

Agreement on Air Services

February 23, 1966

AGREEMENT BETWEEN THE GOVERNMENT OF INDIA AND THE GOVERNMENT OF THE HUNGARIAN PEOPLE'S REPUBLIC RELATING TO AIR SERVICES

New Delhi

The Government of India and the Government of the Hungarian People's Republic;
CONSIDERING that the possibilities of commercial aviation as a means of transport and of promoting friendly understanding and goodwill among peoples are increasing from day to day;
CONSIDERING that it is desirable to organize on the basis of equality and reciprocity air services between and beyond the two countries and to strengthen thus their relations in the field of civil aviation;
DESIRING to conclude an Agreement for the above purposes;
HAVE agreed as follows :

Article I

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

I. the term "aeronautical authorities" shall mean, in the case of India, the Director General of Civil Aviation and in the case of the Hungarian People's Republic, the Minister of Posts and Communications, or any person or body authorised to perform the functions presently exercised by the said Director General or by the said Minister;

II. The word "territory" in relation to a State shall mean the land areas and territorial waters adjacent thereto including the air space above them under the sovereignty of a State;

III. the term "air service" shall mean any scheduled air service performed by aircraft for the transport of passengers, mail or cargo;

IV. the term "landing for non traffic purposes" shall mean a stop for any purpose other than taking on or discharging passengers, cargo or mail;

V. the term "agreed services" shall mean the air services which may be operated by virtue of this Agreement;

VI. the term "specified routes" shall mean the routes as set forth in the Annex hereto on which the agreed services may be operated;

VII. the term "designated airline" shall mean an airline which the aeronautical authorities of one Contracting Party have designated in writing to the aeronautical authorities of the other Contracting Party, in accordance with Article III of the present Agreement.

2. The Annex to the present Agreement shall be deemed to be part of the Agreement and all references to the Agreement shall include reference to the Annex, except where otherwise expressly provided.

Article II

1. Each Contracting Party grants to the other Party the rights specified in the present Agreement for the purpose of establishing air services on the route specified in the Annex thereto.

2. Subject to the provisions of the present Agreement, the airline designated by each Contracting Party shall in respect of scheduled air services enjoy the following rights :

I.to fly without landing across the territory of the other Contracting Party,

II.to make stops in the territory of the other Contracting Party for non-traffic purposes, and

III.while operating an agreed service on a specified route, to make stops in the territory of the other Contracting Party at the point specified for that route in the Annex to the present Agreement, for the purpose of putting down or taking on international traffic in passengers, cargo and mail originating in or destined for the territory of the first Contracting Party or of a third country.

3. Nothing in paragraph 2 of this Article shall be deemed to confer on the airline of one Contracting Party the privilege of taking on, in the territory of the other Contracting Party, passengers, cargo or mail 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.

2. On receipt of such designation, the other Contracting Party shall, subject to the provisions of paragraphs (3) and (4) hereunder, without undue delay grant to the designated airline the appropriate operating authorisation.

3. The aeronautical authorities of one Contracting Party, before granting operating authorisation to the airline designated by the other Contracting Party, may require the airline to satisfy them that

I.it fulfils the conditions prescribed under the laws and regulations normally applied to the operation of air services by such authorities;

II.its substantial ownership and effective control are vested in the other Contracting Party or its nationals.

4. Each Contracting Party shall have the right to withhold an operating authorisation when it is not satisfied that the airline designated by the other Contracting Party will qualify according to paragraph (3) hereabove.

5. The agreed services may be inaugurated immediately or at a later date at the option of the airline so designated and authorised, provided that the provisions of this Agreement have been complied with.

Article IV

1. Each Contracting Party reserves the right to revoke an operating authorisation or to suspend the exercise of the rights specified in Article II of this Agreement by the 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 the 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 under this Agreement.

2. The rights as set forth in paragraph (1) hereabove shall not be exercised before the intention to do so is notified to the other Contracting Party and consultation between the aeronautical authorities of both Contracting Parties has not led to agreement within a period of forty five (45) days from the date of the said notification, provided that this rights set forth in paragraph (1) hereabove may be exercised prior to such consultation if an immediate suspension of operations or imposition of conditions is necessary to avoid further infringements of laws, regulations or provisions of the present Agreement.

Article V

1. The laws regulations and instructions 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 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 entering or departing from and while within the territory of the first Contracting Party.

2. The laws, regulations and instructions of one Contracting Party relating to the admission to or departure from its territory of passengers, crew, mail or cargo aircraft, such as regulations relating to entry, clearance, immigration, passports, customs and quarantine, shall be complied with by or on behalf of such passengers, crew, mail or cargo of the aircraft of the airline designated by the other Contracting Party upon entrance into or departure from, and while within the territory of the first Contracting Party.

Article VI

1. The fares and rates to be charged by the designated airline of one Contracting Party for carriage on scheduled services 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, the characteristics of each service (such as speed and accommodation).

2. The fares and rates referred to in paragraph (1) hereabove shall be agreed by the designated airlines of both Contracting Parties.

3. If the designated airlines cannot agree on any of these fares or rates, the aeronautical authorities of both Contracting Parties shall try to settle the dispute according to the provisions of Article XVII of this Agreement.

4. When fares and rates have been established in accordance with the provisions hereof, these tariffs shall remain in force until new fares and rates will have been established according to this Article.

Article VII

1. The capacity to be provided, the frequency of services to be operated and the nature of air service, that is transiting through or terminating in the territory or other Contracting Party shall be agreed between designated airlines in the accordance with the principles laid down in the Article XV

and the provisions of this Article. Such Agreement shall be subject to the approval of the aeronautical authorities of the two Contracting Parties.

2. Any increase in the capacity to be provided or frequency of services to be operated by the designated airlines of either Contracting Party shall be agreed; in the first instance, between the designated airlines and shall be subject to the approval of the aeronautical authorities on the basis of the estimated requirements of traffic between the territories of the two Parties and any other traffic to be jointly agreed and determined. Pending such agreement or settlement, the capacity and frequency entitlements already in force shall prevail.

3. The commencement and operation of the specified air services by the designated airlines of the Contracting Parties shall be in accordance with the commercial agreement between the designated airlines which shall be subject to the approval of the respective aeronautical authorities.

4. If the designated airlines of the Contracting Parties fail to agree on any matter on which their agreement is required under the provisions of this Article, the aeronautical authorities of the Contracting Parties shall endeavour to reach agreement thereon.

5. The capacity to be provided, the frequency of services to be operated and the nature of air service, that is, transiting through or terminating in the territory of the other Contracting Party as agreed to in accordance with the provisions of this Article shall be specified in an exchange of letters between the aeronautical authorities of the Contracting Parties.

6. Each Contracting Party shall cause its designated airlines to communicate to the aeronautical authorities of the other Contracting Party, as long in advance as practicable, prior to the inauguration of the agreed services, the type of service, the type of aircraft to be used, the flight schedules, tariff schedules, and all other relevant information concerning the operation of the agreed services including such information as may be required to satisfy the aeronautical authorities that the requirements of the present Agreement are being duly observed. The requirements of this paragraph shall likewise apply to any changes concerning the agreed services.

Article VIII

1. Every aircraft used by the designated airline and engaged on the agreed services shall bear its appropriate nationality and registration marks, and shall carry the following documents :

I.its certificate of registration;

II.its certificate of airworthiness;

III.the appropriate licenses or certificates for each member of the crew;

IV.its journey log book or any other document which replaces it; (e) the aircraft radio station license; .

V.the passenger list if required by national regulations;

VI.if it carries cargo, a manifest and detailed declaration of the cargo;

VII.if it carries special categories of cargo, the necessary permits for this purpose.

2. Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one Contracting Party shall be recognised as valid by the other Contracting Party but each Contracting Party reserves the right to refuse to recognise, for the purpose of flights above its own

territory, licenses granted by the other Contracting Party to any persons regarded as its nationals under its own national legislation.

Article IX

1. Each Contracting Party shall provide to the designated airline of the other Contracting Party the use of all installations available for the safety and regularity of the agreed services. In the operation of the agreed services, the standards, recommended practices, procedures and codes internationally adopted for aircraft and for international air navigation shall be applied or followed as far as may be practicable.

2. Fees and charges levied by the authorities or other organisations of one Contracting Party from the designated airline of the other Contracting Party for the use of airports, as well as air navigation aids and facilities shall be assessed according to tariffs established and published by the competent authorities of the first Contracting Party.

Article X

The designated airline of one Contracting Party shall have the right to establish and maintain representations in the territory of the other Contracting Party. Such representations may be manned by appropriate managerial and technical staff; however, the members of this staff shall be nationals of one or the other Contracting Party.

Article XI

1. Each Contracting Party grants to the 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. Such remittances, however, shall be made in accordance with the foreign exchange regulations of the Contracting Party in the territory of which the revenue accrued.

2. In case special arrangements ruling the settlement of payments are in force between the two Contracting Parties, the provisions of such arrangements shall be applied to the transfer of funds under paragraph (1) hereabove.

Article XII

1. Aircraft operated in international traffic by the designated airline of either Contracting Party shall be exempt from all customs duties, inspection fees and other similar duties or taxes on arrival to, while within, and on departure from, the territory of the other Contracting Party.

2. Fuels, lubricants, spare parts, airborne equipment and aircraft stores (including foods, beverages, tobacco and small supplies of fancy goods for sale to passengers on board the aircraft) shall be exempt from the duties, fees and taxes referred to in paragraph (1) hereabove on arriving in while within, and when re-exported from, the territory of one Contracting Party, provided such equipment, supplies and goods are to be used by or on board the aircraft of the airline designated by the other Contracting Party.

3. Equipment, goods and materials granted exemption under this Article may be required to be kept under customs supervision or control while within the territory of the Contracting Party granting the exemption.

Article XIII

To the extent to which they are applicable to the air services established under the present Agreement and in so far as they are not inconsistent with the laws and regulations of either

Contracting Party, the provisions of the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944 and any Annex thereto shall be observed in their present form by the Contracting Parties.

Article XIV

1. In the event of a forced landing or other accident affecting an aircraft of the airline designated by one Contracting Party on the territory of the other Contracting Party, the aeronautical authorities of the Contracting Party on whose territory the event has occurred shall without delay inform the aeronautical authorities of the other Contracting Party of the particulars and circumstances of the occurrence and give any assistance that may be necessary to the crew and passengers.

2. If a forced landing or other accident results in the death of, or serious injury to, any person, or substantial damage to an aircraft, the aeronautical authorities of the Contracting Party on whose territory the event has occurred shall in addition :

I.ensure the protection of evidence and the safe custody of the aircraft and its contents, including mail, luggage and cargo;

II.grant immediate access to the aircraft to accredited representatives of the aeronautical authorities of the other Contracting Party and to the accredited representatives of the airline whose aircraft is involved;

III.conduct an inquiry into the circumstances of the occurrence;

IV.grant the aeronautical authorities and airline of the other Contracting Party full facilities to be represented at the inquiry;

V.if so requested by the aeronautical authorities of the other Contracting Party, leave the aircraft and its contents undisturbed (so far as is reasonably practicable) pending their inspection by a representative of those authorities;

VI.release the aircraft and its contents as soon as these are no longer necessary for the inquiry;

VII.send to the aeronautical authorities of the other Contracting Party the report of the inquiry as soon as it is available.

Article XV

1. The designated airline of each Contracting Party shall, in all respects, enjoy fair and equal opportunity for the carriage of international traffic between and beyond the territories of the two Parties.

2. In the operation by the designated airline of either Contracting Party of the agreed air services, the interests of the designated airline of the other Party shall be taken into consideration so as not to effect unduly the services which the latter provides on all or part of the same route.

Article XVI

The aeronautical authorities of either Contracting Party shall furnish to the aeronautical authorities of the other Contracting Party statistics relating to the traffic carried during each month on their air services to or from or through the territory of the other Contracting Party showing the countries of origin and destination and the points of embarkation and disembarkation of such traffic. Such statistics shall, on request, be furnished as early as possible.

Article XVII

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; the mentioned authorities will exchange such information as is necessary for that purpose.
2. Consultation between the aeronautical authorities of the Contracting Parties may be requested at any time for the purpose of discussing the interpretation, application for modification of, or any dispute relative to this Agreement. Such consultation shall begin within a period of sixty (60) days from the date of receipt through diplomatic channels of the request by the Contracting Party invited to negotiate, except that the above time Limit shall be twenty (20) days, when the request is made upon receipt of a notification under Article IV, paragraph (2) of this Agreement.
3. If a dispute cannot be settled by and between the aeronautical authorities of the Contracting Parties by negotiations according to paragraph (2) hereabove, it shall be settled by Contracting Parties.

Article XVIII

1. Except as provided in paragraph (2) hereunder, amendments to, and modifications of, this Agreement shall come into effect when confirmed by both Contracting Parties in an exchange of diplomatic notes.
2. Amendments to, and modifications of the Annex to this Agreement may be effected by an exchange of letters between the aeronautical authorities of the Contracting Parties.
3. In the event that both Contracting Parties will have accepted a general multilateral air transport convention, the provisions of this Agreement shall be amended so as to conform therewith.

Article XIX

This Agreement shall continue in force unless one Contracting Party notifies the other Contracting Party through diplomatic channels of its intention to terminate the Agreement. In this 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 mutual agreement before the expiry of this period.

Article XX

This Agreement is subject to ratification according to the respective constitutional rules of the Contracting Parties and shall come into force on the date of exchange of the instruments of ratification.

DONE at New Delhi this 23rd day of February, 1966 in six originals, two each in Hindi, Hungarian and English languages, all the three texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

Sd /-

V. SHANKAR

For the Government of
India.

Sd /-

RUDOLF RONAI

For the Government of the
Hungarian People's Republic.

ANNEX

SECTION I

The airline designated by the Government of India shall be entitled to operate air services in both directions on the route specified in the Section and to land for traffic purposes in the territory of Hungarian People's Republic at the point therein specified.

Point of origin	Intermediate points	Point in Hungary	Points beyond if desired
Points in India	Bahrain	Budapest	A point in Europe-London-Point in U.S.A. and /or Canada.
	Kuwait		
	Iraq		
	Iran		
	Syria		
	Jordan		
	Lebanon		
	U.A.R.		
	Cyprus		
	Greece		
	Italy		
	U.S.S.R		

Rumania
Bulgaria
Yugoslavia
Poland
Switzerland

SECTION II

The airline designated by the Hungarian People's Republic shall be entitled to operate air services in both directions on the route specified in this section and to land for traffic purposes in the territory of India at the point therein specified.

Points of origin	Intermediate points	Points in India	Points beyond if desired
Points in Hungary	Switzerland	Bombay	A point in South East Asia-Jakarta-point in Australia and/or New Zealand
	Poland		
	Yugoslavia		
	Bulgaria		
	Rumania		
	U.S.S.R		
	Italy		
	Greece		
	Cyprus		

U.A.R.
Lebanon
Jordan
Syria
Iran
Iraq
Kuwait
Bahrain

SECTION III

Points need not necessarily be served in the order named and any point or points may, at the option of the designated airline, be omitted on any or all flights.

LETTERS

New Delhi,
Date : February 23, 1966

From
Secretary,
Ministry of Transport and Aviation
(Department of Aviation),
New Delhi.

Excellency;

With reference to the Air Services Agreement signed today between the Governments of India and the Hungarian People's Republic, I have the honour to state that the understanding of the Government of India, is as follows :

1. The frequency entitlement of each designated airline shall be one service per week in both directions on the route specified in the Annex to the said Agreement.
2. Any increase in frequency entitlement shall be determined in accordance with Article VII of the said Agreement.
3. So long as the frequency entitlement of each designated airline is limited to one service per week in both directions, such operation shall be irrespective of the nature of air service, that is, transiting through or terminating in the territory of the other Contracting Party. It was, however,

recognised that while determining any increase in the frequency entitlement, in pursuance of sub paragraph (ii) above, the question of relationship of terminating service to transiting service will need to be considered.

4. The capacity which may be provided on each agreed service shall not exceed the capacity of a Boeing (series 707) aircraft.

I have the honour to request you kindly to confirm that this is also the understanding of the Government of the Hungarian People's Republic and to suggest that this letter and your reply thereto should constitute an Agreement between our Governments in this regard.

I avail myself of this opportunity to renew to you the assurances of my highest consideration.

Yours faithfully,

Sd /-

V. SHANKAR

His Excellency Mr. RUDOLF RONAI,
Vice-Minister of Posts and Communications of the
People's Republic of Hungary.

New Delhi,

Date : February 23, 1966

From

Vice-Minister of Posts and
Communications of the People's
republic of Hungary.

Sir,

I have the honour to acknowledge receipt of your letter of today's date, which reads as follows :

"With reference to the Air Services Agreement signed today between the Governments of India and the Hungarian People's Republic, I have the honour to state that the understanding of the Government of India, is as follows :

1. The frequency entitlement of each designated airline shall be one service per week in both directions on the route specified in Annex to the said Agreement.
2. Any increase in frequency entitlement shall be determined in accordance with Article VII of the said Agreement.
3. So long as the frequency entitlement of each designated airline is limited to one service per week in both directions, such operation shall be irrespective of the nature of air service, that is, transiting through or terminating in the territory of the other Contracting Party. It was, however, recognised that while determining any increase in the frequency entitlement, in pursuance of sub-paragraph (ii) above, the question of relationship of terminating service to transiting services will need to be considered.
4. The capacity which may be provided on each agreed service shall not exceed the capacity of a Boeing (series 707) aircraft.

I have the honour to request you kindly to confirm that this is also the understanding of the Government of the Hungarian People's Republic and to suggest that this letter and your reply thereto should constitute an Agreement between our Governments in this regard.

I avail myself of this opportunity to renew to you the assurances of my highest consideration."

I have the honour to confirm on behalf of my Government that the above represents also the understanding of the Government of the Hungarian People's Republic.

Please accept the assurances of my highest consideration.

Sd /-

-RODOLF RONAI

Shri V. SHANKAR,

Secretary,

Ministry of Transport and Aviation,

(Department of Aviation);

New Delhi.

New Delhi,

Date : February 23, 1966

From

Secretary,

Ministry of Transport and Aviation,

(Department of Aviation)

New Delhi.

Excellency,

With reference to the Air Services Agreement signed to-day between the Governments of India and the Hungarian People's Republic, I have the honour to state that pending ratification of the Air Services Agreement, the provisions thereof shall be given effect to from the date the Air Services Agreement is signed.

I have the honour to request you kindly to confirm that this is also the understanding of the Government of the Hungarian People's Republic.

I avail myself of this opportunity to renew to you the assurances of my highest consideration.

Yours faithfully,

Sd /-

V. SHANKAR

His Excellency Mr. RUDOLF RONAI,

Vice-Minister of Posts and

Communications of the People's

Republic of Hungary.

New Delhi,

Date : February 23, 1966

From
Vice-Minister of Posts and
Communications of the People's
Republic of Hungary.

Sir,

I have the honour to acknowledge receipt of your letter of today's date, which reads as follows :

"With reference to the Air Services Agreement signed to-day between the Governments of India and the Hungarian People's Republic, I have the honour to state that pending ratification of the Air Services Agreement, the provisions thereof shall be given effect to from the date the Air Services Agreement is signed.

I have the honour to request you kindly to confirm that this is also the understanding of the Government of the Hungarian People's Republic.

I avail myself of this opportunity to renew to you the assurances of my highest consideration."

I have the honour to confirm on behalf of my Government that the above represents also the understanding of the Government of the Hungarian People's Republic.

Please accept the assurances of my highest consideration.

Sd /-
RUDOLF RONAI
Shri V. SHANKAR,
Secretary, Ministry of Transport and Aviation,
(Department of Aviation)
New Delhi.