No. 7370

UNITED STATES OF AMERICA and BOLIVIA

Agreement (with annex) relating to the establishment and development of air transport services. Signed at La Paz, on 29 September 1948

Official texts: English and Spanish.

Registered by the United States of America on 11 August 1964.

ÉTATS-UNIS D'AMÉRIQUE et BOLIVIE

Accord (avec annexe) relatif à la création et au développement des services de transports aériens. Signé à La Paz, le 29 septembre 1948

Textes officiels anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 11 août 1964.

No. 7370. AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF BOLIVIA RELATING TO THE ESTABLISHMENT AND DEVELOPMENT OF AIR TRANSPORT SERVICES. SIGNED AT LA PAZ, ON 29 SEPTEMBER 1948

The Governments of the United States of America and of the Republic of Bolivia, animated with the desire to conclude an agreement which will facilitate the development of air communications between both countries, have designated their Plenipotentiaries, that is to say:

His Excellency the President of the United States of America, Mr. Joseph Flack, Ambassador Extraordinary and Plenipotentiary of the United States of America to Bolivia;

His Excellency the Constitutional President of the Republic of Bolivia, Doctor Javier Paz Campero, his Minister of State in the Department of Foreign Affairs;

Who, after exhibiting their Full Powers found to be in good and due form, have agreed on the following:

AIR TRANSPORT AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF BOLIVIA

Having in mind the Resolution signed on December 7, 1944, ² at the International Civil Aviation Conference in Chicago, for the adoption of a standard form of agreement for international air routes and services, and in view of the desirability that exists for mutual cooperation for the promotion and development of air transportation between the United States of America and the Republic of Bolivia, the two Governments parties to this arrangement agree that the establishment and development of air transport services between their respective territories shall be governed by the following provisions:

Article 1

Each contracting party grants to the other contracting party the rights as specified in the Annex³ hereto necessary for establishing the international civil air

¹ Came into force on 4 November 1948, upon the exchange of diplomatic notes of the two contracting parties indicating their approval, in accordance with article 13.

See Final Act and Appendices of the International Civil Aviation Conference held at Chicago,
November-7 December 1944: doc. No. 2187 of the Provisional International Civil Aviation Organization, p. 19 (Resolution VIII).
See p. 148 of this volume.

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 airline or airlines concerned. However, 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 the regulations normally applied by these authorities before being permitted to engage in the operations contemplated by this Agreement. In areas of hostilities or of military occupation, or in areas affected thereby, such operations 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 the territory of one contracting party by the other contracting party or its nationals, and intended solely for use by aircraft of such contracting party shall, with respect to the imposition of customs duties, inspection fees or other national duties or charges by the contracting party whose territory is entered, receive the same treatment as that applying to national airlines and to airlines of the most-favored-nation.
- (c) The 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 services and routes 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.

Article 4

Certificates of airworthiness, competency and licenses issued by or rendered valid by one of the contracting parties 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 licenses 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 of the other contracting party and shall be complied with by such aircraft upon entering, 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, as well as the 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 the other contracting party upon entrance into, departure from or while within the territory of the first party.

Article 6

Each contracting party reserves the right to withhold or revoke a certificate or permit of an airline designated by the other contracting party in the event it is not satisfied that effective ownership and 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 territory it operates, as described in Article 5 hereof, or otherwise to fulfill the conditions under which the rights are granted in accordance with this Agreement and its Annex.

Article 7

This Agreement and all contracts relating thereto shall be registered with the International Civil Aviation Organization.

Article 8

Existing rights and concessions relating to air transport services which may have been granted previously by either of the contracting parties to an airline of the other contracting party shall continue in force according to their terms.

Article 9

In the event that a multilateral air transport Convention should be signed of which the United States of America and Bolivia be signatories, this Agreement shall be amended to conform with the terms of such Convention.

Article 10

This Agreement or any of the rights for air transport services granted thereunder may be terminated by either contracting party upon giving one year's notice to the other contracting party.

Article 11

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

Article 12

Except as otherwise provided in this Agreement or its Annex, any difference arising between the contracting parties relative to the interpretation or application of this Agreement or its Annex, which cannot be settled through consultation, shall be submitted for an advisory report to a tribunal of three arbitrators, one to be named by each contracting party, and the third to be agreed upon by the two arbitrators so chosen, provided that such third arbitrator shall not be a national of either contracting party. Each of the contracting parties shall designate an arbitrator within two months of the date of delivery by either party to the other party of a diplomatic note requesting arbitration of a difference; and the third arbitrator shall be agreed upon within one month after such period of two months. If the third arbitrator is not agreed upon, within the time limitation indicated, the vacancy thereby created shall be filled by the appointment of a person, designated by the President of the Council of the International Civil Aviation Organization (ICAO), from a panel of arbitral personnel maintained in accordance with the practice of ICAO. The executive authorities of the contracting parties will use their best efforts under the powers available to them to put into effect the recommendation expressed in any such advisory report. A moiety of the expenses of the arbitral tribunal shall be borne by each party.

Article 13

This Agreement, including the provisions contained in the Annex thereto, will be approved by each contracting party in accordance with its own laws and shall enter into force upon an exchange of diplomatic notes of the two contracting parties indicating such approval.

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

Done at La Paz this twenty-ninth day of September, nineteen hundred forty eight, in duplicate in the English and Spanish languages, each of which shall be of equal authenticity.

For the Government of the United States of America:

[SEAL] Joseph Flack

For the Government of the Republic of Bolivia:

[SEAL] J. PAZ CAMPERO

ANNEX

Section I

Airlines of the United States of America, authorized under the present Agreement, are accorded rights of transit and of non-traffic stop in the territory of the Republic of Bolivia, as well as the right to pick up and discharge international traffic in passengers, cargo, and mail at La Paz, Oruro, Cochabamba, Sucre, Santa Cruz, Roboré, and Puerto Suárez, on the following routes via intermediate points in both directions:

The United States of America and/or an airport serving the Canal Zone (provided that if such airport be located not in the Canal Zone, but in Panamanian territory outside the Canal Zone, the consent of the Republic of Panama be obtained), to La Paz, Oruro, Cochabamba, Sucre, Santa Cruz, Roboré, and Puerto Suárez, and beyond Bolivia.

On each of the above routes the airlines authorized to operate on a specified route may operate non-stop flights between any of the points on such route, thus omitting stops at one or all of the other points on such route.

Section II

Airlines of the Republic of Bolivia authorized under the present Agreement, are accorded in the territory of the United States of America rights of transit and of non-

traffic stop, as well as the right to pick up and discharge international traffic in passengers, cargo, and mail on the following routes (the routes to be operated by Bolivia will be the subject of further discussion when Bolivia resolves to initiate such operations).

Section III

It is agreed between the contracting parties:

- (A) That the air carriers of the two contracting parties operating services on the routes described in this Annex to the Agreement shall enjoy fair and equal opportunity for the operation of the said routes;
- (B) That the air transport capacity offered by the carriers of both countries shall bear a close relationship to traffic requirements;
- (C) That in the operation of common sections of trunk routes the air carriers of the contracting parties shall give attention to their reciprocal interests so as not to affect unduly their respective services;
- (D) That the services provided by a designated air carrier under this Agreement and its Annex shall have as their principal objective the maintenance of capacity adequate to the traffic demands between the country of which such air carrier is a national and the country of ultimate destination of the traffic;
- (E) That the right to embark and to disembark at points in the territory of the other country international traffic destined for or coming from third countries at a point or points 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 in addition to the general principle that capacity shall be related:
- 1. To traffic requirements between the country of origin or points under its jurisdiction and the country of destination;
- 2. To the requirements of through airline operation; and
- 3. To the traffic requirements of the area through which the airline passes after taking account of local and regional services.

Joseph Flack J. Paz Campero