No. 2274

THAILAND and PHILIPPINES

Agreement (with annex) relating to air services between their respective territories. Signed at Bangkok, on 27 April 1953

Official text: English.

Registered by the International Civil Aviation Organization on 5 October 1953.

THÄLANDE et PHILIPPINES

Accord (avec annexe) relatif aux services aériens entre les territoires des deux pays. Signé à Bangkok, le 27 avril 1953

Texte officiel anglais.

Enregistré par l'Organisation de l'aviation civile internationale le 5 octobre 1953.

No. 2274. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE KINGDOM OF THAILAND AND THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES RELATING TO AIR SERVICES BETWEEN THEIR RESPECTIVE TERRITORIES. SIGNED AT BANGKOK, ON 27 APRIL 1953

THE GOVERNMENT OF THE KINGDOM OF THAILAND AND THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES,

HAVING in mind the development of international cooperation in the field of air transport and considering

That the ever-growing possibilities of commercial aviation are of increasing importance;

That this method of transportation, because of its essential characteristics, permitting rapid intercommunications, provides the best means of bringing nations together;

THAT it is desirable to organize in a safe and orderly manner regular international air services;

That to achieve these objectives it is necessary to conclude an agreement to secure regular air communications between the two countries;

HAVE appointed their representatives, who, duly authorized, have agreed upon the following:

Article 1

Each Contracting Party grants to the other Contracting Party the rights as specified in the Annex hereto necessary for establishing the international civil air routes and services therein described, whether such services be inaugurated immediately or at a later date at the option of the Contracting Party to whom the rights are granted.

Article 2

Each of the air services so described shall be placed in operation as soon as the Contracting Party to whom the rights have been granted by Article 1 to designate an airline or airlines for the route concerned has authorized an airline for such route, and the Contracting Party granting the rights shall, subject to Article 6 hereof, be bound to give the appropriate operating permission to the

¹ Came into force on 27 April 1953, as from the date of signature, in accordance with article 13.

airline or airlines concerned; provided that the airlines so designated may be required to qualify before the competent aeronautical authorities of the Contracting Party granting the rights under the laws and regulations normally applied by these authorities before being permitted to engage in the operations contemplated by this Agreement; and provided that in areas of hostilities or of military occupation, or in areas affected thereby, such inauguration shall be subject to the approval of the competent military authorities.

Article 3

In order to prevent discriminatory practices and to assure equality of treatment, both Contracting Parties agree that :

- a. Each of the Contracting Parties may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control. Each of the Contracting Parties agrees, however, that these charges shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.
- b. Fuel, lubricating oils and spare parts introduced into or taken on board aircraft in the territory of one Contracting Party by or on behalf of the airlines designated by the other Contracting Party and intended solely for use by the aircraft of such designated airlines shall be accorded, with respect to customs duties, inspection fees or other charges imposed by the former Contracting Party, treatment not less favourable than that granted to national airlines engaged in international transport or the airline of the most favoured nation.
- c. Without prejudice to the other provisions of this Article, aircraft operated on the agreed services and supplies of fuel, lubricating oils, spare parts, regular equipment and aircraft stores retained on board civil aircraft of the airlines of one Contracting Party authorized to operate the routes and services described in the Annex shall, upon arriving in or leaving the territory of the other Contracting Party, be exempt from customs, inspection fees or similar duties or charges, even though such supplies be used or consumed by such aircraft on flights in that territory.
- d. Goods so exempted, may only be unloaded with the approval of the customs authorities of the other Contracting Party. These goods which are to be reexported shall be kept under customs supervision until re-exportation.

Article 4

Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one Contracting Party shall be recognized as valid by the other Contracting Party for the purpose of operating the routes and services described in the Annex. Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licences granted to its own nationals by another State.

Article 5

- a. The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft used by the designated airline or airlines of the other Contracting Party, and shall be complied with by such aircraft upon entering or departing from or while within the territory of the first party.
- b. The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of passengers, crew or cargo of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs and quarantine shall be complied with by or on behalf of such passengers, crew or cargo of aircraft used by the designated airline or airlines of the other Contracting Party upon entrance into or departure from or while within the territory of the first party.

Article 6

Each Contracting Party reserves the right, after consultation with the other Contracting Party, to withhold or revoke the exercise of the rights, specified in the Agreement or its Annex, by an airline designated by the other Contracting Party in the event it is not satisfied that substantial ownership and effective control of such airline are vested in nationals of the other Contracting Party, or in case of failure by the airline designated by the other Contracting Party to comply with the laws and regulations of the Contracting Party over whose territories it operates, as described in Article 5 hereof, or otherwise to fulfil the conditions under which the rights are granted in accordance with this Agreement and its Annex.

Article 7

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

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Article 8

In the event either of the Contracting Parties considers it desirable to modify the routes or conditions set forth in the Agreement or its Annex, it may request consultation between the competent authorities of both Contracting Parties, such consultation to begin within a period of sixty days from the date of the request. When these authorities mutually agree on new or revised conditions affecting the Agreement or its Annex, their recommendations on the matter will come into effect after they have been confirmed by an exchange of diplomatic notes.

Article 9

If a general multilateral convention on traffic rights for scheduled international air services comes into force in respect of both Contracting Parties, the present Agreement shall be amended so as to conform with the provisions of such Convention.

Article 10

- (1) If any dispute arises between the Contracting Parties relating to the interpretation or application of the present Agreement the Contracting Parties shall in the first place endeavour to settle it by negotiation between themselves.
 - (2) If the Contracting Parties fail to reach a settlement by negotiation,
 - (a) 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
 - (b) if they do not so agree or if, having agreed to refer the dispute to an arbitral tribunal, they cannot reach agreement as to its composition, either Contracting Party may submit the dispute for decision to any tribunal competent to decide it which may hereinafter be established within the International Civil Aviation Organization, or if there is no such tribunal, to the Council of the said Organization, or failing that, to the International Court of Justice.
- (3) The Contracting Parties undertake to comply with any decision given under paragraph (2) of this Article.
- (4) If and so long as either Contracting Party or a designated airline of either Contracting Party fails to comply with a decision given under paragraph (2) of this Article, the other Contracting Party may limit, withhold or revoke any rights which it has granted by virtue of the present Agreement to the Contracting Party or to the designated airline in default.

Article 11

For the purpose of the present Agreement, unless the context otherwise provides, it shall be understood that:

- a. The terms "air service", "international air service" and "airline" shall have the meanings respectively assigned to them in the Convention on International Civil Aviation, signed at Chicago on December 7, 1944.
- b. The term "territory" as applied to each Contracting Party shall be deemed to be the land areas and territorial waters adjacent thereto under the sovereignty, suzerainty, protection, mandate or trusteeship of such Contracting Party.
- c. The term "capacity" shall mean the total, over any given period, of the available passenger seats and freight and mail space of the aircraft operated over the routes.
- d. The term "aeronautical authorities" shall mean, in the case of Thailand, the Minister of Communications for the time being, and in the case of the Philippines, the Civil Aeronautics Board, and in both cases any person or body authorized to perform the functions presently exercised by the above-mentioned authorities.
- e. The Annex to this Agreement shall be deemed to be part of the Agreement and all references to the "Agreement" shall include references to the "Annex", except where otherwise expressly provided.

Article 12

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, this Agreement shall terminate twelve 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 days after the receipt of the notice by the International Civil Aviation Organization.

Article 13

This Agreement, including the provisions of the Annex thereto, will come into force on the day it is signed.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed the present Agreement and affixed their seals

¹ United Nations, Treaty Series, Vol. 15, p. 295; Vol. 26, p. 420; Vol. 32, p. 402; Vol. 33, p. 352; Vol. 44, p. 346; Vol. 51, p. 336, and Vol. 139, p. 469.

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Done in duplicate in the English language at Bangkok this twenty-seventh day of April in the two thousand four hundred and ninety-sixth year of the Buddhist Era, corresponding to the twenty-seventh day of April of the nineteen hundred and fifty-third year of the Christian Era, and to the Seventh year of the Independence of the Republic of the Philippines.

For the Government of the Kingdom of Thailand: (Signed) Naradhip Bongsprabandh

For the Government of the Republic of the Philippines: (Signed) Bernabé Africa

ANNEX TO THE AGREEMENT BETWEEN THE GOVERNMENT OF THE KING-DOM OF THAILAND AND THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES RELATING TO AIR SERVICES BETWEEN THEIR RESPEC-TIVE TERRITORIES

A. Airlines designated by the Government of the Kingdom of Thailand, authorized under the present Agreement, are accorded rights of transit and non-traffic stops as well as the right to pick up and discharge international traffic in passengers, cargo and mail at Manila, on a route or routes approved by the aeronautical authorities of the Philippines within the pattern indicated below:

From Thailand, direct and/or via intermediate points to Manila and thence to points beyond; in both directions.

B. Airlines designated by the Government of the Republic of the Philippines, authorized under the present Agreement, are accorded rights of transit and non-traffic stops as well as the right to pick up and discharge international traffic in passengers, cargo and mail at Bangkok, on a route or routes approved by the aeronautical authorities of Thailand within the pattern indicated below:

From the Philippines, direct and/or via intermediate points to Bangkok and thence to points beyond; in both directions.

- C. It is agreed between the Contracting Parties that the foregoing rights shall be subject to the observance of the following principles:
- (a) There shall be a fair and equal opportunity for the airlines of the two Contracting Parties to operate on the routes specified in this Annex;
- (b) The services provided under the Agreement and its Annex by a designated airline shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country by which such airline has been designated and the country of ultimate destination of the traffic;

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- (c) The right to embark or disembark international traffic destined for or coming from third countries at a point or points on the routes specified in this Annex shall be applied in accordance with the general principles of orderly development to which both Governments subscribe and shall be subject to the principle that capacity should be related:
 - (i) to traffic requirements between the country of origin and the countries of destination;
 - (ii) to the requirements of through airline operation, and
- (iii) to the traffic requirements of the area through which the airline passes after taking account of local and regional services.
- (d) The aeronautical authorities of the Contracting Parties will consult together, at the request of either of them, to determine whether the principles set forth above are being complied with by the airlines designated by the Contracting Parties.
- (e) Tariffs to be charged for the carriage of passengers and freight by the designated airlines of either Contracting Party shall be fixed as follows:

Designated airlines of both Contracting Parties operating simultaneously on the route specified in this Annex shall in the first instance fix the tariffs to be charged in consultation with each other.

Any such tariffs shall be subject to the approval of the respective Contracting Parties.

In the event the designated airlines of the Contracting Parties fail to agree on a rate, the Contracting Parties themselves shall endeavour to reach an agreement. If the Contracting Parties should fail to agree, the matter in dispute shall be referred to arbitration as provided for in Article 10 of this Agreement.

(f) The tariffs shall be fixed at reasonable levels, due regard being paid to all relevant factors, including cost of operation, reasonable profit and the tariffs charged by other airlines on the same route.