80

#202

EASTERN EUROPEAN INTELLIGENCER OCI #0997/72 27 Oct. 72

Hungary Grants Overflight Rights to Pan Am

Budapest has approved a Pan American Airways' request to overfly Hungary without raising the question of reciprocity. In acceding to Pan Am's request, relayed informally through the Embassy, the Hungarians evidently chose to ignore those provisions of last May's bilateral air agreement, which explicitly made the rights of overflight applicable only to a "designated airline" of each contracting party. The US was not prepared either to make Pan Am its "designated airline" or to entertain a request that the Hungarian carrier Malev should enjoy similar status. This departure from past Hungarian handling of civil air requests, however, testifies to Budapest's desire to maintain the upbeat note in bilateral relations.

25X1

State Dept. review completed