No. 499

# NETHERLANDS and CANADA

# Agreement for air services between the two countries (with annex and exchange of notes). Signed at Ottawa, on 2 June 1948

English official text communicated by the Permanent Representative of the Netherlands to the United Nations. The registration took place on 7 July 1949.

# PAYS-BAS et CANADA

# Accord relatif aux services aériens entre les deux pays (avec annexe et échange de notes). Signé à Ottawa, le 2 juin 1948

Texte officiel anglais communiqué par le représentant permanent des Pays-Bas auprès de l'Organisation des Nations Unies. L'enregistrement a eu lieu le 7 juillet 1949.

#### No. 499. AGREEMENT<sup>1</sup> BETWEEN CANADA AND THE NETHERLANDS FOR AIR SERVICES BETWEEN THE TWO COUNTRIES. SIGNED AT OTTAWA, ON 2 JUNE 1948

The Government of Canada and the Government of the Netherlands (hereinafter called the contracting parties) having ratified the Convention on International Civil Aviation signed at Chicago on December 7, 1944<sup>2</sup> and desiring to establish direct air communications between Canada and the Netherlands, agree as follows:

#### Article I

Each contracting party grants to the other the rights specified in the Annex to this Agreement for the purpose of establishing the air services therein described (hereinafter called the agreed services). Such services may be inaugurated immediately or a later date at the option of the contracting party to whom the rights are granted.

#### Article II

Subject to Articles III, V and VI of this Agreement, each of the agreed services may be put into operation as soon as the contracting party to whom the rights have been granted has designated an airline or airlines (hereinafter called the designated airlines) for the operation of the agreed services. The contracting party granting the rights shall, subject to Articles III, V and VI of this Agreement, be bound to grant without delay the appropriate operating permission to the airline concerned.

#### Article III

Each of the designated airlines may be required to satisfy the competent aeronautical authorities of the other contracting party that it is qualified to fulfil the conditions prescribed under the laws and regulations normally applied by those authorities to the operations of international commercial air services.

<sup>&</sup>lt;sup>1</sup> Came into force on 2 June 1948, as from the date of signature, in accordance with article XII. <sup>9</sup>United Nations, Treaty Series, Volume 15, page 295, and Volume 26, page 420.

#### Article IV

Each contracting party shall grant to the designated airlines of the other contracting party treatment not less favourable than it grants to its own international airlines in the application of its customs, immigration, quarantine and similar regulations.

## Article V

Notwithstanding the other provisions of this Agreement, if either contracting party is not satisfied that substantial ownership and effective control of a designated airline are vested in nationals of the other contracting party, such contracting party may withhold or revoke the rights conferred under this Agreement for such airline to operate the agreed services.

#### Article VI

Each contracting party reserves the right to withhold or revoke rights conferred under this Agreement for the operation of the agreed services by any designated airline of the other contracting party in case of failure by such airline to comply with the laws and regulations of the first contracting party or otherwise to fulfil the conditions under which the rights are granted in accordance with this Agreement.

## Article VII

If either of the contracting parties considers it desirable to modify any provision of this Agreement or its Annex, it shall notify the other contracting party of the desired modification and such modification may be made by direct agreement between the competent aeronautical authorities of both contracting parties to be confirmed by exchange of notes between the contracting parties.

#### Article VIII

(a) If any dispute arises between the contracting parties relating to the interpretation or application of this Agreement or of its Annex, the contracting parties shall in the first place endeavour to settle it by negotiation between themselves.

(b) In the event of the contracting parties failing to reach a settlement by negotiation

(1) they may agree to refer the dispute for decision to an arbitral Tribunal appointed by agreement between them, or to some other person or body, or

(2) if they do not so agree or if having agreed to refer the dispute to an Arbitral Tribunal, they cannot reach an agreement as to its composition, either contracting party may submit the dispute for a decision to any tribunal competent to decide it which may hereafter be established within the International Civil Aviation Organization or, if there is no such tribunal, to the Council of the said organization.

(c) The contracting parties undertake to comply with any decision given under paragraph (b) above.

# Article IX

In the event of the conclusion of any general multilateral convention concerning air transport to which both contracting parties adhere, this Agreement shall be reviewed in consideration of the provisions of such Convention.

## Article X

Either contracting party may at any time give notice to the other if it desires to terminate this Agreement. Such notice shall be simultaneously communicated to the International Civil Aviation Organization. If such notice is given, the Agreement will terminate twelve (12) months after the date of receipt of the notice by the other contracting party, unless the notice to terminate is withdrawn by agreement before the expiry of this period. In the absence of acknowledgement of receipt by the other contracting party, notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization.

#### Article XI

This Agreement and all contracts connected therewith shall be registered by the Government of Canada with the International Civil Aviation Organization.

### Article XII

This Agreement shall come into force on the date of signature.

IN WITNESS WHEREOF the undersigned, duly authorized thereto, have signed this Agreement in duplicate at Ottawa this 2nd day of June, 1948.

For the Government of Canada: Lionel CHEVRIER

For the Government of the Netherlands: J. H. VAN ROYEN

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#### ANNEX

1. The designated airline of the Government of Canada is granted the privileges to fly across the territory of the Netherlands without landing, to land in the Netherlands for non-traffic purposes, and to put down and take on passengers, mail and cargo at any airport in the territory of the Netherlands in Europe.

2. The route to be operated by the designated airline of Canada shall be Canada via intermediate points to any airport open for International traffic in the territory of the Netherlands in Europe.

3. Trans-Canada Airlines, Limited, shall for the operation of these services be deemed to be qualified to fulfil the conditions referred to in Article III of this Agreement.

4. The designated airline of the Government of the Netherlands is granted the privileges to fly across the territory of Canada without landing, to land in Canada for non-traffic purposes, and to put down and take on passengers, mail, and cargo at Montreal or such other airport as the Government of Canada may designate.

5. The routes to be operated by the designated airlines of the Netherlands shall be:

(1) Curaçao to Mexico City via intermediate points to Montreal, or such other airport as the Government of Canada may designate, and points in countries beyond in both directions.

(2) The Netherlands via intermediate points to Montreal, or such other airport as the Government of Canada may designate, to points in countries beyond in both directions.

6. Koninklijke Luchtvaart Maatschappij N.V. shall, for the operation of these services, be deemed to be qualified to fulfil the conditions referred to in Article III of this Agreement.

7. (a) The capacity provided by the designated airlines of a party to this Agreement, together with the capacity provided by the designated airlines of the other party, shall be maintained in reasonable relationship to the requirements of the public for air transportation on the agreed routes.

(b) In the application of the principle stated in paragraph (a) above:

(i) the air services provided by a designated airline under this Agreement shall have as their primary objective the provision, at a reasonable load factor, of capacity adequate to the current and reasonably anticipated requirements of that airline for the carriage of international air traffic originating in or destined for the territory of the party designating the airline;

(ii) the capacity provided under subparagraph (i) may be augmented by complementary capacity adequate for the carriage of international air traffic both originating at and destined for points on the agreed routes in the territories of States other than that designating the airline. Such additional complementary capacity shall be related to the traffic requirements of the areas through which the airline operates, after taking account of the special position of other air services established by airlines of the States referred to above in so far as they are carrying, on the whole or part of the agreed routes, international air traffic originating in or destined for their territories.

(c) This Article shall not be interpreted to require changes in capacity more frequently in point of time, nor at a larger number of points along a route, than is consistent with sound operating practices of international air services.

8. Tariffs to be charged by the designated airlines shall be agreed in the first instance between them having due regard to the rates fixed by any tariff Conference of airlines operating in the area. Any tariff so agreed will be subject to the approval of the competent aeronautical authorities of the contracting parties. In the event of disagreement between the designated airlines, the competent aeronautical authorities of the contracting parties shall endeavour to reach an agreement. Should the competent aeronautical authorities, or, subsequently, the contracting parties themselves, fail to agree, the matter in dispute will be referred to arbitration as provided for in Article VIII of this Agreement.

#### EXCHANGE OF NOTES

#### Ι

The Secretary of State for External Affairs to the Ambassador of the Netherlands

#### DEPARTMENT OF EXTERNAL AFFAIRS

No. 41

Ottawa, June 2, 1948

Excellency,

I have the honour to refer to the Agreement for Air Services between Canada and the Netherlands signed at Ottawa on June 2nd, 1948.

In connection with the Annex to this Agreement, it is the understanding of my Government that the right to put down and take on passengers, mail and cargo coming from or destined for third countries shall not be exercised until,

with regard to each route, an exchange of notes between the contracting parties stipulating the date from which those rights will be effective has taken place.

If this understanding is acceptable to your Government, this note and your reply thereto shall be regarded as constituting an agreement between the two Governments on this matter.

Accept, Excellency, the renewed assurances of my highest consideration.

Lionel CHEVRIER for Secretary of State for External Affairs

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The Ambassador of the Netherlands to the Secretary of State for External Affairs

#### NETHERLANDS EMBASSY

No. 2109

Ottawa, June 2, 1948

Sir,

I have the honour to acknowledge receipt of your note of today's date, reading as follows:

## [See note I]

I have the honour to inform you that the understanding set forth in the foregoing note is acceptable to my Government.

Accept, Sir, the renewed assurances of my highest consideration.

J. H. VAN ROYEN