

No. 25244

**NETHERLANDS
and
SAUDI ARABIA**

**Air Transport Agreement (with annex). Signed at Riyadh on
13 February 1985**

Authentic texts: Dutch, Arabic and English.

Registered by the Netherlands on 31 August 1987.

**PAYS-BAS
et
ARABIE SAOUDITE**

**Accord sur le transport aérien (avec annexe). Signé à Riyad
le 13 février 1985**

Textes authentiques : néerlandais, arabe et anglais.

Enregistré par les Pays-Bas le 31 août 1987.

AIR TRANSPORT AGREEMENT¹ BETWEEN THE KINGDOM OF THE NETHERLANDS AND THE KINGDOM OF SAUDI ARABIA

PREAMBLE

The Government of the Kingdom of the Netherlands and the Government of the Kingdom of Saudi Arabia, hereinafter referred to as the "Contracting Parties";

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

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 1. DEFINITIONS

For the purposes of the present Agreement:

A. The term "Aeronautical Authorities" means, in the case of the Kingdom of the Netherlands, the Department of Civil Aviation, and in the case of the Kingdom of Saudi Arabia, the Presidency of Civil Aviation, or, in both cases, any other authority or body empowered to perform the functions now exercised by the said Authorities.

B. The term "agreed services" means scheduled air services for the transport of passengers, baggage, cargo and mail on the routes specified in the Annex to this Agreement.

C. The term "designated airline" means an airline designated in accordance with Article 3 of this Agreement.

D. The term "air service" means any scheduled air service performed by aircraft for the public transport of passengers, baggage, mail or cargo.

E. The term "tariff" means the prices to be paid for the carriage of passengers, baggage and cargo, 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.

F. The term "the Convention" means the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944.

Article 2. GRANT OF RIGHTS

A. Each Contracting Party grants to the other Contracting Party the following rights for the designated airline of that other Contracting Party:

- (1) To fly without landing across the territory of the other Contracting Party;
- (2) To make stops in the said territory for non-traffic purposes; and

¹ Came into force on 24 June 1985, the date on which the Contracting Parties informed each other (on 22 May and 24 June 1985) of the completion of their required constitutional formalities, in accordance with article 18 (A).

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) To make stops in the said territory for the purpose of taking and putting down international traffic in passengers, cargo and mail, separately or in combination, while operating a service on a route agreed upon and specified in the Annex drawn up in application of this Agreement.

B. Nothing in paragraph A 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 or mail carried for remuneration or hire and destined for another point in the territory of that other Contracting Party.

Article 3. DESIGNATION AND AUTHORIZATION

A. 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.

B. On receipt of such designation, the other Contracting Party shall, subject to the provisions of paragraphs C and D of this Article, without delay grant to the airline designated the appropriate operating authorizations.

C. 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 fulfill 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.

D. Each Contracting Party shall have the right to refuse to grant the operating authorizations referred to in paragraph B 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.

E. Subject to the provisions of paragraph C of this Article, when an airline has been so designated and authorized, it may begin at any time to operate the agreed services for which it has been designated, provided that a tariff established in accordance with the provisions of Article 10 of this Agreement is in force in respect of those services.

F. The designated airline shall submit to the Aeronautical Authorities of the other Contracting Party at least 45 days prior to the commencement of the operation of an agreed service the frequency, schedule and type of aircraft. The same applies to subsequent modifications.

Article 4. REVOCATION OF AUTHORIZATION

A. 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 an airline designated by the other Contracting Party, or to impose such conditions as it may deem necessary on the exercise of these rights:

- (1) 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
- (2) In the case of failure by that airline to comply with the laws or regulations of the Contracting Party granting these rights, or

(3) In case the airline otherwise fails to operate in accordance with the provisions of this Agreement and its Annex.

B. The right to revoke, suspend or impose conditions shall be exercised after consultation with the other Contracting Party unless immediate revocation, suspension or imposition of conditions is essential to prevent further infringements of laws and regulations or further failure to operate in accordance with the provisions of this Agreement and its Annex.

Article 5. FAIR COMPETITION

A. There shall be fair and equitable opportunity for the designated airline of both Contracting Parties to operate the agreed services on the specified routes between their respective territories.

B. 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 whole or part of the same routes.

C. The air services provided by the designated airline of the Contracting Party shall bear a close relationship to the requirement 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 the current and reasonably anticipated requirements for the carriage of passengers, cargo and mail between the territory of the Party which has designated the airline and the countries of ultimate destination of the traffic.

D. Provision for the carriage of passengers, cargo and mail both taken up 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:

- (1) Traffic requirements to and from the territory of the Contracting Party which has designated the airline;
- (2) 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
- (3) The requirements of through airline operation.

Article 6. APPLICATION OF LAWS

A. The laws, regulations and procedures of one 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 shall be complied with by a designated airline of the other Contracting Party upon entrance into, departure from and while within the said territory.

B. The laws and regulations of a Contracting Party respecting entry, clearance, immigration, passports, customs and quarantine shall be complied with by or on behalf of crews, passengers, cargo and mail upon entrance into, departure from and while within the territory of such a Contracting Party.

C. Passengers, baggage and cargo in direct transit across the territory of either Contracting Party and not leaving the area of the airport reserved for such purpose shall, except in respect of security measures against violence and air piracy, be sub-

ject to no more than a simplified control. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes.

Article 7. CERTIFICATION AND LICENSES

A. Certificates of airworthiness, certificates of competency and licenses 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 air services on the specified routes provided that such certificates or licenses were issued or rendered valid pursuant to and in conformity with the standards established under the Convention. Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flights above its own territory, certificates of competency and licenses granted to any of its nationals by the other Contracting Party.

B. If the privileges or conditions of the license or certificates referred to in paragraph A above, issued by the Aeronautical Authorities of one Contracting Party to any person or aircraft, should permit a difference from the standards established under the Convention, and which difference has been filed with the International Civil Aviation Organization, the Aeronautical Authorities of the other Contracting Party may request consultations with the Aeronautical Authorities of that Contracting Party with a view to satisfying themselves that the practice in question is acceptable to them. Failure to reach a satisfactory agreement in these matters regarding flight safety will constitute grounds for the application of Article 4 of this Agreement.

Article 8. USER CHARGE AND PREFERENCE

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

B. Neither of the Contracting Parties shall give a preference to any other airline over a designated airline of the other Contracting Party in the application of its customs, immigration, quarantine and similar regulations or in the use of airports, airways and air traffic services and associated facilities under its control.

Article 9. CUSTOMS DUTIES AND TAXES

A. 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 reexported.

B. Supplies of fuel, lubricants, spare parts, regular equipment and aircraft stores introduced into the territory of one Contracting Party by or on behalf of a 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 exempted from all 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 ter-

ritory 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.

C. The regular airborne equipment, spare parts, aircraft stores and supplies of fuel 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 that Party, who may require that those materials be placed under their supervision up to such time as they are reexported or otherwise disposed of in accordance with customs regulations.

Article 10. TARIFFS AND RATES

A. The tariffs to be charged by the designated airlines of one Contracting Party for transport 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, characteristics of service, and the tariffs of other airlines.

B. The tariffs referred to in paragraph A of this Article shall, if possible, be agreed between the designated airlines concerned of both Contracting Parties, in consultation with other airlines operating over all or part of the route, and such agreement shall, where possible, be reached through the procedures of the International Air Transport Association for establishing tariffs.

C. The tariffs so agreed shall be submitted for the approval of the Aeronautical Authorities of the Contracting Parties at least sixty (60) days before the proposed date of their introduction; in special cases, this time limit may be reduced, subject to the agreement of the said authorities.

D. If the designated airlines cannot agree on any of these tariffs, or if for some other reason a tariff cannot be fixed in accordance with the provisions of paragraph B of this Article, or if during the first thirty (30) days of the sixty (60) days period referred to in paragraph C of this Article, one Contracting Party gives the other Contracting Party notice of its dissatisfaction with any tariff agreed in accordance with the provisions of paragraph B of this Article, the Aeronautical Authorities of the Contracting Parties shall try to determine the tariff by agreement between themselves.

E. If the Aeronautical Authorities cannot agree on the approval of any tariff submitted to them under paragraph C of this Article and on the determination of any tariff under paragraph D, the dispute shall be settled in accordance with the provisions of Article 14 of this Agreement.

F. No tariff shall come into force if the Aeronautical Authorities of either Contracting Party have not approved it in accordance with their national regulations.

G. The tariffs established in accordance with the provisions of this Article shall remain in force until new tariffs have been established in accordance with the provisions of this Article.

Article 11. CURRENCY CONVERSION AND TRANSFER

Each Contracting Party grants to the airline of the other Contracting Party the right of free transfer in convertible currency of the excess of receipts over expenditure, obtained by each in the normal course of its business.

Such transfers shall be granted regularly and currently and shall be based on prevailing foreign exchange market rates applicable to current payments.

No charges, other than normal bank charges, shall be applicable to such transfers.

Article 12. SPIRIT OF COOPERATION

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 thereto.

Article 13. SETTLEMENT OF DISPUTES

A. 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 endeavor to settle it by direct negotiation.

B. If the Contracting Parties fail to reach a settlement by direct 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, who shall act as President of the tribunal, 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 by such a tribunal; 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 at the request of either Contracting Party 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 tribunal.

C. The Contracting Parties shall comply with any decision given under paragraph B of this Article.

D. The expenses of the arbitral tribunal shall be shared equally by the Contracting Parties.

Article 14. CONSULTATION

A. If either of the Contracting Parties considers it desirable to modify any provision of this Agreement or the Annex thereto, it may request consultation with the other Contracting Party; such consultation, which may be between the Aeronautical Authorities and which may be through discussion or by correspondence, shall begin within a period of sixty (60) days from the date of the request.

B. Any modifications of this Agreement decided upon during the consultation referred to in paragraph A above shall be agreed upon by an exchange of diplomatic notes between the Contracting Parties and shall take effect on the date on which both Contracting Parties have informed each other in writing that the formalities constitutionally required in their respective countries have been complied with.

C. Any modifications of the Annex to this Agreement decided upon during the consultation referred to in paragraph A above, shall be agreed upon in writing between the Aeronautical Authorities and shall take immediate effect.

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 Organization, and shall become effective twelve (12) months after the date of receipt of the notice by the other Contracting Party, unless such notice is withdrawn by mutual agreement before the expiration 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 16. MULTILATERAL AGREEMENT

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

Article 17. REGISTRATION WITH ICAO

This Agreement, its Annex, and all Amendments thereto shall be registered with the International Civil Aviation Organization.

Article 18. ENTRY INTO FORCE

A. The present Agreement will be applied from the date of its signature and shall come into force on the day on which the Contracting Parties have informed each other in writing that the formalities constitutionally required in their respective countries have been complied with.

B. As regards the Kingdom of the Netherlands, the present Agreement shall apply to the Kingdom in Europe only.

IN WITNESS WHEREOF, the undersigned plenipotentiaries, being duly authorized thereto by their respective Governments, have signed this Agreement in the Arabic, Dutch and English languages, each text being equally authentic. In case of different interpretation, the English text shall prevail.

DONE at Riyadh, Saudi Arabia, on this 23rd day of Jamadi I 1405H (13th day of February 1985), in two originals in each language.

For the Kingdom
of the Netherlands:

[Signed]

JAN F. E. BREMAN
Ambassador
of the Kingdom of the Netherlands

For the Kingdom
of Saudi Arabia:

[Signed]

FAHD BIN ABDULLAH BIN MOHAMMED
Assistant Minister of Defence
and Aviation for Aviation Affairs

ANNEX

ROUTE SCHEDULE

A. Routes to be operated in both directions by the airline designated by the Government of the Kingdom of Saudi Arabia: Points in Saudi Arabia—intermediate points—Amsterdam—points beyond.

The designated airline of the Kingdom of Saudi Arabia may, on any or all flights omit calling at any of the above points, provided that the agreed services on this route begin at points in Saudi Arabia.

B. Routes to be operated in both directions by the airline designated by the Government of the Kingdom of the Netherlands: Points in the Netherlands—intermediate points—Dhahran or Jeddah—points beyond.

The designated airline of the Kingdom of the Netherlands may, on any or all flights omit calling at any of the above points, provided that the agreed services on this route begin at points in the Netherlands.

C. Intermediate points and points beyond in third countries may be served by the designated airlines at their option, provided that no traffic rights are exercised between such point and the point in the territory of the other Contracting Party, unless otherwise agreed.
