

**AIR SERVICES AGREEMENT
BETWEEN
THE GOVERNMENT OF
ICELAND
AND
THE GOVERNMENT OF
THE KINGDOM OF SAUDI ARABIA**

PREAMBLE

The Government of Iceland and the Government of the Kingdom of Saudi Arabia (hereinafter referred to as the “the Contracting Parties”);

Being Parties to the Convention on International Civil Aviation opened for signature at Chicago on 7 December 1944;

Desiring to promote their mutual relations in the field of civil aviation and to conclude an agreement for the purpose of establishing air service between and beyond their respective territories;

Desiring to promote an international aviation system based on competition among airlines in the marketplace with minimum government interference and regulation;

Desiring to facilitate the expansion of international air services opportunities; and

Desiring to ensure the highest degree of safety and security in international air services and reaffirming their grave concern about acts or threats against the security of aircraft, which jeopardise the safety of persons or property, adversely affect the operation of air services, and undermine public confidence in the safety of civil aviation.

Have agreed as follows:

ARTICLE 1

DEFINITIONS

For the purpose of this Agreement, unless otherwise stated, the term:

1. "Aeronautical Authorities" means in the case of the Government of Iceland the Ministry of Transport and Local Government and in the case of the Government of the Kingdom of Saudi Arabia, the General Authority of Civil Aviation, or any person or agency authorised to perform the functions exercised by the said authority;
2. "Agreement" means this Agreement, its Annex and any amendments thereto;
3. "Convention" means the Convention on International Civil Aviation, opened for signature at Chicago on 7 of December 1944, and includes: any amendment that has entered into force under Article 94 of the Convention and has been ratified by both Contracting Parties, and any Annex or any amendment thereto adopted under Article 90 of the Convention, insofar as such Annexes or amendments are at any given time effective for both Contracting Parties.
4. "Designated airline" means an airline, designated and authorised in accordance with Article 3 of this Agreement;
5. "European Economic area" means the enhanced free trade area established by the agreement on the European Economic Area, done at Oporto on 2 May 1992, between the European Community and its Member States on the one hand and the EFTA States -with the exclusion of Switzerland- on the other hand. EFTA is an abbreviation for the European Free Trade Association of which Iceland is a Member State;
6. "Full Cost" means the cost of providing service plus a reasonable charge for administrative overhead;
7. "International air service" means an air service that passes through the airspace over the territory of more than one State;
8. "Price" means any fare, rate or charge for the carriage of passengers (and their baggage) and/or cargo (excluding mail) in air service charged by airlines, including their agents, and the conditions governing the availability of such fare, rate or charge;

9. "Stop for non-traffic purposes", "airline", "air service" and "territory" have the meaning specified in Article 2 and 96 of the Convention; and
10. "User charges" means a charge/charges imposed on airlines for the provision of airport, air navigation or aviation security facilities or service including related services and facilities.

ARTICLE 2

GRANT OF RIGHTS

1. Each Contracting Party grants the other Contracting Party's designated airlines the following rights for the conduct of international air services:
 - (a) the right to fly across its territory without landing;
 - (b) the right to make stops in its territory for non-traffic purposes; and
 - (c) the rights otherwise specified in this Agreement.
2. Nothing in the Article shall be deemed to confer to the designated airline or airlines of one Contracting Party the right to take on board, in the territory of the other Contracting Party, Passengers, their baggage, cargo, or mail carried for remuneration and destined for another points in the territory of that other Contracting Party.

ARTICLE 3

DESIGNATION AND AUTHORIZATION

1. Each Contracting Party shall have the right to designate an airline or airlines for the purpose of operating the agreed services on each of the routes specified in the Annex and to withdraw or alter such designations. Such designations shall be made in writing and transmitted to the other Contracting Party through diplomatic channels.
2. Upon receipt of such designation and of applications from the designated airline, in the form and manner prescribed for operating authorizations and technical permissions, the other Contracting Party shall grant the appropriate authorizations and permissions with minimum procedural delay, provided:
 - (a) in the case of an airline designated by Iceland:
 - (i) it is established in the territory of Iceland and has a valid Operating Licence in accordance with national law; and
 - (ii) effective regulatory control of the airline is exercised and maintained by the Government of Iceland which is responsible for issuing its Air

Operator's Certificate, and the relevant Aeronautical Authority is clearly identified in the designation; and

- (iii) it is owned and shall continue to be owned directly or through majority ownership by Icelandic nationals and shall at all times be effectively controlled by Iceland and/or Icelandic nationals.
- (b) in the case of an airline designated by the Kingdom of Saudi Arabia:
- (i) it is established in the territory of the Kingdom of Saudi Arabia and is licensed in accordance with the applicable law of the Kingdom of Saudi Arabia; and
 - (ii) the Kingdom of Saudi Arabia has and maintains effective regulatory control of the airline and the aeronautical authority is clearly identified in the designation; and
 - (iii) it is owned and shall continue to be owned directly or through majority ownership by the kingdom of Saudi Arabia and/or nationals of the kingdom of Saudi Arabia and shall at all times be effectively controlled by the Kingdom of Saudi Arabia and/or its nationals.
- (c) the designated airlines are qualified to meet the conditions prescribed under the laws and regulations normally applied to the operation of international air services by the Contracting Party considering the application or applications; and
- (d) the provisions set forth in Article 7 (Air Safety) and Article 8 (Aviation Security) are being maintained and administered.
3. When an airline has been so designated and authorized, it may begin to operate air services on the specified routes provided that the airline complies with all applicable provisions of this Agreement.

ARTICLE 4

REVOCATION OF AUTHORIZATION

1. Either Contracting Party may revoke, suspend or limit the operating authorization or technical permissions of an airline designated by the other Contracting Party where:
- (a) in the case of an airline designated by Iceland:
 - (i) it is not established in the territory of Iceland or doesn't have a valid Operating Licence in accordance with national law; or
 - (ii) effective regulatory control of the airline is not exercised or not maintained by Iceland which is responsible for issuing its Air

- Operator's Certificate, or the relevant Aeronautical Authority is not clearly identified in the designation; or
- (iii) it is not owned, directly or through majority ownership by, or it is not effectively controlled by Iceland and/or Icelandic nationals; or
 - (iv) the airline has failed to comply with the laws and regulations of the Kingdom of Saudi Arabia.
- (b) in the case of an airline designated by the Kingdom of Saudi Arabia:
- (i) it is not established in the territory of the Kingdom of Saudi Arabia; or it is not licensed in accordance with the applicable law of the Kingdom of Saudi Arabia; or
 - (ii) the Kingdom of Saudi Arabia is not maintaining effective regulatory control of the airline; or
 - (iii) it is not owned, directly or through majority ownership, or it is not effectively controlled by the Kingdom of Saudi Arabia and/or its nationals; or
 - (iv) the airline has failed to comply with the laws and regulations of Iceland.
2. Unless immediate revocation or suspension of the operating authorization mentioned in paragraph (1) of this Article, or imposition of the conditions therein, is essential to prevent further infringements of laws and regulations, such right shall be exercised only after consultation with the other Contracting Party.
3. This Article does not limit the rights of either Contracting Party to withhold, revoke, limit or impose conditions on the operating authorization or technical permission of an airline or airlines of the other Contracting Party in accordance with the provisions of Article 7 (Air Safety) and Article 8 (Aviation Security) of this Agreement.

ARTICLE 5

APPLICATION OF LAWS

1. While entering, within, or leaving the territory of one Contracting Party, its laws and regulations relating to the operation and navigation of aircraft shall be complied with by the other Contracting Party's airlines.
2. While entering, within, or leaving the territory of one Contracting Party, its laws and regulations relating to the admission to or departure from its territory of passengers, crew or cargo on aircraft (including regulations relating to entry, clearance, aviation security, immigration, passports, customs and quarantine or, in

the case of mail, postal regulations) shall be complied with by, or on behalf of, such passengers, crew or cargo of the other Contracting Party's airlines.

3. Neither Contracting Party shall give preference to its own or any other airline over a designated airline of the other Contracting Party engaged in similar international air services in the application of its Immigration, customs, quarantine and similar regulations.

ARTICLE 6

RECOGNITION OF CERTIFICATES

1. Each Contracting Party shall recognize as valid, for the purpose of operating the air services, provided for in this Agreement, certificates of airworthiness, certificates of competency, and licences issued or validated by the State responsible for the regulatory control of designated airline and still in force, provided that the requirements for such certificates or licences at least equal the minimum standards that may be established pursuant to the Convention.
2. Each Contracting Party reserves the right, however, to refuse to recognize as valid, for the purpose of flight above or landing within its own territory, certificates of competency and licences granted to or validated for its own nationals by the other Contracting Party.

ARTICLE 7

AIR SAFETY

1. Either Contracting Party may request consultations concerning the safety standards maintained in respect of an airline designated by the other Contracting Party relating to aeronautical facilities, aircrews, aircraft and operation of the designated airlines.
2. If, following such consultations, one Contracting Party finds that the other Contracting Party does not effectively maintain and administer safety standards in the areas referred to in paragraph (1) of this Article that meet standards established at that time pursuant to the Convention, the other Contracting Party shall be informed of such finding and of the steps considered necessary to conform with the said standards. The other Contracting Party shall then take appropriate corrective action within an agreed time period.
3. Pursuant to Article 16 of the Convention, it is further agreed that any aircraft operated by, or on behalf of, a designated airline of one Contracting Party in accordance with the designation provision of this Agreement and utilised to

conduct air services operation in accordance with the provision of this Agreement to or from the territory of the other Contracting Party through leasing arrangements from another airline of either Contracting Party or third party, may, while within the territory of the other Contracting Party, be the subject of a search by the authorized representative of the other Contracting Party, provided this does not cause unreasonable delay in the operation of the aircraft. Notwithstanding the obligations mentioned in Article 33 of the Convention, the purpose of this search is to verify the validity of the relevant aircraft documentation, the licensing of its crew, and that the aircraft equipment and the condition of the aircraft conform to the standards established at that time pursuant to the Convention.

4. When urgent action is essential to ensure the safety of an airline operation, each Contracting Party reserves the right to immediately withhold, revoke or limit the operating authorization or technical permission of an airline or airlines of the other Contracting Party.
5. Any action by one Contracting Party in accordance with paragraph (4) of this Article shall be discontinued once the basis of the taking of that action ceases to exist.
6. With reference to paragraph (2) of this Article, if it is determined that one Contracting Party remains in non-compliance with the said standards when the agreed time period has lapsed, the Secretary-General of International Civil Aviation Organization (ICAO) should be advised thereof. The latter should also be advised of the subsequent satisfactory resolution of the situation.

ARTICLE 8

AVIATION SECURITY

1. In accordance 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 generality of their rights and obligation 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, done at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, done at The Hague on 16 December 1970, the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, done at Montreal on 23 September, 1971 and the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving

International Civil Aviation Supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation done at Montreal on 24 February 1988, and the Convention on the Marking of plastic Explosives for the Purpose of Detection, done at Montreal on 1 March 1991, and any other convention or protocol on civil aviation security to which both Contracting Parties become parties.

2. Upon request the Contracting Parties shall provide each other with all necessary assistance to prevent acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, of their passengers and crew, and of airports and air Navigation facilities, and address any other threat to the security of civil air navigation.
3. The Contracting Parties shall, in their mutual relations, act in conformity with all aviation security standards and appropriate recommended practices established by the International Civil Aviation organization and designated as Annexes to the Convention; they shall require that operators of aircraft of their registry, operators of aircraft which have their principal place of business or permanent residence in their territory and operators of airports in their territory act in conformity with such aviation security provisions.
4. When an incident or threat of an incident of unlawful seizure of aircraft or other unlawful acts against the safety of passengers, crew, aircraft, 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.
5. When a Contracting party has reasonable grounds to believe that the other Contracting Party has departed from the aviation security provisions of this Article, the aeronautical authority of that Contracting Party may request immediate consultations with the aeronautical authorities of the other Contracting Party, Failure to reach a satisfactory agreement within fifteen (15) days from the date of such request shall constitute grounds to withhold, revoke, limit, or impose conditions on the operating authorization and technical permissions of an airline or airlines of that other Contracting Party. When required by an emergency, a Contracting Party may take interim action prior to the expiry of fifteen (15) days.

ARTICLE 9
COMMERCIAL OPPORTUNITIES

1. The airline of each Contracting Party shall have the right to establish offices in the territory of the other Contracting Party for the promotion and sale of air services.
2. The designated airline of each Contracting Party shall be entitled, in accordance with the laws and regulations of the other Contracting Party relating to entry, residence and employment, to bring in and maintain in the territory of the other Contracting Party managerial, sales, technical, operational and other specialist staff required for the provision of air services.
3. Each designated airline shall have the right to perform its own ground-handling in the territory of the other Contracting Party ("self-handling") or, at its option, select among competing agents for such services in whole or in part. The rights shall be subject only to physical constraints resulting from considerations of airport safety. Where such considerations preclude self-handling, ground services shall be available on an equal basis to all airlines; charges shall be based on the costs of services provided; and such services shall be comparable to the kind and quality of services as if self-handling were possible.
4. Any airline of each Contracting Party may engage in the sale of air services in the territory of the other Contracting Party directly and, at the airline's discretion, through its agents, except as may be specifically provided by the charter regulations of the country in which the charter originates that relate to the protection of passenger funds, passenger cancellation and refund rights. Each airline shall have the right to sell such transportation, and any person shall be free to purchase such transportation, in the currency of that territory or in freely convertible currencies.
5. Each airline shall have the right to convert and remit to its country, on demand, local revenues in excess of sums locally disbursed. Conversion and remittance shall be permitted promptly without restrictions or taxation in respect thereof at the rate of exchange applicable to current transactions and remittance on the date the carrier makes the initial application for remittance.
6. The airlines of each Contracting Party shall be permitted to pay for local expenses, including purchases of fuel, in the territory of the other Contracting Party in local currency. At their discretion, the airlines of each Contracting Party may pay for such expenses in the territory of the other Contracting Party in freely convertible currencies according to local currency regulation.

ARTICLE 10
CUSTOMS DUTIES AND CHARGES

1. Each Contracting Party shall on the basis of reciprocity exempt a designated airline of the other Contracting Party to the fullest extent possible under its national law from custom duties, excise taxes, inspection fees and other national duties and charges on aircraft, fuel, lubricating oils, consumable technical supplies, spare parts including engines, regular aircraft equipment, aircraft stores (including but not limited to such items of food, beverages, tobacco and other products destined for sale or to be used solely in connection with the operation or servicing of aircraft) and other items, such as printed ticket stock, air waybills, any printed material which bears the insignia of the company printed thereon and usual publicity material distributed free of charge by that designated airline intended for use or used solely in connection with the operation or servicing of aircraft of the designated airline of such other Contracting Party operating the agreed services.
2. The exemption granted by this Article shall apply to the items referred to in paragraph (1):
 - (a) introduced into the territory of the Contracting Party by or on behalf of the designated airline of the other Contracting Party;
 - (b) retained on board the aircraft of the designated airline of one Contracting Party upon arrival in or leaving the territory of the other Contracting Party; or
 - (c) taken on board the aircraft of a designated airline of one Contracting Party in the territory of the other Contracting Party and intended for use in operating the agreed services;whether or not such items are used or consumed wholly within the territory of the Contracting Party granting the exemption, provided the ownership of such items is not transferred in the territory of the said Contracting Party.
3. The regular airborne equipment, as well as the materials, supplies normally retained on board the aircraft of the designated airline 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 supervision of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.
4. The exemptions provided for by this Article shall also apply in situations where a designated airline of one Contracting Party has entered into arrangement with other airlines for the loan or transfer in the territory of the other Contracting Party of the

items specified in paragraph (1) of this Article, provided such other airlines similarly enjoy such exemptions from the other Contracting Party.

5. Nothing in this Agreement shall prevent either Contracting Party from imposing, on a non-discriminatory basis, taxes, levies, duties, fees or charges on fuel supplied in its territory for use in an aircraft of a designated air carrier of the other Contracting Party in accordance with applicable law in the Contracting States.

ARTICLE 11

USER CHARGES

1. User charges that may be imposed by the competent charging authorities or bodies of each Contracting Party on the airlines of the other Contracting Party shall be just, reasonable, not unjustly discriminatory, and equitably apportioned among categories of users. In any event, any such user charges shall be assessed on the airlines of the other Contracting Party on terms not less favourable than the most favourable terms available to any other airline at the time the charges are assessed.
2. User charges imposed on the airlines of the other Contracting Party may reflect, but shall not exceed, the full cost to the competent charging authorities or bodies of providing the appropriate airport, airport environmental, air navigation and aviation security facilities and services at the airport or within the airport system. Such full cost may include a reasonable return on assets, after depreciation. Facilities and services for which charges are made shall be provided on an efficient and economic basis.
3. Each Contracting Party shall encourage consultation between its competent charging authorities or bodies in its territory and the airlines using the services and facilities, and shall encourage the competent charging authorities or bodies and the airlines to exchange such information as may be necessary to permit an accurate review of the reasonableness of the charges in accordance with the principles of paragraphs (1) and (2) of this Article. Each Contracting Party shall encourage the competent charging authorities to provide users with reasonable notice of any proposal for changes in user charges to enable users to express their views before changes are made.
4. Neither Contracting party shall be held, in dispute resolution procedures pursuant to Article 16 of this Agreement, to be in breach of a provision of this Article, unless a) it fails to undertake a review of the charge or practice that is the subject of complaint by the other Contracting Party within a reasonable amount of time; or b)

following such a review it fails to take all steps within its power to remedy any charge or practice that is inconsistent with this Article.

ARTICLE 12

AVOIDANCE OF DOUBLE TAXATION

Both Contracting Parties urge their respective financial authorities to conclude comprehensive agreement on avoidance of double taxation.

ARTICLE 13

FAIR COMPETITION

1. Each Contracting Party shall allow fair and equal opportunity for the designated airlines of both Contracting Parties to compete in providing the international air services governed by this Agreement.
2. Each Contracting Party shall allow each designated airline to determine the frequency and capacity of the international air services it offers based upon commercial considerations in the marketplace. Consistent with this right, neither Contracting Party shall unilaterally limit the volume of traffic, frequency or regularity of service, or the aircraft type or types operated by the designated airlines of the other Contracting Party, except as may be required for customs, technical, operational, or environmental reasons under uniform conditions consistent with Article 15 of the Convention.
3. Neither Contracting Party shall impose on the other Contracting Party's designated airlines a first-refusal requirement, uplift ratio, no-objection fee, or any other requirement with respect to capacity, frequency or traffic that would be inconsistent with the purposes of this Agreement.
4. Neither Contracting Party shall require the filing of schedules, programs for charter flights, or operational plans by airlines of the other Contracting Party for approval, except as may be required on a non-discriminatory basis to enforce the uniform conditions foreseen in Paragraph (2) of this Article or as may be specifically authorized in an annex to this Agreement. If a Contracting Party requires filing for information purposes, it shall minimize the administrative burdens of filing requirements and procedures on air services' intermediaries and on designated airlines of the other Contracting Party.

ARTICLE 14

PRICING

1. Each Contracting Party shall allow prices for air services to be decided by each designated airline based on commercial considerations in the marketplace. Intervention by the Contracting Parties shall be limited to:
 - (a) prevention of unreasonably discriminatory prices or practises.
 - (b) protection of consumers from prices that are unreasonably high or restrictive due to the abuse of a dominant position; and
 - (c) protection of airlines from prices that are artificially low due to direct or indirect governmental subsidy or support.
- . Each Contracting Party may require notification or filing with its aeronautical authorities of prices to be charged, to or from its territory, by designated airlines of the other Contracting Party. Notification or filing by the airlines of both Contracting Parties may be required no more than (30) days before the proposed date of effectiveness. In individual cases, notification or filing may be permitted on shorter notice than normally required. Neither Contracting Party shall require the notification or filing by designated airlines of the other Contracting Party of prices charged by charterers to the public, except as may be required on a non-discriminatory basis for information purposes.

ARTICLE 15

INTERMODAL SERVICES

- 2 Notwithstanding any other provision of this Agreement, airlines and indirect providers of cargo transportation of both Contracting Parties shall be permitted, without restriction, to employ in connection with international air services any surface transportation for cargo to or from any points in the territories of the Contracting Parties, including transport to and from all airports with customs facilities, and including, where applicable, the right to transport cargo in bond under applicable laws and regulations. Such cargo, whether moving by surface or by air, shall have access to airport customs processing and facilities. Airlines may elect to perform their own surface transportation or to provide it through arrangements with other surface carriers, including surface transportation operated by other airlines and indirect providers of cargo air services. Such intermodal cargo services may be offered at a single, through price for the air and surface transportation combined, provided that shippers are not misled as to the facts concerning such transportation.

ARTICLE 16

CONSULTATIONS AND SETTLEMENT OF DISPUTES

1. In a spirit of close co-operation, either Contracting Party may, at any time, request consultation relating to this Agreement, its implementation and satisfactory compliance with the provisions of this Agreement. 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 endeavour to settle it by consultation.
2. Any dispute which cannot be resolved by consultation may at the request of either Contracting Party of this Agreement be submitted to a mediator or a dispute settlement panel. Such a mediator or panel may be used for mediation, determination of the substance of the dispute or to recommend a remedy or resolution of the dispute.
3. The Contracting Parties shall agree in advance on the terms of reference of the mediator or of the panel, the guiding principles or criteria and the terms of access to the mediator or the panel. They shall also consider, if necessary, providing for an interim relief and the possibility for the participation of any third Party that may be directly affected by the dispute, bearing in mind the objective and need for simple, responsive and expeditious process.
4. A mediator or the members of panel may be appointed from a roster of suitably qualified aviation experts maintained by International Civil Aviation Organization (ICAO). The selection of the expert or experts shall be completed within fifteen (15) days of receipt of the request for submission to mediator or to a panel. If the Contracting Parties fails to agree on the selection of an expert or expert, the selection may be referred to the President of the Council of International Civil Aviation Organization. Any expert used for this mechanism should be adequately qualified in the general subject of the dispute.
5. A mediation should be completed within sixty (60) days of engagement of the mediator or the panel and any determination, including, if applicable, any recommendation, should be rendered within sixty (60) days of engagement of the mediator or the panel. The Contracting Parties may agree in advance that the mediator or the panel may grant interim relief to the complainant, if requested, in which case a determination shall be made initially.
6. The Contracting Parties shall co-operate in good faith to advance the mediation and to implement the decision or determination of the mediators or the panel, unless they otherwise agree in advance to be bound by the decision or determination. If the

Contracting Parties agree in advance to request only a determination of the facts, they shall use those facts for resolution of the dispute.

7. The costs of this mechanism shall be estimated upon initiation and apportioned equally, but with the possibility of re-apportionment under the final decision.
8. The mechanism is without prejudice to the continuing use of the consultation process, the subsequent use of arbitration, or termination under Article 19 of this Agreement.

ARTICLE 17

APPROVAL OF TIME-TABLES

The designated airlines of either Contracting Party shall, not later than sixty (60) days prior to the date of operation of any agreed service(s), submit its proposed time-tables to the Aeronautical Authorities of the other Contracting Party for approval. Such timetables shall include the type of service and aircraft to be used, the flight schedule and any other relevant information. This shall, likewise, apply to any subsequent changes. In special cases, this time limit may be reduced subject to the approval of the said Authorities.

ARTICLE 18

AMENDMENTS

1. If either Contracting Party considers it desirable to amend any provision of this Agreement, including the Annex thereto, it may request consultations between the aeronautical authorities of both Contracting Parties in relation to the proposed amendment. Such consultations shall commence within a period of sixty (60) days from the date of receipt of the request. Any amendments so agreed shall enter into force when they have been confirmed by an exchange of diplomatic note by both Contracting Parties.
2. An amendment to the Annex may be made by direct agreement between the aeronautical authorities of both Contracting Parties and shall enter into force when it has been confirmed by an exchange of diplomatic notes.

ARTICLE 19
TERMINATION

Either Contracting Party may, at any time, give notice in writing to the other Contracting Party of its decision to terminate this Agreement. Such notice shall be sent simultaneously to the International Civil Aviation Organization. This Agreement shall terminate at midnight at the place of receipt of the notice immediately before the first anniversary of the date of receipt of the notice by the other Contracting Party, unless the notice is withdrawn by agreement of the Contracting Parties before the end of this period. In the absence of acknowledgement of receipt by the other Contracting Party, the notice shall be deemed to have been received fourteen (14) days after the date it was received by the International Civil Aviation Organization.

ARTICLE 20
REGISTRATIONS

This Agreement and all amendments thereto shall be registered upon their signature with the International Civil Aviation Organization.

ARTICLE 21

ENTRY INTO FORCE

This Agreement shall enter into force on the date of the later note in an exchange of diplomatic notes between the Contracting Parties confirming that the internal procedures necessary for the entry into force of the Agreement have been completed.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at Aqaba on 5th of December 2019 AD, corresponding to 8th of Rabi Al-Thani 1441 AH, in two originals, in the Arabic, Icelandic and English languages, each text being equally authentic. In case of divergence of interpretation, the English text shall prevail.

For the Government of
Iceland

For the Government of the
Kingdom of Saudi Arabia



BENEDIKT ÁSGEIRSSON
Ambassador
Chief Air Negotiator



Abdulhadi bin Ahmed Al-Mansouri
President of the General Authority of Civil
Aviation

ANNEX
Route Schedule

Section (1): Routes on which air services may be operated by the designated airline (airlines) of Iceland.

Points of Origin	Intermediate Points	Points in the Kingdom of Saudi Arabia	Points Beyond
Points in Iceland	Any points	Jeddah Riyadh Dammam	Any points

For all cargo services the same applies.

Section (2): Routes on which air services may be operated by the designated airline (airlines) of the Kingdom of Saudi Arabia.

Points of Origin	Intermediate Points	Points in Iceland	Points Beyond
Points in the Kingdom of Saudi Arabia	Any points	Keflavik Akureyri Egilsstaour	Any points

For all cargo services the same applies.

Section (3): Notes on the routes to be operated by the designated airlines of both Contracting Parties.

1. Each designated airline may serve intermediate points and points beyond specified in the annex of this Agreement on condition that fifth freedom traffic rights shall be exercised between these points and the territory of the other Contracting Party, if an agreement to that effect is made between the two Aeronautical Authorities.
2. Intermediate points and points beyond on any of the specified routes may, at the option of the designated airlines, be omitted on any or all flights, provided that any

service either begins or terminates in the Territory of the Country designating the airline.