

AVIATION

Transport Services

**Agreements Between the
UNITED STATES OF AMERICA
and ICELAND**

Amending the Agreement of June 14, 1995

Effected by Exchange of
Notes at Reykjavik March 1, 2002

and

Effected by Exchange of Notes at
Reykjavik August 14, 2006 and March 9, 2007



NOTE BY THE DEPARTMENT OF STATE

Pursuant to Public Law 89—497, approved July 8, 1966
(80 Stat. 271; 1 U.S.C. 113)—

“ . . .the Treaties and Other International Acts Series issued under the authority of the Secretary of State shall be competent evidence . . . of the treaties, international agreements other than treaties, and proclamations by the President of such treaties and international agreements other than treaties, as the case may be, therein contained, in all the courts of law and equity and of maritime jurisdiction, and in all the tribunals and public offices of the United States, and of the several States, without any further proof or authentication thereof.”

ICELAND

Aviation: Transport Services

*Agreements amending the agreement of
June 14, 1995.
Effected by exchange of notes at Reykjavik
March 1, 2002;
Entered into force March 1, 2002.
And effected by exchange of notes at Reykjavik
August 14, 2006 and March 9, 2007;
Entered into force March 9, 2007.*



MINISTRY FOR
FOREIGN AFFAIRS

Rauðarárstígur 25, 150 Reykjavík, Iceland
Tel: 354-560 9900, fax: 354-562 2373
external@utn.stjr.is · www.mfa.is

Ref: UTN01020318/65.D.611

The Ministry for Foreign Affairs of Iceland presents its compliments to the Embassy of the United States of America and has the honour to refer to the Air Transport Agreement between the Government of the United States of America and the Government of Iceland, signed at Washington on 14 June 1995 (“the Agreement”), and to propose that the Agreement be amended as follows:

I.

Article 8, paragraph 7 of the Agreement shall be amended by replacing it, in its entirety, with the following text in the English and Icelandic languages, respectively:

“7. (a) In operating or holding out the authorized services on the agreed routes, any designated airline of one Party may enter into cooperative marketing arrangements such as blocked-space, code-sharing or leasing arrangements, with

i) an airline or airlines of either Party;

ii) an airline or airlines of a third country, provided that such third country authorizes or allows comparable arrangements between the airlines of the other Party and other airlines on services to, from and via such third country; and

iii) a surface transportation provider of any country;

provided that all participants in such arrangements 1) hold the appropriate authority and 2) meet the requirements normally applied to such arrangements.

(b) Notwithstanding the proviso of ii above, if an airline of one Party holds out service between a point in the other Party's territory and a point in a third country by means of a code-share arrangement on any segment of that service with an airline of the other Party, the first Party must authorize or allow any airline of the other Party to code share with any airline on any segment of services between that third country and the other Party via a point or points in the territory of the first Party.”

„7. a) Hvaða tilgreint flugfélag sem er getur, í rekstri eða þjónustu sem hefur verið heimiluð á umsömdum leiðum, tekið upp markaðssamstarf á borð við föst sæta kaup, sameiginlegt

flugnúmer eða leigu við:

i) flugfélag eða flugfélög hvors aðilans sem er;

ii) flugfélag eða flugfélög þriðja aðila, *að því tilskildu* að þriðja land veiti heimild eða leyfi fyrir sambærilegu fyrirkomulagi milli flugfélaga hins aðilans og annarra flugfélaga fyrir þjónustu til, frá og um þriðja land; og

iii) flutningsaðila á landi eða sjó í hvaða landi sem er;

að því tilskildu að allir aðilar sem eiga hlut að slíku fyrirkomulagi 1) hafi til þess tilskilin leyfi og 2) fullnægi þeim kröfum sem vanalega gilda um slíkt fyrirkomulag.

b) Ef flugfélag annars aðilans heldur uppi þjónustu milli staðar á yfirráðasvæði hins aðilans og staðar í þriðja landi samkvæmt sameiginlegu flugnúmerafyrirkomulagi í hvaða flugáfanga sem er á þeirri leið með flugfélagi frá hinum aðilanum, skal fyrrnefndi aðilinn, þrátt fyrir ákvæði ii-liðar hér að framan, heimila eða leyfa hvaða flugfélagi sem er frá síðarnefnda aðilanum að nota sameiginlegt flugnúmerafyrirkomulag með hvaða flugfélagi sem er á hvaða hluta flugáfanga sem er á leið milli þriðja lands og síðarnefnda aðilans um stað eða staði á yfirráðasvæði fyrstnefnda aðilans.“

II.

Annex I, Scheduled Air Transportation, to the Agreement shall be amended by replacing it, in its entirety, with the following text in the English and Icelandic languages, respectively:

“ANNEX I

Scheduled Air Transportation

Section 1

Routes

Airlines of each Party designated under this Annex shall, in accordance with the terms of their designation, be entitled to perform scheduled international air transportation between points on the following routes:

A. Routes for the airline or airlines designated by the Government of the United States of America:

1. From points behind the United States via the United States and intermediate points to a point or points in Iceland and beyond.
2. For all-cargo service or services, between Iceland and any point or points.

B. Routes for the airline or airlines designated by the Government of Iceland:

1. From points behind Iceland via Iceland and intermediate points to a point or points in the United States and beyond.
2. For all-cargo service or services, between the United States and any point or points.

Section 2

Operational Flexibility

Each designated airline may, on any or all flights and at its option:

1. Operate flights in either or both directions;
2. Combine different flight numbers within one aircraft operation;
3. Serve behind, intermediate, and beyond points and points in the territories of the Parties on the routes in any combination and in any order;
4. Omit stops at any point or points;
5. Transfer traffic from any of its aircraft to any of its other aircraft at any point on the routes; and
6. Serve points behind any point in its territory with or without change of aircraft or flight number and may hold out and advertise such services to the public as through services;

without directional or geographic limitation and without loss of any right to carry traffic otherwise permissible under this Agreement; provided that, with the exception of all-cargo services, the service serves a point in the territory of the Party designating the airline.

Section 3

Change of Gauge

On any segment or segments of the routes above, any designated airline may perform international air transportation without any limitation as to change, at any point on the route, in type or number of aircraft operated; provided that, with the exception of all-cargo services, in the outbound direction, the transportation beyond such point is a continuation of the transportation from the territory of the Party that has designated the airline and, in the inbound direction, the transportation to the territory of the Party that has designated the airline is a continuation of the transportation from beyond such point.”

„I. VIÐAUKI

Áætlunarflutningar í lofti

1. hluti

Leiðir

Flugfélög beggja aðila sem tilnefnd eru samkvæmt þessum viðauka skulu, í samræmi við tilnefningarskilmála, eiga rétt á að stunda áætlunarflutninga milli landa í lofti á eftirfarandi leiðum:

A. Leiðir fyrir flugfélag eða flugfélög sem eru tilnefnd af ríkisstjórn Bandaríkjanna:

1. Frá stöðum handan við Bandaríkin um Bandaríkin og staði á milli Bandaríkjanna og Íslands til staðar eða staða á Íslandi og áfram.

2. Að því er varðar farmflutninga eingöngu, milli Íslands og hvaða staðar eða staða sem er.

B. *Leiðir fyrir flugfélag eða flugfélög sem eru tilnefnd af ríkisstjórn Íslands:*

1. Frá stöðum handan við Ísland um Ísland og staði á milli Íslands og Bandaríkjanna til staðar eða staða í Bandaríkjunum og áfram.

2. Að því er varðar farmflutninga eingöngu, milli Bandaríkjanna og hvaða staðar eða staða sem er.

2. hluti

Sveigjanleiki í rekstri

Hvert tilnefnt flugfélag getur að eigin vali gert eftirfarandi á hvaða flugleið sem vera skal eða þeim öllum:

1. Starfrækt flug í aðra áttina eða báðar.
2. Sameinað mismunandi flugnúmer í einni ferð með sama loftfari.
3. Þjónað stöðum handan við yfirráðasvæði aðila, á milli þeirra og áfram og stöðum á yfirráðsvæðum aðila á leiðum með hvaða samsetningu og í hvaða röð sem er.
4. Sleppt viðkomu á hvaða stað eða stöðum sem er.
5. Flutt farþega/farm frá einu loftfari sínu til annars hvar sem er á leiðunum.
6. Þjónað stöðum handan við hvaða stað sem er á yfirráðasvæði sínu hvort sem skipt er um loftfar eða flugnúmer eða ekki og er heimilt að halda uppi og kynna slíka þjónustu fyrir almenningi sem flutninga á leiðarenda:

Án takmarkana á því í hvora áttina er flogið eða hvert og án þess að missa rétt til flutninga sem eru leyfðir annars staðar í þessum samningi, *að því tilskildu* að flutningarnir, að undanskildum flutningum sem eru farmflutningar eingöngu, þjóni stað á yfirráðasvæði aðilans sem tilnefndi flugfélagið.

3. hluti

Skipt um loftfar

Tilnefnd flugfélög geta stundað millilandaflutninga í lofti án takmarkana að því er lýtur að því að skipta um gerð eða breyta fjölda loftfara í rekstri, á hvaða stað á leiðinni sem er, í hvaða áfanga eða áföngum sem er á leiðunum er um getur hér að framan, *að því tilskildu*, að undanskildum flutningum sem eru farmflutningar eingöngu, að flutningar á útleið frá slíkum stað séu framhald flutninga frá yfirráðasvæði aðilans sem tilnefndi flugfélagið og að á innleið séu flutningar til yfirráðasvæðis aðilans sem tilnefndi flugfélagið framhald flutninga frá stað sem er handan við slíkan stað.“

III.

Section 1 of Annex II, Charter Air Transportation, to the Agreement shall be amended by replacing it, in its entirety, with the following text in the English and Icelandic languages, respectively:

"Section 1

Airlines of each Party designated under this Annex shall, in accordance with the terms of their designation, have the right to carry international charter traffic of passengers (and their accompanying baggage) and/or cargo (including, but not limited to, freight forwarder, split, and combination (passenger/cargo) charters):

Between any point or points in the territory of the Party that has designated the airline and any point or points in the territory of the other Party; and

Between any point or points in the territory of the other Party and any point or points in a third country or countries, provided that, except with respect to cargo charters, such service constitutes part of a continuous operation, with or without a change of aircraft, that includes service to the homeland for the purpose of carrying local traffic between the homeland and the territory of the other Party.

In the performance of services covered by this Annex, airlines of each Party designated under this Annex shall also have the right: (1) to make stopovers at any points whether within or outside of the territory of either Party; (2) to carry transit traffic through the other Party,s territory; and (3) to combine on the same aircraft traffic originating in one Party,s territory, traffic originating in the other Party,s territory, and traffic originating in third countries.

Each Party shall extend favorable consideration to applications by airlines of the other Party to carry traffic not covered by this Annex on the basis of comity and reciprocity.”

„1. hluti

Flugfélög beggja aðila sem eru tilnefnd samkvæmt þessum viðauka skulu, í samræmi við tilnefningarskilmála, eiga rétt á að flytja farþega landa á milli með leiguflytningum í lofti (og meðfylgjandi farangur þeirra) og/eða farm (getur þá verið um að ræða, en þó ekki eingöngu, farmmiðlun, uppskiptingu og samsetningu (farþegar/farmur) í leiguflytning-um):

milli hvaða staðar eða staða sem er á yfirráðasvæði aðilans sem hefur tilnefnt flugfélagið og hvaða staðar eða staða sem er á yfirráðasvæði hins aðilans; og

milli hvaða staðar eða staða sem er á yfirráðasvæði hins aðilans og hvaða staðar eða staða sem er í þriðja landi eða þriðju löndum, *að því tilskildu*, að undanskildum leigufarmflytningum, að slík þjónusta sé liður í samfelldum rekstri, hvort sem skipt er um loftfar eða ekki, sem felur í sér þjónustu við heimalandið í þeim tilgangi að flytja innanlandsfarþega/farm milli heimalandsins og yfirráðasvæðis hins aðilans.

Þegar þjónusta sem fellur undir þennan viðauka er veitt skulu flugfélög beggja aðila, sem tilnefnd eru samkvæmt þessum viðauka, einnig eiga rétt á að: 1) hafa viðdvöl hvar sem er innan eða utan yfirráðasvæðis hvors aðilans sem er; 2) flytja farþega/farm í umflytningi með viðkomu á yfirráðasvæði hins aðilans; og 3) sameina í einu loftfari farþega/farm sem er

upprunninn annaðhvort á yfirráðasvæði annars aðilans eða á yfirráðasvæði hins aðilans og farþega/farm sem er upprunninn í þriðju löndum.

Báðir aðilar skulu með vinsemd taka til athugunar umsóknir flugfélaga hins aðilans um að stunda flutninga sem falla ekki undir þennan viðauka á grundvelli háttvísi og gagnkvæmni.“

If this proposal is acceptable to the Government of the United States of America, I have the further honour to propose that this Note and the Embassy's affirmative Note in reply shall constitute an agreement between the Government of the United States of America and the Government of Iceland, which shall enter into force on the date of the Embassy's Note in reply.

The Ministry for Foreign Affairs of Iceland avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration.

Ministry for Foreign Affairs
Reykjavík, 1 March 2002



Embassy of the United States of America
R e y k j a v í k

No. 009

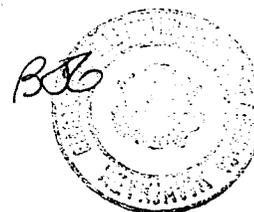
The Embassy of the United States of America refers the Ministry for Foreign Affairs of Iceland to the Ministry's Note (UTN01020318/65.D.611) dated March 1, 2002 concerning proposed amendments to the Air Transport Agreement between the Government of the United States of America and the Government of Iceland, signed at Washington June 14, 1995 ("the Agreement").

On behalf of the Government of the United States of America, the Embassy accepts the proposal of the Government of Iceland to amend the Agreement as set forth in the Ministry's Note, and confirms that the Ministry's Note and this Note in reply shall constitute an agreement between the United States of America and Iceland which shall enter into force on the date of this Note.

The Embassy takes the opportunity to renew to the Ministry for Foreign Affairs the assurances of its highest consideration.

Embassy of the United States of America

Reykjavik, March 1, 2002



DIPLOMATIC NOTE

No. 29

The Embassy of the United States of America presents its compliments to the Ministry for Foreign Affairs of the Republic of Iceland and refers the Ministry of Foreign Affairs to the Air Transport Agreement between the Government of the United States of America and the Government of Iceland signed on June 14, 1995.

In light of the August 2004 discussion between the two governments concerning removal from the Agreement of provisions relating to regulation of computer reservation systems, the United States proposes that Annex III of the U.S.-Iceland Air Transport Agreement be deleted. If the Ministry concurs with this proposal, the Embassy further proposes that this note and the Ministry's affirmative note in reply shall constitute an agreement on this subject which shall enter into force on the date of the Ministry's note in reply.

The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry for Foreign Affairs the assurances of its highest consideration.

Enclosure(s):

Copy of the U.S.-Iceland Air Transport Agreement

Embassy of the United States of America,

Reykjavik, Iceland,

August 14, 2006.



DIPLOMATIC NOTE



MINISTRY FOR
FOREIGN AFFAIRS

Rauðarástigur 25, 150 Reykjavík, Iceland
Tel: 354-545 9900, fax: 354-562 2373
external@utn.stjr.is, www.mfa.is

Ref.: UTN01020318/65.D.611

The Ministry for Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honor to refer to the latter's Note from August 14, 2006 concerning the Air Transport Agreement between the Government of the United States of America and the Government of Iceland, signed on June 14, 1995.

The Ministry regrets the delay in reply. The Ministry is pleased to inform of its concurrence with the proposal that Annex III of the U.S.-Iceland Air Transport Agreement be deleted. The Ministry further agrees that the Ministry's Note in reply shall constitute an agreement on this subject and that the entry into force of the agreement shall be the date on the Ministry's note in reply.

The Ministry for Foreign Affairs avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration.

Ministry for Foreign Affairs
Reykjavík, 9 March 2007

Embassy of the United States of America
Reykjavík

