

No. 8211

**LUXEMBOURG
and
SPAIN**

**Air Transport Agreement (with schedule of routes). Signed
at Luxembourg, on 26 March 1962**

Official texts : French and Spanish.

Registered by the International Civil Aviation Organization on 3 June 1966.

**LUXEMBOURG
et
ESPAGNE**

**Convention sur le transport aérien (avec tableau des routes).
Signée à Luxembourg, le 26 mars 1962**

Textes officiels français et espagnol.

Enregistrée par l'Organisation de l'aviation civile internationale le 3 juin 1966.

[TRANSLATION — TRADUCTION]

No. 8211. AIR TRANSPORT AGREEMENT¹ BETWEEN THE GRAND DUCHY OF LUXEMBOURG AND SPAIN. SIGNED AT LUXEMBOURG, ON 26 MARCH 1962

The Government of the Grand Duchy of Luxembourg and the Government of Spain, both being signatories to the Convention on International Civil Aviation signed at Chicago in 1944,² desiring to regulate and develop civil air traffic between their respective territories, the Grand Duchy of Luxembourg and Spain, have, for that purpose and in accordance with the recommendations of the European Civil Aviation Conference, agreed upon the following provisions :

Article I

Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement for the purpose of establishing regular international air services on the routes specified in the schedule annexed to this Agreement. These services and routes are hereinafter referred to as "agreed services" and "specified routes" respectively. The airlines designated by each Contracting Party shall, while operating an agreed service on a specified route, enjoy the following rights :

- (a) The right to fly without landing across the territory of the other Contracting Party ;
- (b) The right to make stops in the said territory for non-traffic purposes ;
- (c) The two Contracting Parties grant each other the right to pick up and set down, for traffic purposes, international traffic in passengers, cargo and mail from Spain or from Luxembourg at the points in their respective territories which are specified in the schedule of routes annexed to this Agreement.

Article II

1. Each Contracting Party shall have the right to designate in writing to the other Contracting Party one or more airlines for the operation of the agreed services on the specified routes.
2. On receiving notice of such designation, the other Contracting Party shall without delay, subject to the provisions of paragraphs 3 and 4 of this article, grant the appropriate operating permits to the designated airline or airlines.

¹ Applied provisionally from 26 March 1962, the date of signature, and came into force on 2 June 1965, the date of the exchange of notes signifying the approval of the Convention by the Contracting Parties in accordance with their respective constitutional procedures, in conformity with article XV.

² See footnote 2, p. 135 of this volume.

3. The aeronautical authorities of one Contracting Party may require the airline designated by the other Contracting Party to show proof that it is able to fulfil the conditions prescribed by the laws and regulations normally and reasonably applied by the said authorities, in accordance with the provisions of the Convention on International Civil Aviation (Chicago, 1944), to the operation of international air services.

4. Each Contracting Party shall have the right to withhold the operating permits referred to in paragraph 2 of this article or to impose such conditions as it may deem necessary on the exercise by a designated airline of the rights specified in article I, if the said Contracting Party is not satisfied that substantial ownership and effective control of such airline are vested in the Contracting Party designating the airline or in its nationals.

5. When an airline has been thus designated and authorized, it may commence operation of any agreed service at any time, provided that a tariff fixed in accordance with the provisions of article VIII of this Agreement is applied to such service.

Article III

1. Each Contracting Party shall have the right to revoke an operating permit or to suspend the exercise of the rights specified in article I of this Agreement by an airline designated by the other Contracting Party, or to impose such conditions as it may deem necessary on the exercise of those rights if :

- (a) It is not satisfied that substantial ownership and effective control of such airline are vested in the Contracting Party designating the airline or in its nationals, or
- (b) The airline has not complied with the laws or regulations of the Contracting Party granting those rights, or
- (c) The airline fails to operate in accordance with the conditions prescribed in this Agreement.

2. Unless revocation or suspension or immediate imposition of the conditions mentioned in paragraph 1 of this article is necessary to prevent further infringements of the laws or regulations, this right shall be exercised only after consultation with the other Contracting Party.

Article IV

1. Aircraft employed in international traffic by the designated airlines of one Contracting Party and their regular equipment, supplies of fuel and lubricants and aircraft stores (including food, beverages and tobacco), shall be exempt, on arriving in the territory of the other Contracting Party, from all customs duties, inspection fees and other duties and charges, provided such equipment and supplies remain on board the aircraft until re-exported.

2. The following shall likewise be exempt from the same duties and charges, excluding fees levied in consideration of services rendered :

- (a) Aircraft stores taken on board in the territory of one Contracting Party within limits fixed by the authorities of the said Contracting Party and intended for use on board aircraft operating an international service of the other Contracting Party ;
- (b) Spare parts introduced into the territory of one Contracting Party for the maintenance or repair of aircraft employed in international traffic by the designated airlines of the other Contracting Party ;
- (c) Fuel and lubricants intended for aircraft employed in international traffic by the designated airlines of the other Contracting Party, even though such supplies be consumed during that part of the flight which takes place over the territory of the Contracting Party in which they were taken on board.

The stores referred to in sub-paragraphs (a), (b) and (c) above may be required to be kept under customs supervision or control.

Article V

1. There shall be fair and equal opportunity for all the airlines of the two Contracting Parties to operate the agreed services on the specified routes between their respective territories.
2. The transport capacity provided by the airlines of the Contracting Parties shall be adapted to traffic requirements.
3. On common routes, the airlines of the Contracting Parties shall take their mutual interests into account so as not to affect unduly their respective services.
4. The services specified in the schedules below shall have as their primary objective the provision of capacity adequate to meet traffic demands between the country to which the airline belongs and the country of destination of the traffic.
5. The right to pick up and set down in the respective territories of the Contracting Parties international traffic destined for or coming from third countries shall be exercised in accordance with the general principles of orderly development to which both Governments subscribe and in such a manner that capacity shall be related to :
 - (a) The requirements of traffic between the country of origin and the countries of destination ;
 - (b) The requirements of economic operation of the services concerned ;
 - (c) The traffic requirements of the areas through which the airline passes, taking into account local and regional services.

Article VI

Regular equipment, supplies and stores on board the aircraft of one Contracting Party may not be unloaded in the territory of the other Contracting Party save with the consent of the customs authorities of that territory. When so unloaded, they may be placed under the supervision of the said authorities until they are re-exported or otherwise disposed of in accordance with customs regulations.

Article VII

Passengers in transit across the territory of either Contracting Party shall be subject to no more than a very simplified control. Baggage and cargo in direct transit shall be exempt from customs duties and other similar charges.

Article VIII

1. The tariffs to be charged by the airlines of one Contracting Party for carriage to or from the territory of the other Contracting Party shall be fixed at reasonable levels, due regard being paid to all relevant factors, in particular, cost of operation, reasonable profit and the tariffs of other airlines.
2. The tariffs referred to in paragraph 1 of this article shall, if possible, be fixed by agreement between the designated airlines of the two Contracting Parties, after consultation with other airlines operating over all or part of the same route ; such agreement shall, where possible, be reached through the rate-fixing machinery of the International Air Transport Association (IATA).
3. The tariffs so fixed shall be submitted for approval to the aeronautical authorities of the Contracting Parties not less than thirty days before the date laid down for their entry into force ; in special cases this time-limit may be reduced, subject to the agreement of the said authorities.
4. If the designated airlines cannot agree on any of these tariffs, or if for some other reason a tariff cannot be fixed in accordance with the provisions of paragraph 2 of this article, or if during the first fifteen days of the thirty-day period referred to in paragraph 3 of this article one Contracting Party gives the other Contracting Party notice of its dissatisfaction with any tariff fixed in accordance with the provisions of paragraph 2 of this article, the aeronautical authorities of the Contracting Parties shall try to determine the tariff by agreement between themselves.
5. If the aeronautical authorities cannot agree on the approval of any tariff submitted to them under paragraph 3 of this article or on the determination of any tariff under paragraph 4, the dispute shall be settled in accordance with the provisions of article XIV of this Agreement.
6. Subject to the provisions of paragraph 3 of this article, no tariff shall enter into force if the aeronautical authorities of either Contracting Party have not approved it.

7. The tariffs established in accordance with the provisions of this article shall remain in force until new tariffs have been fixed in accordance with the provisions of this article.

Article IX

Each Contracting Party undertakes to enable the other Contracting Party to transfer freely, at the official rate, any receipt in excess of expenditure accruing in its territory from the carriage of passengers, baggage, mail and cargo by the designated airline of the other Contracting Party.

Article X

In a spirit of close co-operation, the aeronautical authorities of the Contracting Parties shall consult together from time to time with a view to ensuring the implementation of, and satisfactory compliance with, the provisions of this Agreement and its annexes.

Article XI

1. If either of the Contracting Parties considers it desirable to modify any provision of this Agreement, it may request consultation with the other Contracting Party ; such consultation, which may take place between aeronautical authorities, either orally or by correspondence, shall begin within a period of sixty (60) days from the date of the request. Any modifications so agreed shall enter into force after they have been confirmed by an exchange of diplomatic notes.

2. Modifications to the schedule of routes and to the annexes may be made by direct agreement between the competent aeronautical authorities of the Contracting Parties.

Article XII

This Agreement and its annex shall be brought into harmony with any multi-lateral convention to which both Contracting Parties accede.

Article XIII

Either Contracting Party may at any time give notice to the other Contracting Party of its decision to denounce this Agreement ; such notice shall be simultaneously communicated to the International Civil Aviation Organization. If such notice is given, the Agreement shall terminate twelve (12) months after the date of receipt of the notice by the other Contracting Party, unless the notice is withdrawn by mutual agreement before the expiry of that 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 date of its receipt by the International Civil Aviation Organization.

Article XIV

1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall in the first place endeavour to settle it by direct negotiation.
2. If the Contracting Parties fail to reach a settlement by negotiation, they may refer the dispute for decision to any person or body, or the dispute may at the request of either Contracting Party be submitted for decision to a tribunal of three arbitrators, one to be nominated by each Contracting Party and the third to be appointed by the two so nominated. Each of the Contracting Parties shall nominate an arbitrator within a period of sixty (60) days from the date of receipt by either Contracting Party from the other of a notice through diplomatic channels requesting arbitration of the dispute, and the third arbitrator shall be appointed within a further period of sixty (60) days. If either of the Contracting Parties fails to nominate an arbitrator within the period specified, or if the third arbitrator is not appointed, the President of the Council of the International Civil Aviation Organization may be requested by either Contracting Party to appoint an arbitrator or arbitrators as the case requires. In that case, the third arbitrator shall be a national of a third State and shall act as president of the arbitral body.
3. The Contracting Parties undertake to comply with any decision given under paragraph 2 of this article.

Article XV

This Agreement shall enter into force on the date on which the Contracting Parties inform each other, by an exchange of notes which shall take place at Luxembourg as soon as possible, that approval has been obtained by each in accordance with its constitutional requirements.

Notwithstanding the above, it shall be applied provisionally as from today.

IN WITNESS WHEREOF the plenipotentiaries, being duly authorized for the purpose, have signed this Agreement.

DONE at Luxembourg, on 26 March 1962, in duplicate, in the French and Spanish languages, both texts being equally authentic.

For the Luxembourg Government :

E. SCHAUS

GRÉGOIRE

For the Spanish Government :

CASA MIRANDA

SCHEDULE OF ROUTES ANNEXED TO THE AIR TRANSPORT AGREEMENT
BETWEEN LUXEMBOURG AND SPAIN

- I. From Luxembourg to Spain :
 - (a) Luxembourg — Madrid, in both directions.
 - (b) Luxembourg — Barcelona, in both directions.
 - (c) Luxembourg — Palma de Mallorca, in both directions.
- II. From Spain to Luxembourg :

From all points of departure in Spain to Luxembourg.