

AGREEMENT BETWEEN THE GOVERNMENT OF THE
REPUBLIC OF INDIA AND THE GOVERNMENT OF THE
ISLAMIC REPUBLIC OF PAKISTAN RELATING TO
AIR SERVICES

The Government of India and the Government of Pakistan,
hereinafter described as the Contracting Parties,

Being Parties to the Convention on International
Civil Aviation (hereinafter referred to as the Convention) and
the International Air Services Transit Agreement, both opened
for signature at Chicago on the seventh day of December, 1944,

And desiring to conclude an agreement for the
purpose of establishing air services between their respective
territories,

Have agreed as follows:-

ARTICLE 1

- (i) "The Convention" means the Convention on
International Civil Aviation opened for signature
at Chicago on the seventh day of December, 1944,
and includes any amendment to the Convention
under Article 94 thereof;
- (ii) the term "aeronautical authorities" means in the
case of India the Director General of Civil Aviation
and/or any authority/person or body authorised
to perform any functions presently exercised
by the said Director General, and in the case
of Pakistan the Director General of Civil Aviation
and/or any authority/person or body authorised
to perform any functions presently exercised by
the said Director General;
- (iii) the term "territory" in relation to a State has the
meaning assigned to it in Article 2 of the Convention,

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- (iv) the term "air services", "international air services", "airline" and "stop for non-traffic purposes" have the meanings respectively assigned to them in Article 96 of the Convention;
- (v) the term "designated airline" means an Airline which one Contracting Party shall have designated, by written notification to the other Contracting Party, in accordance with Article 4 of this Agreement;
- (vi) the term "capacity" in relation to an aircraft means the pay load of that aircraft available on a route or section of a route;
- (vii) the term "capacity" in relation to 'agreed service-' means the capacity of the aircraft used on such service, multiplied by the frequency operated by such aircraft over a given period and route or section of a route; and
- (viii) the term "carriage of traffic" means carriage of passengers, cargo and mail.

ARTICLE 2

The provisions of this Agreement shall be subject to the provisions of the Convention and the International Air Services Transit Agreement in so far as those provisions are applicable to scheduled international air services.

ARTICLE 3

ab - Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement for the purpose of establishing and operating scheduled international air services on the routes specified in the Annex to this Agreement. Such services and routes are hereinafter

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called "the agreed services" and "the specified routes" respectively. The airline designated by each Contracting Party shall enjoy while operating an agreed service on a specified route, the right to take up and to put down passengers, cargo and mail at any point on the specified routes subject to the provisions contained in the Annex to this Agreement.

ARTICLE 4

(A) Each Contracting Party shall have the right to designate one airline for the purpose of operating the agreed services on the specified routes. This designation shall be notified in writing by one Contracting Party to the other Contracting Party.

(B) On receipt of the notification, the other Contracting Party shall, subject to the provisions of paragraphs (C) and (D) of this Article, grant to the airline designated the appropriate operating authorisation.

(C) 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 by or under the laws and regulations normally and reasonably applied to the operation of international air services by such authorities.

(D) Each Contracting Party shall have the right to refuse to accept the designation of an airline or to refuse to grant the operating authorisation referred to in paragraph (B) 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 3 of this Agreement in any case where the said Contracting Party is

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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) When an airline has been so designated and authorised under paragraph (B) of this Article, it may begin at any time to operate the agreed services, provided that the provisions of Article 10 of this Agreement have been complied with.

ARTICLE 5

(A) 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 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 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
- (ii) in case of failure by that airline to comply with the laws and regulations of the Contracting Party granting these rights; or
- (iii) in case the airline otherwise fails to comply with the provisions of this Agreement.

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(B) Unless immediate action for revocation, suspension or imposition of the conditions mentioned in paragraph (A) of this Article is essential to prevent further infringements of laws and regulations, such right shall be exercised by each Contracting Party only after consultation with the other Contracting Party.

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ARTICLE 6

(A) The laws and regulations of each Contracting Party shall apply to the navigation and operation of the aircraft of the airline designated by the other Contracting Party during entry into, stay in, departure from, and flight over the territory of the other Contracting Party.

(B) The laws and regulations of each Contracting Party relating to the arrival in or departure from its territory of passengers, crew and cargo and in particular regulations regarding passports, customs, currency and health and quarantine formalities shall be applicable to passengers, crew and cargo arriving in or departing from the territory of that Contracting Party in aircraft of the airline designated by the other Contracting Party.

ARTICLE 7

(A) 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.

(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 route.

(C) In respect of agreed services on which traffic rights are to be exercised in the territory of the other Contracting Party in terms of Article 3, the following provisions shall apply:-

(i) The capacity to be provided and the frequency of services to be operated shall be agreed between the aeronautical authorities of the Contracting

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Parties in accordance with the principles laid down in paragraphs (A) and (B) of this Article.

(ii) Any increase in the capacity to be provided or frequency of services to be operated by the designated airline of either Contracting Party shall be agreed between 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.

(iii) The capacity to be provided, the frequency of services to be operated 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.

~~ARTICLE 8~~

The designated airline of each Contracting Party shall submit for approval to the aeronautical authorities of the other Contracting Party not later than thirty days prior to the inauguration of services on the specified routes, the flight schedules including the types of aircraft to be used. This shall likewise apply to later changes. In special cases, this time limit may be reduced subject to the consent of the said authorities.

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ARTICLE 9

(A) Each Contracting Party shall cause its designated airline to provide to the aeronautical authorities of the other Contracting Party, as long in advance as practicable, copies of tariff, schedules, including any modification thereof, and all other relevant information concerning the operation of the agreed

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(iii) The capacity to be provided, and services to be operated as agreed in accordance with the provisions of this Article shall be specified in an exchange of letters between the aeronautical authorities of the Contracting Parties.

ARTICLE 8

The designated airline of each Contracting Party shall

submit

services, including information about the capacity provided on each of the specified routes and any further information as may be required to satisfy the aeronautical authorities of the other Contracting Party that the requirements of this Agreement are being duly observed.

(B) Each Contracting Party shall also cause its designated airline to provide to the aeronautical authorities of the other Contracting Party statistics relating to the traffic carried on the agreed services showing the points of origin and destination.

ARTICLE 10

(A) For the purpose of the following paragraphs, the term "tariff" means the prices to be paid for the carriage of passengers and cargo and the conditions under which those prices apply, including commission and conditions for agency and other auxiliary services but excluding remuneration and conditions for the carriage of mail.

(B) The tariff to be charged by the 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 tariff of other airlines.

(C) The tariff referred to in paragraph (B) 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, 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 tariff.

(D) The tariff so agreed shall be submitted for the approval of the aeronautical authorities of both Contracting Parties

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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.

(E) 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 (D) of this Article, these tariff shall be considered as approved. In the event of the period for submission being reduced, as provided for in paragraph (D), the aeronautical authorities may agree that the period within which any disapproval must be notified shall be less than thirty (30) days.

(F) If a tariff cannot be agreed in accordance with paragraph (C) of this Article or if, during the period applicable in accordance with paragraph (E) 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 (C) of this Article, the aeronautical authorities of the two Contracting Parties shall endeavour to determine the tariff by mutual agreement.

(G) If the aeronautical authorities cannot agree on any tariff submitted to them under paragraph (D) of this Article, or on the determination of any tariff under paragraph (F) of this Article, the matter shall be referred to the Contracting Parties.

(H) A tariff established in accordance with the provisions of this Article shall remain in force until a new tariff has been established.

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Each Contracting Party shall grant to the designated airline of the other Contracting Party the right of transfer of excess of receipts

over expenditure earned by the airline in the territory of the first Contracting Party in connection with the carriage of passengers, mail and cargo, in accordance with the Foreign Exchange Regulations in force.

ARTICLE 12

(A) Fuel, lubricating oils, spare parts, regular aircraft equipment and aircraft stores (including food, beverages and tobacco) introduced into the territory of one Contracting Party or taken on board an aircraft in that territory, by or on behalf of the other Contracting Party or its designated airline and intended solely for use by or in the aircraft of that airline shall be accorded by the first Contracting Party in respect of customs duties, inspection fees and other similar national or local duties and charges, treatment not less favourable than that granted to its national airlines engaged in the operation of international air services.

(B) Supplies of fuel, lubricating oils, spare parts, regular aircraft equipment and aircraft stores (including food, beverages and tobacco) retained on board an aircraft of the designated airline of one Contracting Party shall be exempt in the territory of the other Contracting Party from customs duties, inspection fees or similar duties or charges, even though such supplies be used by such aircraft on flights in that territory. Goods so exempted may only be unloaded with the approval of the customs authorities of the other Contracting Party. Those goods, which are to be re-exported, shall be kept in bond until re-exportation under customs supervision.

ARTICLE 13

(A) In a spirit of close collaboration, the aeronautical authorities of both Contracting Parties shall consult each other from time to time with a view to ensuring the implementation and

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the compliance of the provisions of this Agreement and the Annex.

(B) Either Contracting Party may, at any time, request consultation with the other Contracting Party in writing. Such consultation shall begin within a period of sixty (60) days from the date of receipt of the request.

(C) If either of the Contracting Party considers it desirable to modify any provision of this Agreement including the Annex, such modification, if agreed between the Contracting Parties and if necessary after consultation in accordance with the Article, shall come into effect when confirmed by an exchange of diplomatic notes. However if the amendment related only to the Annex, consultation shall be between the aeronautical authorities of both Contracting Parties. When these authorities agree on any amendments, the agreed amendments shall come into force after confirmation through exchange of diplomatic notes.

ARTICLE 14

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. This Agreement shall terminate one year after the date of receipt of the notice by the other Contracting Party, unless the notice is withdrawn before the expiration of this period. In the absence of acknowledgment of receipt by the other Contracting Party, notice shall be deemed to have been received fourteen days after the receipt of the notice by the International Civil Aviation Organization.

ARTICLE 15

In the event of the conclusion of a Multilateral Convention

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or Agreement concerning air transport to which both Contracting Parties adhere, this Agreement shall be modified to conform to the provisions of such Convention or Agreement.

ARTICLE 16

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

ARTICLE 17

The Agreement will come into force on 20th July, 1976 after being signed by the duly authorised representative of each Contracting Party.

In Witness Whereof the undersigned plenipotentiaries being duly authorised thereto by their respective Government, have signed this Agreement.

Done this Sixteenth day of July

Nineteen hundred & Seventy six

in duplicate at Rawalpindi in the English language.

A.S. Bhatnagar

(A.S. Bhatnagar)
Joint Secy. (Tourism & Civil Aviation)
FOR THE GOVERNMENT OF
THE REPUBLIC OF INDIA

M. Kamal

(Mohsin Kamal)
Joint Secretary (Aviation)
FOR THE GOVERNMENT OF THE
ISLAMIC REPUBLIC OF PAKISTAN

A N N E X

SCHEDULE I

Routes to be operated by the designated
airline of Pakistan :-

<u>From</u>	<u>To</u>
A. KARACHI	DELHI
B. KARACHI	BOMBAY
C. LAHORE	DELHI

SCHEDULE II

Routes to be operated by the designated
airline of India :-

<u>From</u>	<u>To</u>
A. DELHI	KARACHI
B. BOMBAY	KARACHI
C. DELHI	LAHORE

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