

CENTRAL INTELLIGENCE AGENCY  
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Czechoslovakia's International Civil Airline

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CZECHOSLOVAKIA'S INTERNATIONAL CIVIL AIRLINE

Summary

Czechoslovakia's national airline (CSA) has an international route network second only to Aeroflot's among Communist airlines. Its operations extend over an expansive but thinly served network, outside the Warsaw Pact countries, of more than 41,000 miles. Services are heavily concentrated in Europe, with other routes stretching from North America and the Caribbean to Indonesia and from the Scandinavian countries to Africa. The current international schedule includes more than 75 flights per week, about three-fourths of them to 33 non-Communist countries, Cuba, and Yugoslavia, and the remainder within the Warsaw Pact. Although the largest airline in Eastern Europe, CSA ranks behind many small international Western carriers in frequency of flights and number of passengers carried.

After a decade of rapid growth, which saw CSA's European route network extended to the Middle East, Africa, and South Asia, the Czech airline by 1968 was faced with a number of interrelated problems.

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STATINTL

Among these were management deficiencies, low-yield routes, aircraft inventory limitations, and slow-down in the growth of international passenger traffic. Czech aviation officials responded by acquiring modern jet aircraft from the Soviet Union, adding routes with greater traffic potential, shedding unprofitable routes, and streamlining management. The most important service added was CSA's Prague - New York flights inaugurated in May 1970, which enhanced the airline's prestige and placed it in the lucrative North Atlantic market.

The reorganization and consolidation of CSA's operations have continued through 1972 and into early 1973. A stronger, more profitable route network has been established, and the Soviet jet short-to-medium-range TU-134As and jet long-range IL-62s have been integrated into the fleet. Flights to Mexico City, Rio de Janiero, Buenos Aires, Sydney, and Hanoi may be added as extensions of existing services.

CSA has been studying additions to its fleet inventory and has an immediate need for a half dozen medium- and long-range aircraft. Despite Czech dissatisfaction with the overall performance of their Soviet aircraft, three more IL-62s and

five new TU-154s of medium to longer range are scheduled for delivery later in 1973 and 1974. Earlier considerations of US aircraft were negated by Soviet arm twisting, and the Czechs almost certainly will continue to operate an all-Soviet-built civil air fleet.

### Discussion

#### Origin, Growth, and Problems

1. Czechoslovakia's national airline was formed in 1945 from Czechoslovak National Airline and Ceskoslovenska Letecka Spolecnost, both in existence since the mid-1920s. During the 1950s, the new airline underwent several reorganizations and by the end of the decade was under the control of the State Aviation Administration of the Ministry of Transportation, which still oversees its operation. Czechoslovakia was one of the original organizers of the International Civil Aviation Organization (ICAO), an organization formed soon after World War II to foster the orderly growth of international aviation. In addition, CSA is a member of the International Air Transport Association (IATA), an organization of scheduled international airlines concerned primarily with rate

questions. The Czech national airline supplies both domestic and international air service. This publication deals almost entirely with the international part of its operations, which account for roughly 40% of passengers carried and 75% of passenger miles.

2. CSA belongs to the "Six Pool" agreement, an association formed in 1957 among airlines of the Warsaw Pact. This agreement provides for cooperation among members on intra-Communist services, fares, technical support, and the pooling and division of revenues. Some of the prestige garnered by Czechoslovakia's long-standing membership in ICAO has been diluted during the past four years, because most East European countries have joined the organization, with the Soviet Union becoming a member in November 1970.

3. CSA's international network expanded vigorously during most of the 1960s. The airline's existing routes within Europe were extended to several cities in the Middle East, and new routes were opened to Africa, South and Southeast Asia, and Cuba. By the end of 1968, CSA's services included stops in 32 non-Communist countries, including several added as extensions or intermediate

stops along existing routes. Many of these new services were inaugurated because of Czechoslovakia's growing economic and political interest in various less developed countries (LDCs), and some proved to be unprofitable.

4. By 1968 this rapid expansion, particularly the addition of several low-volume stops, led to a combination of problems, notably (a) the existence of many middle-managers not attuned to modern airline management techniques and (b) the lack of enough modern aircraft, which led to a gradual deterioration of service and prevented frequent and competitive service along the more profitable European routes. The situation was aggravated by the concurrent slowdown in the growth of worldwide international passenger traffic.

#### Reorganization

5. In view of its foundering international operations, CSA underwent a major reorganization beginning in late 1968. Existing routes were restructured to handle new, more efficient Soviet aircraft -- the TU-134As and the IL-62 jets.<sup>1</sup> New

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<sup>1</sup>. The TU-134A is a rear-mounted twin turbofan jet medium-range aircraft (1,500 to 2,000 miles) with a capacity of 76 passengers. The IL-62 is a long-range jet aircraft (4,000 to 5,000 miles) with four rear-mounted turbofan engines and an average first class/tourist configuration capacity of 148 passengers.

services along more profitable international routes were added while other less profitable routes were canceled. Concurrently, many middle-management positions were eliminated or filled with administrators more acquainted with modern airline operations.

6. Since 1968, six TU-134As and four IL-62s have been purchased from the USSR and are currently in use on most of CSA's international routes. In addition, ten air agreements have been signed or updated since the reorganization, including those with Canada and the United States, which allowed inauguration of CSA flights on the lucrative North American market. Several low-volume routes were canceled, including ones to Conakry in West Africa, to Dubai in the Middle East, and to Rangoon and Phnom Penh in Southeast Asia. CSA's flights to these cities began in the early 1960s, when political and economic penetration and not air-traffic potential or profitability were the criteria. A changing political climate and cost realities prompted the cancellation.

CSA Today

7. CSA's international service schedule is second only to Aeroflot's among all the Warsaw Pact

airlines in the number of non-Communist countries served (see Table 1). Its network outside the

Table 1

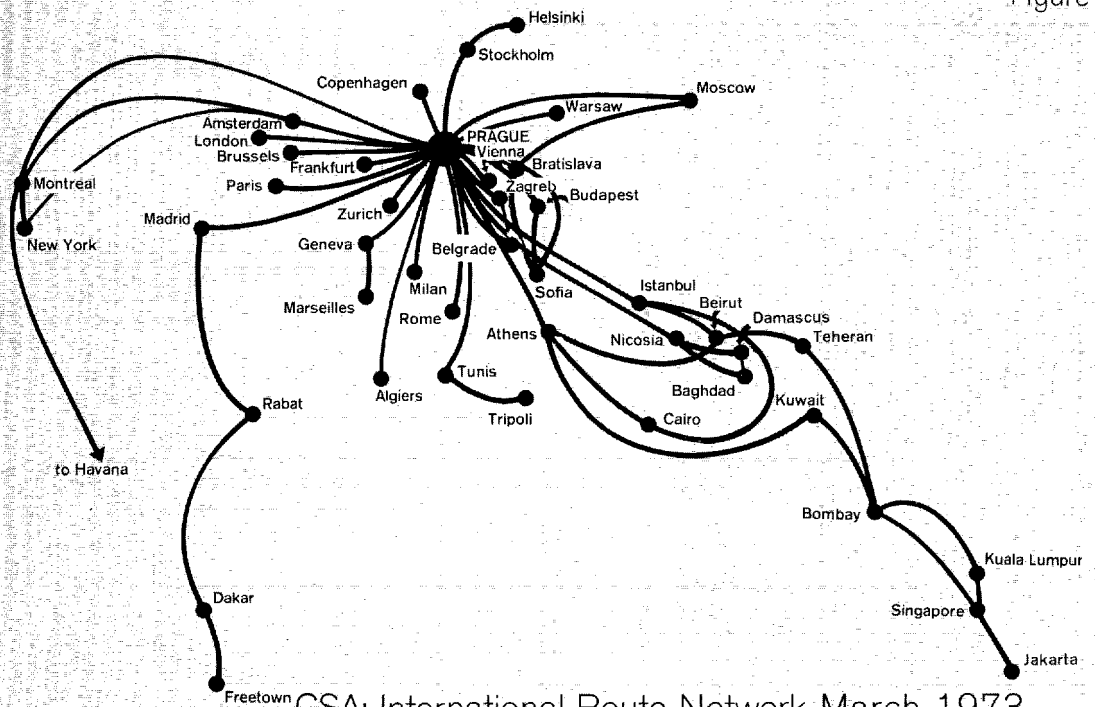
Warsaw Pact Airlines:  
 Comparison of International Civil Air Service  
 with Non-Communist Countries, Cuba, and Yugoslavia

	Winter Schedule					
	1968-69			1972-73		
	Route Net- work (Miles)	Coun- tries Served	Flights Per Week	Route Net- work (Miles)	Coun- tries Served	Flights Per Week
East European						
CSA (Czecho- slovakia)	34,500	32	38	41,200	35	56
BALKAN (Bulgaria)	11,250	17	18	17,950	21	28
Interflug (East Germany)	8,000	10	9	14,925	13	18
LOT (Poland)	16,100	15	34	17,700	19	47
MALEV (Hungary)	13,300	18	24	14,825	20	39
TAROM (Romania)	11,050	14	20	13,600	16	26
Soviet Aeroflot	63,300	39	52	81,000	52	79

Warsaw Pact countries now stretches some 41,000 unduplicated miles from Prague to New York, Jakarta, Scandinavia, and Africa and includes service to all the countries of the Warsaw Pact, Cuba, Yugoslavia, and 33 non-Communist countries (see Figures 1 and 2). These routes are concentrated in Europe,



Figure 1



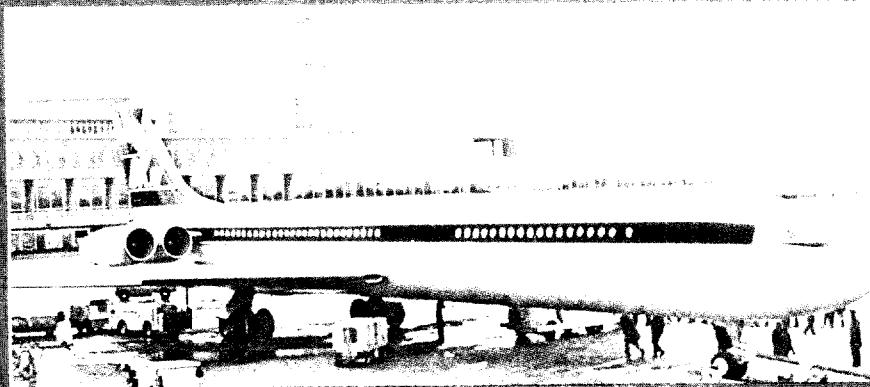
CSA: International Route Network, March 1973

# CSA: Schedule of Flights, Winter 1972-73

To Non-Communist Countries, East, and Singapore

Route	Trip Number	Flights Per Week	Type of Aircraft	Notes	Trip Number	Flights Per Week	Type of Aircraft
Prague-Athens-Beirut				Prague-Beirut (10/10/72)	OK699	2	TU-104A
Tehran-Bombay-Singapore				Prague-Beirut	OK714	2	TU-104A
Jakarta	OK510	1	IL-42	Prague-Panama	OK726	2	TU-104A
Prague-Athens-Kuwait				Prague-Panama	OK726	2	TU-104A
Bombay-Singapore				Prague-Panama	OK726	2	TU-104A
Jakarta	OK514	1	IL-42	Prague-Panama	OK726	2	TU-104A
Prague-Nicosia-Damascus				Prague-Panama	OK726	2	TU-104A
Bahdad	OK530	2	TU-104A	Prague-London	OK724	2	IL-42
Prague-Istanbul-Beirut	OK532	1	TU-104A				
Prague-Athens-Cairo	OK534	1	TU-104A	Prague-London	OK724	1	TU-104A
Prague-Istanbul-Cairo	OK540	1	TU-104A	Prague-Paris	OK726	4	TU-104A
Bratislava-Prague-Montreal-New York	OK598	1	IL-42	Prague-Geneva-Montréal	OK772	2	TU-104A
Bratislava-Prague				Prague-Zurich	OK772	4	TU-104A
Amsterdam-New York	OK600	2	IL-42	Prague-Paris	OK726	2	TU-104A
Prague-Madrid-Rabat-Dakar-Freetown	OK618	1	IL-42	Prague-Rome	OK800	2	TU-104A
Prague-Moscow-Istanbul	OK628	1	IL-42	Prague-Vienna	OK804	1	TU-104A
Prague-Tunis-Tripoli	OK634	1	TU-104A	Prague-Vienna	OK804	1	TU-104A(1)
Prague-Algiers	OK636	1	TU-104A	Prague-Vienna	OK804	1	TU-104A(1)

1. Technical stop.
2. CSA service operated jointly with Bulgaria's Dobruja Airlines.



A Long-Range CSA IL-62 Aircraft at Montreal

To Communist Countries

Route	Trip Number	Flights Per Week	Type of Aircraft	Route	Trip Number	Flights Per Week	Type of Aircraft
Prague-Budapest-Sofia	OK850	1	IL-18	Prague-Budapest	OK856	3	TU-104A
Prague-Sofia	OK852	2	IL-18(1), TU-104A(1)	Prague-Warsaw	OK850/852	4	TU-104A
Bratislava-Sofia	OK856	1	TU-104A	Prague-Moscow	OK852	6	TU-104A
Prague-Budapest	OK862	2	TU-104A(1), TU-104A(1)	Prague-Bratislava-Moscow	OK854	1	TU-104A

CSA's summer services include scheduled multi-weekly flights to additional cities in the USSR, including Kiev and Leningrad.

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where about three-fourths of CSA's more than 75 weekly flights operate. Most of the flights having longer hauls are limited to only weekly or twice weekly service. All but two of CSA's scheduled international flights operate out of Prague's Ruzyne International Airport.

8. While CSA remains at the forefront of East European aviation, it is not large in comparison with many small Western carriers, particularly in the frequency of flights. For example, although the small but respected FINNAIR serves about half the countries and has half the route network of CSA, it operated twice the international flights and carried more than twice the passengers in recent years. Among the airlines of less developed countries, CSA is most comparable with Egypt's Egyptair in terms of countries served, route networks, flights per week, and passengers carried.

#### New Air Agreements and Service

9. The pace of Czechoslovakia's civil air accords has slowed since 1968, compared with the flurry of activity earlier in the decade (see the Appendix). This slowdown is the direct result of the airline's 1968-69 reorganization, which resulted in more selectivity in choosing new services and

routes. The most important of the ten new or updated agreements was the US-Czechoslovak air accord signed in November 1969. As part of the expected CSA service to North America, the Czechs signed an agreement with Canada in mid-1969, where previously CSA had only a transit permit to stop on the Prague-to-Havana flights. The other Czech air agreements signed over the past five years include Luxembourg and Norway in 1968 and Malaysia in 1969. In addition, a provisional agreement with Singapore was replaced by a formal bilateral air agreement in 1969 and an earlier Pakistani agreement was updated. No new accords have been signed since 1969, but existing agreements with West Germany, Indonesia, and India have been updated.

Prague - New York Flights

10. Czechoslovakia's status in international aviation was enhanced by the signing of a bilateral air agreement with the United States in November 1969 and by CSA's inauguration of Prague - New York service in May 1970. The actual agreement stemmed from Czech initiated contacts that began as early as 1965 and were first formalized at an April 1967 meeting in Prague. These talks faltered because of Czech intransigence on the issue of allowing

Pan American Airline (PAA) to conduct business in Czechoslovakia -- ticket sales and the right to convert and remit currency -- as well as agreements on arbitration procedures and routes. Informal negotiations were resumed a few months later by the two airlines, PAA and CSA, but differences were not resolved.

An Accord

11. After several months, Czech officials made a firm decision to attempt to gain North Atlantic rights, and a Washington meeting was held in January 1968. Although the Czechs had indicated a willingness to compromise on the unresolved issues, it took more than a year to settle differences to the satisfaction of the United States, which insisted on specific provisions to guarantee US carrier rights.

Difficulties

12. From the inception of CSA service, which began on 4 May 1970 with twice weekly IL-62 service, Czechoslovakia and CSA did not live up to the agreements concerning the commercial rights of PAA.

During the first two years, problems arose concerning ticketing and the methods of payment, particularly of Czech nationals. For example, it was not possible for Pan American to sell tickets for convertible currency to Czechoslovak nationals. As a result, PAA's ability to attract Czech passengers for flights out of Prague was severely restricted.

13. At a meeting in February 1972, US officials highlighted Czech failures to fulfill provisions of earlier agreements as a counter to Czech requests for an increase of CSA's service to New York. The Czechs were genuinely concerned about the US attitude and the possibility of the cancellation of CSA service. After the Czechs finally agreed to a more tightly worded provision of PAA's commercial rights, the parties in May 1972 extended the arrangement for another two years.

14. Since the extension, PAA's overall situation has not improved, and still another problem has surfaced. Last summer, CSA operated numerous extra sections of their scheduled Prague - New York flights in an apparent effort to circumvent the agreement's provision for twice weekly service. The Czechs were advised in July of US concern over

the extra flights. At the same time the United States recognized that some additional service may have been justified and, as a special measure, approved a third weekly CSA flight for the 1972 summer season. Following this US action, CSA's extra flights decreased, but the problem may surface again this summer.

Other New Service

15. Since 1968, several routes have been added to CSA's network. Weekly flights were inaugurated to Kuala Lumpur and Singapore in April 1970 as intermediate stops on the already existing route to Jakarta. In May 1970, Tripoli was added as an extension of existing flights to Tunisia. A short-lived service between Prague and Luxembourg, which began in 1969, was canceled in mid-1970. The only major change in service between mid-1970 and mid-1972 occurred when CSA resumed its Prague-Havana flights in November 1970 following an 18 month suspension due to a lack of suitable aircraft. In June 1972 Madrid was included on CSA's weekly flights to West Africa.

Fleet Inventory

16. CSA relies solely on Soviet manufactured aircraft for its domestic and international airline operations. Through 1968 the airline's expansion, frequency of service, and load factors were constrained by a shortage of modern aircraft. Beginning in 1969 the Czechs attempted to remedy this deficiency by ordering TU-134A and IL-62 aircraft, two of the Soviet Union's more modern jets. Despite these newer additions, only about one-third of CSA's current fleet inventory are jet-powered, as shown in the following tabulation:

<b>Total</b>	<b>45</b>	
<b>Jet</b>	<b>16</b>	
IL-62	4	148-passenger (first class/ tourist configuration) long- range turbofan
TU-104A	4	100-passenger medium-range turbojet
TU-124	2	44-passenger short-to-medium- range turbofan
TU-134A	6	76-passenger short-to-medium- range turbofan
<b>Turboprop</b>		
IL-18	7	85-passenger medium-to-long- range turboprop
<b>Prop</b>		
IL-14	22	24-passenger short-range pro- peller

17. The small number of modern jet aircraft have been used mostly in Western Europe. For example, 41 of the 56 weekly flights to non-Communist



countries in winter 1972-73 employed TU-134As (33 flights) and IL-62s (8 flights). In contrast, 11 of the 20 flights on CSA's intra-Communist routes still use the aging TU-104As and IL-18s. CSA's IL-14s and some of the IL-18s are used in domestic service.

Passenger Traffic

18. Of the estimated 1.6 million passengers carried by CSA in 1972, approximately 60% were carried in domestic service and 40% in international service (see Table 2). CSA's international passenger

Table 2

Czechoslovakia: State Airline Passenger Service

	Thousand Persons		
	Domestic <sup>1</sup>	International	Total
1972 <sup>2</sup>	920	675	1,595
1971	810	589	1,399
1970	901	534	1,435
1969	926	545	1,471
1968	950	409	1,359
1967	1,010	383	1,393
1965	975	270	1,245
1960	639	115	754

1. Including air taxi services.

2. Estimated.

traffic dropped in 1970, the first decline in many years. International traffic has resumed its upward trend, reaching an estimated 675,000 persons in 1972. Following four successive years of decline,

domestic carriage rose to an estimated 920,000 persons in 1972, some 110,000 more than in 1971 but below the peak of more than one million in 1967.

19. The turnaround in international passenger service is due to a combination of factors. Most important is the full implementation of the reorganization, including the effective integration of the IL-62 aircraft and a few TU-134As, augmented by improving trends in worldwide passenger traffic. The increase in domestic passenger service in 1972, following several years of decline, is attributable to the assignment of three additional IL-18s to this service.

20. In 1971, Czechoslovakia formed a small, new airline -- Slov-Air -- as a short-haul domestic carrier using the 17 passenger Czech-manufactured L-410 aircraft and as an international chartering service using aircraft leased from CSA. To date, Slov-Air has had no material effect on CSA's scheduled domestic and international operations.

#### Safety

21. All Communist airlines restrict reporting on civil air accidents. During the 1950s and well into the 1960s, several major air accidents in Warsaw Pact countries were not reported at all.

During the past few years, however, the quality of air accident reports from Communist sources gradually has improved and frequently is augmented by the Western press. The improvement is largely the result of increased Western presence in the USSR and Eastern Europe.

22. CSA's safety record -- grounded in a fairly reputable maintenance program -- seems comparable with other airlines of a similar size. During the past decade, CSA has had only two known major crashes involving the loss of life. The first occurred on 5 September 1967, when an IL-18 on the Prague-Havana flight crashed on take off from Gander, Newfoundland, killing at least 34 of the 69 persons aboard. On 1 June 1970 a TU-104A crashed while attempting to land at the fog-shrouded Tripoli International Airport in Libya, killing all 13 aboard.

#### Prospects

23. During the next few years, CSA is expected to continue to emphasize the tenets of the 1968-69 reorganization. Operations will continue to be streamlined, while selective new services will be added and a few new aircraft acquired. Among the new services being considered are extensions of

existing routes to Mexico City, Rio de Janeiro, Buenos Aires, Tokyo, Sydney, and Hanoi. These extensions would strengthen CSA's overall route network and improve the airline's traffic potential without requiring large numbers of new aircraft.

24. Despite known Czech dissatisfaction with the overall performance of their Soviet aircraft, it is almost certain that CSA will continue to operate a totally Soviet-built fleet for at least the next few years. The Czech airline has an immediate need for a half dozen medium- and long-range aircraft, and three more IL-62s and five new TU-154s<sup>2</sup> are scheduled for delivery in 1973-74. Moreover, in talks with Boeing last fall, which focused on a spare parts inventory-management plan for CSA, Czech aviation officials said that no purchases of US aircraft are on the horizon.

<sup>2</sup>. The TU-154 is a jet aircraft having medium to longer range (2,000 to 2,800 miles), with three rear-mounted turbofan engines and a capacity of about 140 passengers.

APPENDIX

Czechoslovakia: Civil Air Agreements with Non-Communist  
 Countries, Cuba, and Yugoslavia as of April 1973

		CSA Service
Afghanistan	1961	
Algeria	1964	X
Austria	1962	X
Belgium	1957	X
Burma	1965 <sup>1</sup>	
Cambodia	1964	
Canada	1961, <sup>2</sup> 1969	X
Cuba	1960	X
Cyprus	1967	X
Denmark	1947	X
Egypt	1958	X
Finland	1949	X
France	1954	X
Ghana	1961	
Greece	1964	X
Guinea	1961	
India	1960, 1972	X
Indonesia	1968, 1972	X
Iran	1961 <sup>2</sup>	X
Iraq	1960	X
Ireland	1962 <sup>2</sup>	
Italy	1960 <sup>3</sup>	X
Kuwait	N.A.	X
Lebanon	1961	X
Libya	N.A.	X
Luxembourg	1968	
Malaysia	1969	X
Mali	1961	
Morocco	1961	X
Netherlands	1947	X
Norway	1968	
Pakistan	1969 <sup>4</sup>	
Senegal	1962	X
Sierra Leone	N.A.	X
Singapore	1967, <sup>3</sup> 1969	X

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		CSA Service
Spain	N.A.	X
Sudan	1966	
Sweden	1957	X
Switzerland	1947	X
Syria	1958	X
Tunisia	1963	X
Turkey	1963	X
United Kingdom	1960, 1961	X
United States	1969	X
West Germany	1964, <sup>3</sup> 1971	X
Yugoslavia	1956	X

- 
1. Limited to cargo-carrying rights.
  2. Transit agreement. In the case of Iran a formal bilateral air accord was probably signed sometime after the transit agreement.
  3. Provisional agreement.
  4. Replaced earlier agreement.

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13 April 73

Subsequent to the above review, the decision was made to publish the RP at the Official Use Only level. Changes were made accordingly.

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*Deletions to release to*

1. Retype cover omitting all but title, date, classification, and copy number.

STATINTL

2. Delete Note at the bottom of page 1.

3. Delete the whole section entitled, Difficulties, paragraphs 12, 13, and 14 on pages 10 - 12. Renumber following paragraphs accordingly.

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*Done*  
31 July 73

CZECHOSLOVAKIA'S INTERNATIONAL CIVIL AIRLINE

Summary

Czechoslovakia's national airline (CSA) has an international route network second only to Aeroflot's among Communist airlines. Its operations extend over an expansive but thinly served network, outside the Warsaw Pact countries, of more than 41,000 miles. Services are heavily concentrated in Europe, with other routes stretching from North America and the Caribbean to Indonesia and from the Scandinavian countries to Africa. The current international schedule includes more than 75 flights per week, about three-fourths of them to 33 non-Communist countries, Cuba, and Yugoslavia, and the remainder within the Warsaw Pact. Although the largest airline in Eastern Europe, CSA ranks behind many small international Western carriers in frequency of flights and number of passengers carried.

After a decade of rapid growth, which saw CSA's European route network extended to the Middle East, Africa, and South Asia, the Czech airline by 1968 was faced with a number of interrelated problems.

Pan American Airline (PAA) to conduct business in Czechoslovakia -- ticket sales and the right to convert and remit currency -- as well as agreements on arbitration procedures and routes. Informal negotiations were resumed a few months later by the two airlines, PAA and CSA, but differences were not resolved.

An Accord

11. After several months, Czech officials made a firm decision to attempt to gain North Atlantic rights, and a Washington meeting was held in January 1968. Although the Czechs had indicated a willingness to compromise on the unresolved issues, it took more than a year to settle differences to the satisfaction of the United States, which insisted on specific provisions to guarantee US carrier rights.



Other New Service

12. Since 1968, several routes have been added to CSA's network. Weekly flights were inaugurated to Kuala Lumpur and Singapore in April 1970 as intermediate stops on the already existing route to Jakarta. In May 1970, Tripoli was added as an extension of existing flights to Tunisia. A short-lived service between Prague and Luxembourg, which began in 1969, was canceled in mid-1970. The only major change in service between mid-1970 and mid-1972 occurred when CSA resumed its Prague-Havana flights in November 1970 following an 18 month suspension due to a lack of suitable aircraft. In June 1972 Madrid was included on CSA's weekly flights to West Africa.

Fleet Inventory

13. CSA relies solely on Soviet manufactured aircraft for its domestic and international airline operations. Through 1968 the airline's expansion, frequency of service, and load factors were constrained by a shortage of modern aircraft. Beginning in 1969 the Czechs attempted to remedy this deficiency by ordering TU-134A and IL-62 aircraft, two of the Soviet Union's more modern jets. Despite these newer additions, only about one-third of CSA's current fleet inventory are jet-powered, as shown in the following tabulation:

Total	45	
Jet	16	
IL-62	4	148-passenger (first class/ tourist configuration) long- range turbofan
TU-104A	4	100-passenger medium-range turbojet
TU-124	2	44-passenger short-to-medium- range turbofan
TU-134A	6	76-passenger short-to-medium- range turbofan
Turboprop IL-18	7	85-passenger medium-to-long- range turboprop
Prop IL-14	22	24-passenger short-range pro- peller

14. The small number of modern jet aircraft have been used mostly in Western Europe. For example, 41 of the 56 weekly flights to non-Communist

countries in winter 1972-73 employed TU-134As (33 flights) and IL-62s (8 flights). In contrast, 11 of the 20 flights on CSA's intra-Communist routes still use the aging TU-104As and IL-18s. CSA's IL-14s and some of the IL-18s are used in domestic service.

Passenger Traffic

15. Of the estimated 1.6 million passengers carried by CSA in 1972, approximately 60% were carried in domestic service and 40% in international service (see Table 2). CSA's international passenger

Table 2

Czechoslovakia: State Airline Passenger Service

	<u>Thousand Persons</u>		
	<u>Domestic<sup>1</sup></u>	<u>International</u>	<u>Total</u>
1972 <sup>2</sup>	920	675	1,595
1971	810	589	1,399
1970	901	534	1,435
1969	926	545	1,471
1968	950	409	1,359
1967	1,010	383	1,393
1965	975	270	1,245
1960	639	115	754

1. Including air taxi services.

2. Estimated.

traffic dropped in 1970, the first decline in many years. International traffic has resumed its upward trend, reaching an estimated 675,000 persons in 1972. Following four successive years of decline,

domestic carriage rose to an estimated 920,000 persons in 1972, some 110,000 more than in 1971 but below the peak of more than one million in 1967.

16. The turnaround in international passenger service is due to a combination of factors. Most important is the full implementation of the reorganization, including the effective integration of the IL-62 aircraft and a few TU-134As, augmented by improving trends in worldwide passenger traffic. The increase in domestic passenger service in 1972, following several years of decline, is attributable to the assignment of three additional IL-18s to this service.

17. In 1971, Czechoslovakia formed a small, new airline -- Slov-Air -- as a short-haul domestic carrier using the 17 passenger Czech-manufactured L-410 aircraft and as an international chartering service using aircraft leased from CSA. To date, Slov-Air has had no material effect on CSA's scheduled domestic and international operations.

#### Safety

18. All Communist airlines restrict reporting on civil air accidents. During the 1950s and well into the 1960s, several major air accidents in Warsaw Pact countries were not reported at all.

During the past few years, however, the quality of air accident reports from Communist sources gradually has improved and frequently is augmented by the Western press. The improvement is largely the result of increased Western presence in the USSR and Eastern Europe.

19. CSA's safety record -- grounded in a fairly reputable maintenance program -- seems comparable with other airlines of a similar size. During the past decade, CSA has had only two known major crashes involving the loss of life. The first occurred on 5 September 1967, when an IL-18 on the Prague-Havana flight crashed on take off from Gander, Newfoundland, killing at least 34 of the 69 persons aboard. On 1 June 1970 a TU-104A crashed while attempting to land at the fog-shrouded Tripoli International Airport in Libya, killing all 13 aboard.

#### Prospects

20. During the next few years, CSA is expected to continue to emphasize the tenets of the 1968-69 reorganization. Operations will continue to be streamlined, while selective new services will be added and a few new aircraft acquired. Among the new services being considered are extensions of

existing routes to Mexico City, Rio de Janeiro, Buenos Aires, Tokyo, Sydney, and Hanoi. These extensions would strengthen CSA's overall route network and improve the airline's traffic potential without requiring large numbers of new aircraft.

21. Despite known Czech dissatisfaction with the overall performance of their Soviet aircraft, it is almost certain that CSA will continue to operate a totally Soviet-built fleet for at least the next few years. The Czech airline has an immediate need for a half dozen medium- and long-range aircraft, and three more IL-62s and five new TU-154s<sup>2</sup> are scheduled for delivery in 1973-74. Moreover, in talks with Boeing last fall, which focused on a spare parts inventory-management plan for CSA, Czech aviation officials said that no purchases of US aircraft are on the horizon.

2. The TU-154 is a jet aircraft having medium to longer range (2,000 to 2,800 miles), with three rear-mounted turbofan engines and a capacity of about 140 passengers.

APPENDIX

Czechoslovakia: Civil Air Agreements with Non-Communist Countries, Cuba, and Yugoslavia as of April 1973

		CSA Service
Afghanistan	1961	
Algeria	1964	X
Austria	1962	X
Belgium	1957	X
Burma	1965 <sup>1</sup>	
Cambodia	1964	
Canada	1961, <sup>2</sup> 1969	X
Cuba	1960	X
Cyprus	1967	X
Denmark	1947	X
Egypt	1958	X
Finland	1949	X
France	1954	X
Ghana	1961	
Greece	1964	X
Guinea	1961	
India	1960, 1972	X
Indonesia	1968, 1972	X
Iran	1961 <sup>2</sup>	X
Iraq	1960	X
Ireland	1962 <sup>2</sup>	
Italy	1960 <sup>3</sup>	X
Kuwait	N.A.	X
Lebanon	1961	X
Libya	N.A.	X
Luxembourg	1968	
Malaysia	1969	X
Mali	1961	
Morocco	1961	X
Netherlands	1947	X
Norway	1968	
Pakistan	1969 <sup>4</sup>	
Senegal	1962	X
Sierra Leone	N.A.	X
Singapore	1967, <sup>3</sup> 1969	X

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		CSA Service
Spain	N.A.	X
Sudan	1966	
Sweden	1957	X
Switzerland	1947	X
Syria	1958	X
Tunisia	1963	X
Turkey	1963	X
United Kingdom	1960, 1961	X
United States	1969	X
West Germany	1964, <sup>3</sup> 1971	X
Yugoslavia	1956	X

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1. Limited to cargo-carrying rights.
  2. Transit agreement. In the case of Iran a formal bilateral air accord was probably signed sometime after the transit agreement.
  3. Provisional agreement.
  4. Replaced earlier agreement.