

A G R E E M E N T

BETWEEN

THE GOVERNMENT OF THE KINGDOM OF DENMARK

AND

THE GOVERNMENT OF INDIA

RELATING TO AIR SERVICES

The Government of the Kingdom of Denmark and the Government of India

Being parties to the Convention on International Civil Aviation and the International Air Services Transit Agreement opened for signature at Chicago on the Seventh day of December, 1944, and

Desiring to conclude an Agreement, in conformity with the said Convention, for the purpose of establishing scheduled air services between their respective territories;

Have agreed as follows;

ARTICLE 1

DEFINITIONS

For the purpose of this Agreement :

- (a) the term "the Convention" means the Convention on International Civil Aviation opened for Signature at Chicago on the seventh day of December, 1944, and includes any Annex adopted under Article 90 of that Convention and any amendment of the Annexes or the Convention under Articles 90 and 94 thereof, which have been adopted by both Contracting Parties;
- (b) the term "aeronautical authorities" means, in the case of the Government of the Kingdom of Denmark, the Danish Civil Aviation Administration; and in the case of the Government of India, the Director General of Civil Aviation, or in both cases any person or body authorised to perform the functions presently exercised by the abovementioned authorities;
- (c) the term "designated airline" means an airline which has been designated in accordance with Article 3 of this Agreement;
- (d) the term "territory", "air services", "international air service", "airline" and "stop for non-traffic purposes" have the meaning laid down in Articles 2 and 96 of the Convention;
- (e) "Annex" means the Annex to this Agreement or as amended in accordance with the provisions of paragraph (2) of Article 17 of this Agreement. The Annex forms an integral part of this Agreement and all references to the Agreement shall include reference to the Annex except otherwise provided;

- (f) the term "tariff" means the prices to be paid for the carriage of passengers, baggage and freight and the conditions under which those prices apply, including prices and conditions for agency and other auxiliary services, but excluding remuneration or conditions for the carriage of mail.

ARTICLE 2

TRAFFIC RIGHTS

1. Each Contracting Party grants to the other Contracting Party the following rights for the conduct of international air services by the designated airline:
- (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;
 - (c) to make stops in the said territory at the points specified in the Annex to this Agreement for the purpose of putting down and taking on international traffic in passengers, cargo and mail, separately or in combination.
2. Nothing in paragraph (1) of this Article shall be deemed to confer on the airline of one Contracting Party, the privilege of taking up, in the territory of the other Contracting Party, passengers, cargo and mail carried for remuneration or hire and destined for another point in the territory of that Contracting Party.

ARTICLE 3

DESIGNATION OF AIRLINE

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

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

3. The aeronautical authorities of one Contracting Party may require the airline designated by the other Contracting Party to satisfy them that it is qualified to fulfil the conditions prescribed under the laws and regulations normally and reasonably applied to the operation of international air services by such authorities in conformity with the provisions of the Convention.

4. 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 the 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.

5. When an airline has been so designated and authorized, it may begin to operate the agreed services, provided that a tariff established in accordance with the provisions of Article 10 of this Agreement is in force in respect of that service, and that the provisions of Article 14 have been complied with. Simultaneously, all other relevant information concerning the operation of the agreed services shall be communicated, including such information as may be required to satisfy the aeronautical authorities that the requirements of this Agreement are being duly observed.

ARTICLE 4

REVOCATION, SUSPENSION AND IMPOSITION OF CONDITIONS

1. 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 the 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 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 these 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 5

UTILISATION OF AIRPORTS AND FACILITIES

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

2. Neither of the Contracting Parties shall give preference to its own or any other airline over the 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 other facilities under its control.

ARTICLE 6
EXEMPTION FROM CUSTOMS AND OTHER DUTIES

1. Aircraft operated on international services by the designated airline of either Contracting Party, as well as their regular equipment, 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. There shall also be exempt from the same duties and taxes, with the exception of charges corresponding to the services performed:

- (a) aircraft stores taken on board in the territory of either Contracting Party, within limits fixed by the authorities of said Contracting Party, and for use on board aircraft engaged in an international service of the other Contracting Party;
- (b) spare parts entered into the territory of either Contracting Party for the maintenance or repair of aircraft used on international services by the designated airline of the other Contracting Party;
- (c) fuel and lubricants destined to supply aircraft operated on international services by the designated airline of the other Contracting Party, even when these supplies are to be used on the part of the journey performed over the territory of the Contracting Party in which they are taken on board.

Materials referred to in sub-paragraphs (a), (b) and (c) above may be required to be kept under customs supervision or control.

ARTICLE 7

STORAGE OF AIRBORNE EQUIPMENT AND SUPPLIES

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 said authorities up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.

ARTICLE 8

ENTRY CLEARANCE REGULATIONS

Passengers in transit across the territory of either Contracting Party shall be subject to no more than a very simplified customs and immigration control. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes.

ARTICLE 9

CAPACITY PROVISIONS

1. The agreed services to be operated by the designated airlines of the Contracting Parties shall have as their primary objective the provision of capacity, at reasonable load factors adequate to meet the traffic requirements between the territories of the two Contracting Parties.

2. Each Contracting Party shall allow fair and equal opportunity for the designated airlines of both Contracting Parties to operate the agreed services between their respective territories so as to achieve equality and mutual benefit, in principle by equal sharing of the total capacity between the two Contracting Parties.

3. Each Contracting Party and its designated airline shall take into consideration the interests of the other Contracting Party and its designated airline so as not to affect unduly the services which the latter provides.

4. In order to achieve a fair and equal treatment of the designated airlines, the airlines shall agree in advance the frequencies of their scheduled services, the types of aircraft to be used and the flight schedules, including the days of operation as well as the estimated times of arrival and departure.

In the event that no agreement is reached between the designated airlines, the aeronautical authorities of the two Contracting Parties shall settle the matter by mutual agreement.

5. If, on review, the aeronautical authorities of the Contracting Parties fail to agree on the capacity to be provided on the agreed services, the capacity that may be provided by the designated airlines of the Contracting Parties shall not exceed the total capacity (including seasonal variations) previously agreed.

ARTICLE 10 TARIFFS

1. The tariffs to be charged 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.

2. The tariffs referred to in paragraph (1) of this Article shall, if possible, be agreed by the designated airlines, after consultation with the other airlines operating over the whole or part of the route, and such agreement shall, wherever possible, be reached by the use of the procedures of the International Air Transport Association for the working out of tariffs.

3. 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 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), 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 any tariff agreed in accordance with the provisions of paragraph (2), the aeronautical authorities of the Contracting Parties shall, 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 19 in the Agreement.

7. 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 otherwise would have expired.

ARTICLE 11

TRANSFER OF EARNINGS

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 any convertible currency, and subject to, and in accordance with the foreign exchange regulations of the Contracting Party in the territory of which the revenue accrued.
2. Such transfers shall be effected on the basis of the official exchange rate for currency payment, or where there are no official exchange rates, at the prevailing foreign exchange market rates for currency payment.
3. The designated airline of one Contracting Party shall be accorded treatment not less favorable than that granted by the other Contracting Party to the designated airline(s) of the most favoured nation.
4. 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) of this Article.

ARTICLE 12

PROVISION OF STATISTICS

The aeronautical authorities of each Contracting Party shall cause their designated airline(s) to furnish to the aeronautical authorities of the other Contracting Party statistics relating to the traffic carried during each month on the agreed services to and from the territory of that other Contracting Party, showing the countries of origin and destination and the points of embarkation and disembarkation of such traffic. Such statistics shall be furnished as soon as possible after the end of each month.

ARTICLE 13

AIRLINE REPRESENTATION

Each Contracting Party grants to the designated airline of the other Contracting Party, on the basis of reciprocity, the right to maintain in its territory offices and administrative, commercial and technical personnel as may be necessary for the requirements of the designated airline concerned.

ARTICLE 14

APPROVAL OF FLIGHT SCHEDULES

1. The airline designated by one Contracting Party shall submit for approval its traffic programme to the aeronautical authorities of the other Contracting Party at least thirty (30) days prior to the beginning of the operation. The programme shall include the timetables, the frequency of the services and the types of aircraft to be used.
2. Each alteration made at a later date shall be communicated to the aeronautical authorities for approval.

ARTICLE 15

AVIATION SECURITY

1. Consistent with their rights and obligations under international law, the Contracting Parties reaffirm that their obligation to each other to protect the security of civil aviation against acts of unlawful interference forms an integral part of this Agreement. Without limiting the generally of their rights and obligations under international law, the Contracting Parties shall in particular act in conformity with the provisions of the Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16 December 1970 and the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971.
2. The Contracting Parties shall provide upon request all necessary assistance to each other to prevent acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, their passengers and crew, airports and air navigation facilities, and any other threat to the security of civil aviation.
3. The Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by the International Civil Aviation Organization and designated as Annexes to the convention on International Civil Aviation to the extent that such security provisions are applicable to the Parties; they shall require that operators of aircraft of their registry or operators of aircraft who have their principal place of business or permanent residence in their territory and the operators of airports in their territory act in conformity with such aviation security provisions.
4. Each Contracting Party agrees that such operators of aircraft may be required to observe the aviation security provisions referred to in paragraph (3) above required by the other Contracting Party for entry into, departure from,

or while within, the territory of that other Contracting Party. Each Contracting Party shall ensure that adequate measures are effectively applied within its territory to protect the aircraft and to inspect passengers, crew, carry-on items, baggage, cargo and aircraft stores prior to and during boarding or loading. Each Contracting Party shall also give sympathetic consideration to any request from the other Contracting Party for reasonable special security measures to meet a particular threat.

5. When an incident or threat of an incident of unlawful seizure of civil aircraft or other Unlawful acts against the safety of such aircraft, their passengers and crew, airports or air navigation facilities occurs, the Contracting Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.

ARTICLE 16

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 thereto.

2. Either Contracting Party may request consultation, which may be through discussion or by correspondence and shall begin within a period of ninety (90) days of the date of receipt of the request, unless both Contracting Parties agree to an extension of this period.

ARTICLE 17

AMENDMENTS

1. If either of the Contracting Parties considers it desirable to modify any provision of this Agreement, it may request consultation with the other Contracting Party; such consultation, which may be between aeronautical authorities and which may be through discussion or by correspondence, shall begin within a period of ninety (90) days of the date of the receipt of the request, unless both Contracting Parties agree to an extension of this period. Any modifications so agreed shall come into force when approved in accordance with the constitutional requirements of both Contracting Parties and as confirmed by an exchange of diplomatic notes.

2. Modifications to the Annex to this Agreement may be made by direct agreement between the competent aeronautical authorities of the Contracting Parties.

ARTICLE 18

CONFORMITY WITH MULTILATERAL CONVENTIONS

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

ARTICLE 19

SETTLEMENT OF DISPUTES

1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Government of 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 negotiations, 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. The third arbitrator shall act as President of the arbitral tribunal. 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 specified period, the President of the Council of the International Civil Aviation Organization may be requested by either Contracting Party to appoint an 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.

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

4. The Contracting Parties shall comply with any decision given under paragraph (2) of this Article.

ARTICLE 20

TERMINATION

Either Contracting Party may at any time give written notice to the other Contracting Party of its desire to terminate this Agreement; such notice shall be simultaneously communicated to the International Civil Aviation Organization. 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 acknowledgment 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 21

REGISTRATIONS

This Agreement and its Annex and any subsequent amendment thereto shall be registered with the International Civil Aviation Organization.

ARTICLE 22


ENTRY INTO FORCE

This Agreement will enter provisionally into force from the date of its signature and definitively from the date when the Contracting Parties will have notified each other by exchange of notes that the constitutional requirements of the Contracting Parties for the entering into force of this Agreement have been compiled with.

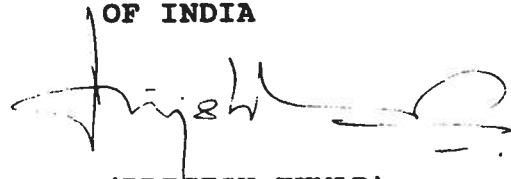
In witness thereof, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

Done, in duplicate, at New Delhi this 19th day of December, 1995 in Danish, Hindi and English languages. In case of any divergence of interpretation, the English text shall prevail.

**FOR THE GOVERNMENT OF
THE KINGDOM OF DENMARK**


(BJARNE H. SORENSEN)
Ambassador

**FOR THE GOVERNMENT
OF INDIA**


(BRIJESH KUMAR)
Joint Secretary to
the Government of
India

A N N E X

SECTION - I

The designated airline of India shall be entitled to operate the agreed services in both directions on the following routes:

Points of Origin	Intermediate Points	Points of Destination	Beyond Points
Points in India	One point of choice in Europe	Copenhagen	-

SECTION - II

The designated airline of the Kingdom of Denmark shall be entitled to operate the agreed services on the following routes:

Points of Origin	Intermediate Points	Points of Destination	Beyond Points
Points in the Kingdom of Denmark	-	Delhi Bombay	-

Notes:

1. The designated airlines may on any or all flights omit calling at the intermediate point.
2. An intermediate point once specified by the designated airlines shall not be changed during an IATA Traffic period.
3. The designated airline of Denmark shall not be entitled to operate to Delhi and Bombay, on the same flight.
4. No 5th freedom traffic rights shall be exercised by the designated airline of India between the intermediate point and Copenhagen.