date of signature.
- (2) The present Agreement and any Exchange of Notes in accordance with Article 14 shall be registered with the International Civil Aviation Organisation.

In witness whereof, the undersigned, being duly authorised thereto by their respective Governments, have signed this Agreement.

Done, in duplicate, at Seoul on this fifth day of March, 1984 in the English and Korean languages, both texts being equally authoritative.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

For the Government of the Republic of Korea:

[Signed]
PAUL CHANNON

[Signed]
LEE WON KYUNG

#### ANNEX

#### ROUTE SCHEDULE

#### British Route

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

- Route 1: Points in the United Kingdom-intermediate points-Seoul-points beyond.
- Route 2: Hong Kong-a point in Taiwan-Seoul.
- Notes. (1) The routes may be operated in either direction.
- (2) The designated airline or airlines of the United Kingdom may on any or all flights omit calling at any of the above-mentioned points provided that the agreed services on those routes begin at a point in the territory of the United Kingdom.
- (3) On Route 1 no traffic may be picked up at intermediate point and set down at Seoul, or picked up at Seoul to be set down at a point beyond, and vice versa, except as may from time to time be agreed between the aeronautical authorities of the Contracting Parties. These restrictions also apply to all forms of stop-over traffic.

#### Korean Route

Routes to be operated by the designated airline or airlines of the Republic of Korea.

- Route 1: Points in the Republic of Korea-intermediate points-London-points beyond.
- Route 2: Seoul-a point in Taiwan-Hong Kong.
- Notes. (1) The routes may be operated in either direction.
- (2) The designated airline or airlines of the Republic of Korea may on any or all flights omit calling at any of the above-mentioned points provided that the agreed services on these routes begin at a point in the territory of the Republic of Korea.
- (3) On Route 1 no traffic may be picked up at an intermediate point and set down at London, or picked up at London to be set down at a point beyond, and vice versa, nor may any traffic be picked up or set down at Hong Kong, except as may from time to time be agreed between the aeronautical authorities of the Contracting Parties. These restrictions also apply to all forms of stop-over traffic.