No. 6326

DENMARK and PERII

Bilateral Air Transport Agreement (with annex and exchange of letters). Signed at Lima, on 22 June 1960

Official texts of the Agreement and annex: Danish and Spanish.

Official text of the letters: Spanish.

Registered by Denmark on 28 September 1962.

DANEMARK et PÉROU

Accord bilatéral de transports aériens (avec annexe et échange de lettres). Signé à Lima, le 22 juin 1960

Textes officiels de l'Accord et de l'annexe: danois et espagnol.

Texte officiel des lettres: espagnol.

Enregistré par le Danemark le 28 septembre 1962.

[Translation — Traduction]

No. 6326. BILATERAL AIR TRANSPORT AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE KINGDOM OF
DENMARK AND THE GOVERNMENT OF THE
REPUBLIC OF PERU. SIGNED AT LIMA, ON 22 JUNE
1960

The Government of the Kingdom of Denmark and the Government of Peru, having ratified the Convention on International Civil Aviation, concluded at Chicago on 7 December 1944,² and desiring to conclude an agreement for the purpose of establishing air services between and beyond Danish and Peruvian territory, have for this purpose appointed as their plenipotentiaries:

The Government of the Kingdom of Denmark: His Excellency Mr. Viggo Jensen, Ambassador Extraordinary and Plenipotentiary to Peru;

The Government of Peru: Dr. Raúl Porras Barrenechea, Minister for Foreign Affairs,

who, having exchanged their full powers, found in good and due form, have agreed as follows:

Article I

DEFINITIONS

For the purposes of this Agreement, the following expressions shall have the meaning assigned to them in this article, unless expressly defined otherwise in the text of the Agreement:

- (a) The expression "aeronautical authorities" shall mean, in the case of the Kingdom of Denmark, the Ministry of Public Works and any person or body duly authorized to perform its functions; and, in the case of Peru, the Ministry of Aviation or any agency duly authorized to perform the functions exercised by it.
- (b) The expression "designated airline" shall mean that airline which the aeronautical authorities of either Contracting Party shall have designated in a notice in writing to the aeronautical authorities of the other Contracting Party, in accordance with article III of this Agreement, for operation on each of the routes specified in such notice.

¹ Came into force on 23 February 1962 by an exchange of notes, in accordance with article XII.

² 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; Vol. 139, p. 469; Vol. 178, p. 420; Vol. 199, p. 362; Vol. 252, p. 410; Vol. 324, p. 340; Vol. 355, p. 418, and Vol. 409, p. 370.

- (c) The term "territory" shall have the meaning assigned to it in article 2 of the Convention on International Civil Aviation signed at Chicago on 7 December 1944.
- (d) The definitions given in article 96, paragraphs (a), (b) and (d), of the Convention on International Civil Aviation signed at Chicago on 7 December 1944 shall apply to this Agreement.
- (e) The expression "traffic requirements" shall mean the demand for the carriage of passengers, cargo and/or mail between any of the points on the route or routes allotted to each Contracting Party.
- (f) The term "capacity" shall mean the space in an aircraft intended for use in meeting the demand for the carriage of passengers, cargo and/or mail.
- (g) The expression "air route" shall mean the fixed itinerary followed by an aircraft which provides a regular service for the public transport of passengers, cargo and/or mail.

Article II

The two Contracting Parties grant each other the rights specified in the annex¹ to this Agreement, to the extent described in the said annex, for the purpose of establishing international commercial air routes and services between their respective territories.

Article III

- (a) The air services described in the annex may be inaugurated immediately or at a later date at the option of the Contracting Party to which the rights are granted, but not before:
- 1. The Contracting Party to which the rights are granted has designated an airline of its nationality for operation on the route or routes specified in the annex, and
- 2. The Contracting Party granting the rights has issued the appropriate operating permit to the designated airline.
- (b) The airline designated by either Contracting Party shall be required to satisfy the aeronautical authorities of the Contracting Party granting the rights that it is qualified to fulfil the conditions prescribed by the laws, rules and regulations normally applied by those authorities to the operation of commercial air services.
- (c) In the case of areas under military occupation or affected by military requirements, the inauguration of the services shall be subject to the approval of the competent military authorities of the country concerned.

¹ See p. 142 of this volume.

Article IV

In order to prevent discriminatory practices and to ensure equality of treatment, the two Contracting Parties agree that:

- (a) Each Contracting Party may impose or permit to be imposed fair and reasonable charges for the use of airports and other facilities. The two Contracting Parties agree, however, that the said charges shall not be higher than would be paid for the use of such airports and facilities by their national aircraft engaged in similar international services.
- (b) With respect to fuel, spare parts, aircraft equipment and aircraft stores introduced into the territory of one Contracting Party or taken on board aircraft in the said territory by or on behalf of the other Contracting Party or its designated airline and intended solely for use by or in the aircraft of that airline, the designated airlines shall, subject to reciprocity, be accorded by the first Contracting Party, in the matter of customs duties, inspection fees and other similar national or local duties and charges, treatment not less favourable than that accorded with respect to similar supplies introduced into or taken on board in the said territory and intended for use by or in the aircraft of a national airline of the first Contracting Party or of the most-favoured airline of any other State operating an international air service.
- (c) Aircraft and fuel, lubricating oils, spare parts, regular equipment and aircraft stores carried on board the civil aircraft of the airline of one Contracting Party authorized to operate on the routes specified in the annex shall, on arrival in or departure from the territory of the other Contracting Party, be exempt from customs duties, inspection fees or similar duties or charges, even though such supplies be used or consumed by such aircraft on flights over that territory.
- (d) Articles exempted under the preceding paragraph may not be unloaded save with the approval of the customs authorities of the other Contracting Party and, if they are to be re-exported, shall be kept under the supervision of the said authorities pending re-exportation.

Article V

Certificates of airworthiness, certificates of competency and licences issued or renewed by either Contracting Party shall be recognized as valid by the other Contracting Party for the purpose of operation on the routes specified in the annex, subject to payment of any registration fees which may be required for the recognition of such validity. Each Contracting Party, however, reserves the right to refuse to recognize, for the purpose of flight over its own territory, certificates of competency and licences issued to its own nationals by another State.

Article VI

- (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 apply, without distinction as to nationality, to aircraft operated by the designated airline of the other Contracting Party and shall be observed and complied with by such aircraft upon arrival in or departure from the territory of the first Party or while within that territory.
- (b) The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of the passengers, crew or cargo of aircraft, such as regulations concerning entry, clearance, immigration, passports, customs, quarantine and the like, shall be observed and complied with, by or on behalf of the passengers, crew and cargo of aircraft operated by the designated airline of the other Contracting Party, on arrival in and departure from or while within the territory of the first Contracting Party.

Article VII

Each Contracting Party reserves the right to withhold or revoke the exercise, by an airline designated by the other Contracting Party, of the rights specified in the annex to this Agreement in any case where substantial ownership and effective control of such airline are not vested in nationals of the other Contracting Party. The same reservation shall apply in any case where the airline designated by the other Contracting Party fails to comply with the laws and regulations of the first Contracting Party on the matters specified in the preceding article or to fulfil the obligations assumed under this Agreement or its annex.

Article VIII

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

Article IX

The aeronautical authorities of the two Contracting Parties shall consult together whenever either of them so requests in order to determine whether it is desirable to modify one or more of the provisions of the annex to this Agreement; they shall also consult together in order to determine whether the principles laid down in this Agreement and its annex are being applied by the airlines designated by the Governments of the two Contracting Parties. Such consultations shall begin within ninety days from the date of the request.

If the consultations result in an agreement to modify the provisions of the annex, such modifications shall be made by direct arrangement between the aeronautical authorities of the two Contracting Parties and shall be confirmed by an exchange of diplomatic notes.

Article X

If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, they shall endeavour to settle it by negotiation between themselves. If the Contracting Parties fail to settle the dispute by such negotiations:

- (a) They may refer the dispute for arbitration to any person, body or tribunal designated by agreement between the two Parties, such agreement to include the designation of the arbitrator or arbitral tribunal, the matter for arbitration and the appropriate arbitral procedure; or
- (b) If the Parties cannot agree on any of the foregoing points or if, having agreed to refer the case to an arbitral tribunal, they fail to reach agreement as to its composition, either of them may refer the dispute for decision to any competent tribunal which may hereafter be established within the International Civil Aviation Organization or, if there is no such tribunal, to the Council of that Organization.

The Contracting Parties shall comply with the decision given under this article.

If either Contracting Party or an airline designated by either Contracting Party fails to comply with a decision given under this article, the other Contracting Party may limit, suspend or revoke any right granted by virtue of this Agreement to the Contracting Party or designated airline in default.

Article XI

Whenever either Contracting Party wishes to terminate this Agreement, it may give notice of termination to the other Contracting Party, such notice to be communicated simultaneously to the International Civil Aviation Organization.

If this procedure is adopted, this Agreement shall cease to have effect twelve months after the date of receipt of the notice by the other Contracting Party, unless the said notice is withdrawn by agreement before the expiry of this period. In the absence of acknowledgement of receipt by the Contracting Party to which the notice has been sent, the notice shall be deemed to have been received fourteen days after it has come to the knowledge of the International Civil Aviation Organization.

Article XII

This Agreement shall be ratified in accordance with the constitutional requirements of each Contracting Party and shall enter into force on the date of the exchange of the instruments of ratification or similar documents.

Pending the entry into force of this Agreement, its provisions shall be applied provisionally by the Contracting Parties with effect from the date of signature; the Government of either country may, however, terminate the provisional application of the Agreement before the exchange of ratifications by giving three months' notice to the other Government; if a designated airline is in operation it shall be given a term of twelve months in which to wind up its operations

When in pursuance of this Agreement a designated airline applies for and obtains the appropriate operating permit, the said airline shall be bound to start its operations within six months of the date on which the permit was issued and, once in operation, to maintain a regular air service for a period of not less than two years; if these conditions are not met, the operating permit issued shall automatically lapse.

IN WITNESS WHEREOF the undersigned plenipotentiaries, being duly authorized by their respective Governments, sign this Agreement and thereto affix their seals.

Done at Lima, on 22 June 1960, in duplicate in the Danish and Spanish languages, both texts being equally authentic.

(Signed) Viggo JENSEN

(Signed) Raúl Porras

ANNEX

- (1) The Government of the Kingdom of Denmark grants to the Government of the Republic of Peru the right to operate an air service in and over its territory, through an airline of Peruvian nationality to be designated by the Government of the Republic of Peru, on the routes specified in schedule II.¹
- (2) The Government of the Republic of Peru grants to the Government of the Kingdom of Denmark the right to operate an air service in and over its territory, through an airline of Danish nationality to be designated by the Government of the Kingdom of Denmark, on the routes specified in schedule I.¹
- (3) The airline designated by either Contracting Party in accordance with the provisions of the Agreement shall enjoy, in the territory of the other Contracting Party, the right of transit, the right to make stops for non-traffic purposes and the right to pick up and set down international traffic in passengers, mail and cargo on the specified route, excluding, however, the right to engage in cabotage or internal commercial traffic.

¹ See p. 146 of this volume.

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- (4) In operating on the common sections of the routes specified in this annex, each of the designated airlines shall take into consideration the interests of the airline of the other Contracting Party so as not to affect unduly the services it provides and so as to protect the interests of both airlines.
- (5) The air services provided by the airlines of both countries shall bear a close relationship to the requirements and demand of the public for such services.
- (6) The airlines designated in accordance with this Agreement¹ and its annex shall endeavour to retain as the primary objective of their services the provision of capacity adequate to meet the requirements of traffic between the territory of the country to which the airline belongs and the territory of the country of destination of the traffic.
- (7) The right of an airline designated by either of the two countries to pick up or set down at points in the territory of the other country international traffic in passengers, cargo and mail destined for or coming from a point or points in third countries on the specified route shall be exercised in accordance with the general principles of air traffic to which both Governments subscribe, shall be applied progressively, and shall be subject to the general principle that the airlines should endeavour to relate their capacity to:
- 1. Traffic requirements between the country of origin and the countries of destination;
- 2. The requirements of through airline operation;
- The traffic requirements of the area through which the airline passes, after taking account of local and regional services.
- (8) The tariffs to be applied on each of the agreed services shall be fixed at reasonable levels, due regard being paid to such relevant factors as economy of operation, reasonable profit, the characteristics of each service and the tariffs applied by other airlines on any part of the route.

These tariffs shall be fixed in accordance with the following provisions:

The tariffs shall, where possible, be fixed for each route by agreement between the designated airlines.

Such agreement shall be based on the tariff system of the International Air Transport Association (IATA).

The tariffs so agreed upon shall be communicated to the aeronautical authorities of the two Contracting Parties.

In the event of any disagreement between the designated airlines concerning the tariffs, or of any objection on the part of the aeronautical authorities of either Contracting Party, the aeronautical authorities of the Kingdom of Denmark and of the Republic of Peru shall endeavour to fix the tariffs by agreement between themselves.

If the Contracting Parties fail to reach an agreement, the case shall be referred to arbitration in accordance with the provisions of article X of this Agreement.

¹ See p. 132 of this volume.

SCHEDULES OF ROUTES

SCHEDULE I

Routes on which the airline designated by the Government of the Kingdom of Denmark shall operate in both directions:

- (I) Points in Denmark to points in Europe, Africa, the Guianas, Venezuela, Colombia and Ecuador to Lima, Santiago de Chile and beyond.
- (II) Points in Denmark to points in Europe, New York, Bermuda, Central America, Mexico and/or the West Indies, Venezuela, Colombia and Ecuador to Lima, Santiago de Chile and beyond.
- (III) Points in Denmark to points in Europe, Africa and Brazil to Lima and beyond.

SCHEDULE II

Routes on which the airline designated by the Government of the Republic of Peru shall operate in both directions:

- (I) Points in Peru to points in Ecuador, Colombia, Panama and/or Venezuela, the Guianas, Africa and points in Europe to Copenhagen and beyond.
- (II) Points in Peru to Ecuador, Colombia, Panama and/or Venezuela and/or the West Indies and/or Central America and/or Bermuda, New York, and points in Europe to Copenhagen and beyond.
- (III) Points in Peru to points in Africa and in Europe to Copenhagen and beyond. Stops at any of the points indicated on the routes specified in schedules I and II may be omitted on any or all flights at the option of the designated airline.

EXCHANGE OF LETTERS

Ι

ROYAL EMBASSY OF DENMARK

Lima, 22 June 1960

Your Excellency,

With reference to the Agreement concerning air services signed this day¹ between the Government of Denmark and the Government of Peru, I have the honour to inform you that, in accordance with article III of the Agreement, the Danish Government designates Det Danske Luftfartselskab A/S (DDL) to operate on the routes specified in the annex to the Agreement.

In this connexion I have the honour to confirm, on behalf of my Government, the following understanding reached in the course of the negotiations which preceded the signature of the Agreement:

(1) Det Danske Luftfartselskab A/S (DDL), co-operating with Det Norske Luftfartselskap A/S (DNL) and Aktiebolaget Aerotransport (ABA) under the designation of Scandinavian Airlines System (SAS), may operate the services

¹ See p. 132 of this volume.

assigned to it under the Agreement with aircraft, crews and equipment of either or both of the other two airlines.

(2) In so far as Det Danske Luftfartselskab A/S (DDL) employs aircraft, crews and equipment of the other airlines participating in the Scandinavian Airlines System (SAS), the provisions of the Agreement shall apply to such aircraft, crews and equipment as though they were the aircraft, crews and equipment of Det Danske Luftfartselskab A/S (DDL), and the competent Danish authorities and Det Danske Luftfartselskab A/S (DDL) shall accept full responsibility under the Agreement therefor.

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

(Signed) Viggo Jensen

His Excellency Dr. Raúl Porras Barrenechea Minister for Foreign Affairs Lima

П

Lima, 22 June 1960

Your Excellency,

With reference to the Agreement concerning air services signed this day between the Government of Peru and the Government of Denmark, I have the honour to acknowledge receipt of your note informing me that, in accordance with article III of the Agreement, the Danish Government designates Det Danske Luftfartselskab A/S (DDL) to operate on the routes specified in the annex to the Agreement.

In this connexion I have the honour to confirm, on behalf of my Government, the following understanding reached in the course of the negotiations which preceded the signature of the Agreement:

[See letter I]

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

(Signed) Raúl Porras

His Excellency Mr. Viggo Jensen Ambassador Extraordinary and Plenipotentiary of Denmark Lima