

BASIC AIR STUDY OF THE NETHERLANDS

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Document No. 001
 NO CHANGE in Class.
 DECLASSIFIED
 Class. CHANGED TO: TS S C
 DDA Memo, 4 Apr 77
 Auth: DDA REG. 77/1783
 Date: 09 FEB 1978 By: o11

BASIC AIR STUDY ON THE NETHERLANDSI. Civil Air Policy of The Netherlands

The basic policy of the Netherlands is to foster civil aviation as a national industry important to the overall economy of the country. this is in keeping with the primary tradition of the country as a leader in world transportation. The government's air organization, policies, and procedures are generally considered to be sound and well administered. Present policy consists of the subsidization of airlines, industry, airports, education and training to the extent necessary to support Dutch flag carriers in achieving and maintaining a dominant position in world air transport. Since civil aviation is considered an important contribution to national prestige, the government has shown willingness to underwrite any deficits which arise in operational costs and is prepared to relegate to a secondary position the question of profits. The limitation of commercial air operations to a single chosen instrument in order to achieve the maximum development in efficiency will continue as a fundamental policy for some time to come. The majority opinion approves of this procedure because of its success in the past and the economic and operational difficulties to be encountered in establishing new air carriers. (1)

In the field of international civil air policy the Dutch strongly support the most liberal policy. They are in favor of a wide open multilateral with no bilateral trading for routes in order to prevent them from being denied for capricious reasons. The Dutch are members and strong advocates of ICAO and attempt to maintain standards established thereby. The government cooperates fully in granting facilities to foreign airlines and no restrictions are imposed other than the normal reservation of cabotage rights for KLM. Government policy in the past has been influenced by and closely associated with that of the US. There are currently, however, important differences of approach since the US has found it desirable to adopt certain reservations. The Dutch are at present the leaders in pursuing a policy of complete freedom of the air and in this aspect are most closely related to the Scandinavian countries. (1,8,9)

The strength of Dutch civil aviation lies in its excellent and air-minded leadership; its strong government backing; its liberal, progressive policies; its admirable operating record; and its possession of a good international airport occupying a central location in Western Europe. The weakness of the program is due to lack of foreign exchange, aircraft manufacturing facilities and building materials. (1)

II. Governmental Activities in Connection with Civil Aviation

The government problem of formulating, supervising and administering civil air policy and programs has continued to be simple enough to allow for one government agency to deal with all matters. This is the Rijkvluchtvaartdienst (RLVD), one of four departments of the Ministry of Transport and Power, which is headed by a Cabinet member. The transportation section of the Ministry for Foreign Affairs participates in civil aviation to the extent of providing liaison with foreign governments. Matters of great importance are often taken to the Council of Ministers for decision. (1)

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(1) Statistics on KLM Operations:

Koninklijke Luchtvaart Maatschappij voor Nederland en Kalonien (13,21)
 N. V. (KLM) was formed at The Hague on 7 October 1918 by a group of shipping officials, industrialists and bankers, and is the oldest operating airline in the world. Service began on 18 May 1920 with the inauguration of a route between Amsterdam and London. With the outbreak of World War II and the German occupation, KLM's European services were suspended with the exception of the London-Lisbon route flown under charter to BOAC by a fleet of DC-3s which escaped the invasion of Holland. In 1940, headquarters were transferred to KNILM, the Royal Dutch Unit based in the East Indies, and the Batavia route continued in operation until the fall of the Netherlands possessions. Airline activities of KLM and KNILM were then confined to the Netherlands West Indian routes which had been inaugurated in January, 1935. On 1 August 1947, KNILM was amalgamated into KLM and an Inter-island Traffic Division was formed to operate the air services in the East Indies on the instructions of and in cooperation with the Ministry of Transport, Power and Mines in Batavia. At present it has 23 DC-3s and 3 amphibian Catalinas.

KLM is allegedly operated as a private business enterprise even (1,5) though the government has a majority stock interest. Foreigners are not permitted to own controlling or minority interests and the government provides capital investment funds which amount to more than 95% of the corporation's stock. Private ownership is favored by KLM but the government desires not only to provide sufficient capital for KLM's postwar reconstruction and expansion, but also to retain a guiding hand on long range policy. On the other hand, Mr. Albert Plesman, Managing Director of KLM, actually has a dominant voice in the determination of Netherlands civil air policy. Because KLM is a source of foreign exchange, it is accorded a privileged position by the government in questions of allocation of materials.

Equipment consists of 29 C-47s, 12 C-54s, 6 DC-4s, 18 Constellations, (4,13,25) 7 DC-6s, and 1 Taylorcraft. In addition, KLM has 12 Convairs and 2 new Constellations on order.

KLM uses many foreign pilots, the majority of which are Canadian. (13)
 Company employees total approximately 12,000, of which 332 are pilots.

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(2) Airline Routes Flown:

External:	Round trips per week	(2)
1. Miami - Kingston - Aruba - Curacao	5	
2. Curacao - Caracas	12	
3. Miami - Havana - Kingston - Aruba - Curacao	2	
4. Kingston - Port au Prince - Ciudad Trujillo - Curacao	2	
5. Aruba - Caracas	2	
6. Curacao - Port of Spain - Paramaribo	3	
7. Curacao - Port of Spain	2	
8. Aruba - Curacao	29	
9. Curacao - Aruba - Barranquilla - San Jose	2	
10. Curacao - Aruba - Barranquilla	1	
11. Curacao - Aruba - Maracaibo	7	
12. Curacao - Bonaire	6	
13. Curacao - St. Martin - St. Kitts	1	
14. Amsterdam - Paris	14	
15. Amsterdam - Brussels	13	
16. Amsterdam - Copenhagen - Stockholm	7	
17. Amsterdam - Zurich	7	
18. Amsterdam - Geneva	1	
19. Amsterdam - Geneva - Rome - Tunis	3	
20. Amsterdam - Geneva - Madrid - Lisbon	3	
21. Amsterdam - Christiansand - Oslo	3	
22. Amsterdam - Oslo	3	
23. Amsterdam - Manchester - Dublin	3	
24. Amsterdam - Prague	4	
25. London - Eindhoven	6	
26. Amsterdam - Eindhoven	6	
27. Amsterdam - Glasgow	3	
28. Amsterdam - Hamburg	2	
29. Eindhoven - Basle	6	
30. Eindhoven - Zurich	3	
31. Eindhoven - Frankfurt - Munich	2	
32. Eindhoven - Frankfurt	1	25X1
33. Amsterdam - Eindhoven - Lourdes	1	
34. Amsterdam - Zurich - Budapest	<input type="text"/>	
35. Curacao - New York - Gander - Prestwick - Amsterdam	2	
36. New York - Gander - Prestwick - Amsterdam	7	
37. Amsterdam - London	49	
38. Amsterdam - Tunis - Kano - Leopoldville (technical stop only) - Johannesburg	2	
39. Amsterdam - Rome - Athens - Cairo	2	
40. Amsterdam - Cairo - Basra - Karachi - Calcutta - Bangkok - Batavia	5	
41. Amsterdam - Rome - Cairo - Basra - Karachi - Calcutta - Bangkok - Singapore - Batavia	1	
42. Amsterdam - Rome - Cairo - Basra - Karachi - Calcutta - Bangkok - Batavia	1	

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- 43. Amsterdam - Rome - Istanbul - Ankara - Teheran 1
- 44. Batavia - Semarang - Sourabaya 14
- 45. Batavia - Sourabaya - Macassar - Mendao 1
- 46. Batavia - Sourabaya - Macassar - Mendao - Moratai 2
- 47. Batavia - Sourabaya - Balikpapan - Zamboanga (technical stop only) - Manila 25X1
- 48. Batavia - Palembang - Singapore 3
- 49. Batavia - Palembang - Medan - Sabang 1
- 50. Batavia - Pangkalpinang-Singapore 1

Internal:

(25)

- 1. Amsterdam - Groninger
- 2. Amsterdam - Enschede
- 3. Amsterdam - Maastricht 24

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The government has licensed one other carrier for non-scheduled (1)
operations but this activity is presently limited to local air taxi
service in single engined aircraft.

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Foreign airlines servicing Amsterdam include:

AIR FRANCE

(2)

AOA

BEA

SWISSAIR

SAS

AER LINGUS

CSA

SABENA

AERO O/Y

(26)

MASZOVLET has permission to reciprocate KLM's service to Budapest but had not commenced service as of 17 June 1948 due to inability to secure UK or US permission to transit their zones of occupation in Germany.

(10)

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(3) Air Facilities:

The government promotes the development of airports through direct (1) subsidies. Most airfields are still controlled and operated by the military; others are operated by the municipality under supervision of the RLVD.

The only airport worth mentioning is Schipol, near Amsterdam, where all international services are carried on. A vast construction program which includes new runways and extensions, hangars and parking areas has been going on for eighteen months. Schipol lies below sea level and is vulnerable to destruction by inundation.

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SECRET**IV. Bilateral Agreements****Fifth freedom type:**

Brazil	6 Nov 47	(7, 13, 14, 15, 18, 22)
Canada	2 June 48	(5th freedom not to be exercised until later)
China	6 Dec 47	
Czechoslovakia	1 Sept 47	
Greece	17 Apr 47	
India	31 May 47	
Ireland	10 May 48	
Portugal	12 Apr 46	
Siam	18 June 47	
South Africa	22 July 47	
Spain	13 July 46	(abrogated effective Aug 48)
Turkey	19 Mar 47	
United Kingdom	13 Aug 46	
Uruguay	12 May 47	

Interim type:

Egypt	(13, 19, 20, 27, 28)
Iran	
Iraq Italy	
Norway	
Philippines	

Company-government type:

(22)

Columbia	15 Sept 47
Costa Rica	11 Jan 47
Cuba	19 Mar 47
Denmark	22 May 46
Haiti	17 Aug 43
Netherlands - AOA	29 Nov 45
Venezuela	2 Sept 44

Unknown type:

Australia	3 June 37	(22)
Dominican Republic		
France	15 July 48	
Sweden	3 Nov 45	

As seen above, the only satellite with which the Netherlands have a regular reciprocal agreement is Czechoslovakia. There is a provisional reciprocal arrangement with Hungary for fortnightly alternate flights by KLM and MASZOVLET for the period April through September but subject to cancellation at any time. (23)

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In August 1947, the Netherlands negotiated a fifth freedom agreement with Austria. This has now been ratified by Austria and is awaiting approval by the allied occupational authorities. (16)

The allied occupational authorities in Germany have granted permission for KLM to operate to Germany but cabotage rights Frankfurt-Munich are still under discussion. (17)

Agreements with Peru and Chile were initialed in 1948 but no service is contemplated this year. The type of agreement is unknown. (18)

The Netherlands government wishes to formalize the temporary arrangement under which service is made to Italy and negotiations will be carried on after the UK has succeeded in obtaining a satisfactory agreement with Italy. (13,26)

The Netherlands government remains anxious to conclude a formal non-restrictive bilateral with the US. Negotiations have been carried on sporadically since July 1946, and in the meantime operations of both airlines continue. (26)

Finland and the Netherlands have exchanged letters in regard to the opening of an air service. The Dutch will not ask for reciprocal rights until technical difficulties at the airport at Malmo have been overcome. (26)

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SECRET**V. Aeronautical Industry, Research and Education****(1) Aeronautical Industry:**

Under the recommendation of a governmental commission, unification of the aircraft industry was achieved with the signing of a merger agreement on 1 February 1947 which provided for incorporation of a new company, Fokker Netherlands Associated Aircraft Factories, Inc. The merging companies were Fokker Netherlands Aircraft Works, Aviolanda Aircraft Construction Company and the aircraft construction department of Scheldt Royal Company. Fokkers is now the sole air manufacturing concern in the Netherlands and receives limited financial support from the government through subsidies and the allocation of raw materials and foreign exchange. Combined industrial resources under centralized direction and with government support is favored in order to recreate and help revive an industry that was destroyed by the war and has limited opportunities for development.

(1,6)

As the industry is still in the stage of reconstruction, it is mainly being used as a repair center by the Dutch and Belgian Air Forces. It has commenced the construction under license of the North American "Harvard" and of the Hawker "Seafury". "Fokker Instructor S. 11", the first trainer plane designed in Holland since the war, is shortly to undergo testing. As transport aircraft are not likely to be produced locally for many years, US aircraft industry is being relied upon to fulfill KLM needs.

(1,25)

The government authorizes Fokkers to convert military surplus Dakotas and Skymasters for foreign aviation companies. The question of whether this service may apply to satellite countries is at present undergoing discussion and it is felt that the Netherlands will acquiesce to the US viewpoint in this case provided the policy becomes universal in application.

(1)

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(2) Research:

The government operates its own National Aeronautical Research Institute and subsidizes in full the Netherlands Institute for the Development of Aircraft (a semi-official agency), the board of which includes representatives from KLM, Fokkers, the National Aeronautical Research Institute and various governmental departments. The Netherlands Institute for the Development of Aircraft has no laboratory but directs and gives financial support through government loans and direct subsidies to Fokkers for the development of prototype aircraft. The research program is not very extensive because of a relatively small investment and a limited manufacturing industry. (1)

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(3) Education:

The government sponsors, controls and subsidizes aeronautical (1) education. The RLVD in the Ministry of Transport directly operates its own National Flying School for pilots; the Ministry of Education operates the technicians' schools; and the State University of Delft provides aeronautical engineering training. The total enrollment at Delft and the flying training school is approximately 100 each, with enrollment in technical schools approximately 500. KLM also operates schools for advanced pilots, technician and administrative training.

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