

No. 10470

**CZECHOSLOVAKIA
and
CANADA**

**Air Transport Agreement (with annex and route schedule).
Signed at Prague on 20 March 1969**

Authentic texts: Czech, English and French.

Registered by the International Civil Aviation Organization on 12 May 1970.

**TCHÉCOSLOVAQUIE
et
CANADA**

**Accord relatif aux transports aériens (avec annexe et tableau
de routes). Signé à Prague le 20 mars 1969**

Textes authentiques: tchèque, anglais et français.

Enregistré par l'Organisation de l'aviation civile internationale le 12 mai 1970.

AIR TRANSPORT AGREEMENT ¹ BETWEEN THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC AND THE GOVERNMENT OF CANADA

The Government of the Czechoslovak Socialist Republic and the Government of Canada,

Being parties to the Convention on International Civil Aviation signed at Chicago on December 7, 1944 ² and

Desiring to conclude an Agreement for the purpose of promoting air transport relations between the Czechoslovak Socialist Republic and Canada, have agreed as follows:

Article 1

For purposes of this Agreement

- (a) "Agreement" shall mean this Agreement and the Annex thereto;
- (b) "Aeronautical authorities" shall mean, in the case of the Czechoslovak Socialist Republic, the Ministry of Transport, the Civil aviation Administration, in the case of Canada, the Minister of Transport and the Canadian Transport Commission, or in both cases, any person or agency authorized to perform the functions exercised at the present time by those authorities.

Article 2

Each Contracting Party shall grant to the other Contracting Party the rights enumerated in this Agreement and its Annex for the purpose of establishing scheduled commercial air services for the transport of passengers, goods or mail (hereinafter called "agreed services") on the routes therein specified.

¹ Came into force on 20 March 1969 by signature, in accordance with article 19.

² United Nations, *Treaty Series*, vol. 15, p. 295; for the texts of the Protocols amending this Convention, see vol. 320, pp. 209 and 217; vol. 418, p. 161, vol. 514, p. 209, and vol. 740, no. 10612.

Article 3

Each Contracting Party shall have the right to designate, by diplomatic note, an airline to operate the agreed service on any route specified in the schedule of routes for such a Contracting Party and to substitute another airline for that previously designated.

Article 4

1. The aeronautical authorities of each Contracting Party, upon receipt of a notice of designation by one Contracting Party, shall grant to the airline so designated the appropriate authorization to operate the agreed services for which that airline has been designated. Such an authorization shall be granted subject to the provisions of article 5 of this Agreement and with a minimum of delay consistent with the laws of that country.

2. The aeronautical authorities of one Contracting Party may require the airline designated by the other Contracting Party to satisfy them that it is qualified to fulfill the conditions prescribed under the laws and regulations normally and reasonably applied by such aeronautical authorities to the operation of international scheduled air services.

Article 5

1. Each Contracting Party reserves the right to withhold, revoke, or impose conditions on the authorisation granted to the airline designated by the other Contracting Party in accordance with Article 3 of this Agreement:

- (a) in the event of failure by such airline to qualify before the aeronautical authorities of that Contracting Party under the laws and regulations normally and reasonably applied by these authorities;
- (b) in the event of failure by such airline to comply with the laws and regulations referred to in article 6 of this Agreement; or
- (c) in the event that it is not satisfied that substantial ownership and effective control of the airline are vested in the Contracting Party designating the airline or in nationals of that Contracting Party.

2. Unless immediate action to withhold or revoke the authorization granted to the airline designated by the other Contracting Party is essential to prevent further infringement of the laws and regulations referred to in article 6 of this Agreement, the right to withhold or revoke such authorization shall be exercised only after consultation with the other Contracting Party.

Article 6

1. The laws and regulations of each 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 airline designated by the other Contracting Party, and shall be complied with by such aircraft upon entrance into, departure from, and while within the territory of the first Contracting Party.

2. The laws and regulations of each Contracting Party relating to the admission to or departure from its territory of passengers, crew, or cargo of aircraft including regulations relating to entry, clearance, immigration, passports, customs, and quarantine shall be complied with upon entrance into, departure from and while within the territory of the first Contracting Party.

3. Unless agreed otherwise by the aeronautical authorities of the Contracting Parties, members of the crews of aircraft of a designated airline shall be citizens of the country designating the airline.

Article 7

1. Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one Contracting Party and still in force, shall be recognized as valid by the other Contracting Party for the purpose of operating the routes and services provided for in this Agreement, provided that the requirements under which such certificates or licences were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Convention on International Civil Aviation.

2. The filing with ICAO of a difference in national practice from the standards adopted pursuant to the Convention in relation to the said certifi-

cates of airworthiness, certificates of competency and licences by one of the Contracting Parties shall, if the other Contracting Party so requests, require consultation between the Contracting Parties for the purpose of determining the acceptability of the differences in question in respect to operation of the agreed services. Failure to reach a satisfactory agreement in matters relating flight safety will constitute grounds for application of article 5, para. 1.

Article 8

The charges imposed by either Contracting Party for the use of airports and navigation facilities by the aircraft of a designated airline of the other Contracting Party shall not be higher than those paid by its own aircraft engaged in similar international air services.

Article 9

1. Each Contracting Party shall exempt from income tax and all other taxes on income imposed by it, all income derived by the airlines of the other Contracting Party.

2. Each Contracting Party shall provide the airlines of the other Contracting Party the right to remit to its Head Office in the currency of its own country at the official rate of exchange, the amounts due to it in accordance with settlements agreed between the airlines subject only to the respective foreign currency regulations applicable to all countries in like circumstances, and shall not be subject to any charges except those normally collected by banks for such operations.

Article 10

1. Each Contracting Party shall on a basis of reciprocity exempt the designated airline of the other Contracting Party to the fullest extent possible under its national law from import restrictions, customs duties, excise taxes, inspection fees and other national duties and charges on fuel, lubricating oils, consumable technical supplies, spare parts including engines, regular aircraft equipment, printed publicity material distributed without charge, stores and other items intended for use or used solely in connection with the operation of servicing of aircraft of the designated airline of such other Contracting Party operating the agreed services.

2. The immunities granted by this article shall apply to the items referred to in paragraph 1 of this article:

- (a) introduced into the territory of one Contracting Party by the designated airline of the other Contracting Party, or its nationals;
- (b) retained on board aircraft of the designated airline of one Contracting Party upon arriving in or leaving the territory of the other Contracting Party;
- (c) taken on board aircraft of the designated airline of one Contracting Party in the territory of the other and intended for use in operating the agreed services;

whether or not such items are used or consumed wholly within the territory of the Contracting Party granting the immunity, provided such items are not alienated in the territory of the said Contracting Parties.

Article 11

1. The capacity to be provided by the designated airlines of the Contracting Parties on the agreed services shall be closely related to the estimated requirements of air traffic between the Czechoslovak Socialist Republic and Canada. The frequency and scheduling of services to be operated by each airline and the types of aircraft to be used shall be agreed between the airlines on the basis of the principle of fair and equal opportunity, and shall be subject to the approval of the aeronautical authorities of both Contracting Parties.

2. The aeronautical authorities of both Contracting Parties shall exchange, at the request of either Contracting Party, such statements of statistics as may be reasonably required for the purpose of reviewing the capacity provided on the agreed services.

Article 12

1. Tariffs for transportation on the agreed services will be established by agreement between the designated airlines at a reasonable level, due regard being given to international practice.

2. Such agreed tariffs for transportation as well as amendments to them shall be filed by the designated airlines with the aeronautical authorities of the Contracting Parties at least forty-five (45) days before the proposed date of

introduction. The aeronautical authorities may agree to a shorter notice. No tariff shall become effective unless approved by the aeronautical authorities.

3. If the aeronautical authorities of one Contracting Party are dissatisfied with an existing tariff established by the designated airline of the other Contracting Party, they shall so notify the aeronautical authorities of the other Contracting Party and the aeronautical authorities of the Contracting Parties shall endeavour to reach agreement on the appropriate tariff, within a period of sixty (60) days from the date of notification.

4. Whenever in any case the aeronautical authorities of the two Contracting Parties cannot agree upon a tariff the matter shall be settled in accordance with article 16.

Article 13

Each Contracting Party shall, on the basis of reciprocity, grant to the designated airline of the other Contracting Party the right to station as representatives in its territory citizens of the other country required for the operation of the agreed services. Such representation established in the two countries by agreement between the designated airlines, and subject to the approval of the aeronautical authorities of the Contracting Parties, shall be comparable with respect to size and number of locations.

Article 14

Either Contracting Party may at any time request consultations with the appropriate authorities of the other Contracting Party on questions concerning the interpretation, application or modification of this Agreement. Such consultations shall begin within a period of sixty (60) days from the date the other Contracting Party receives the request, unless otherwise agreed by the Contracting Parties.

Article 15

A modification to any provision of this Agreement agreed to between the Contracting Parties shall be effected by an exchange of diplomatic notes.

Article 16

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 the aeronautical authorities or if that fails through diplomatic channels.

2. If the Contracting Parties fail to reach a settlement by negotiation, they may agree to refer the dispute for decision to some person or body; if they do not so agree, the dispute shall 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 by such a tribunal and the third arbitrator shall be appointed within a further period of sixty (60) days.

3. The Contracting Parties shall comply with any decision given under paragraph (2) of this article.

4. The expenses of the arbitration will be equally shared between the Contracting Parties.

Article 17

Either of the Contracting Parties may at any time notify the other by diplomatic note of its intention to terminate this Agreement. This Agreement shall terminate one year after the date of receipt of the notice of intention to terminate, unless by agreement between the Contracting Parties such notice is withdrawn before the expiration of that time.

Article 18

The present Agreement and any exchange of diplomatic notes in accordance with article 15 shall be registered with the International Civil Aviation Organisation.

Article 19

This Agreement shall come into force on the day it is signed, and shall remain in effect unless terminated in accordance with article 17.

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

DONE at Prague, this 20th of March 1969, in two copies, in the Czech, English and French languages, each version being equally authentic.

For the Government
of the Czechoslovak
Socialist Republic:

Martin MURÍN

For the Government
of Canada:

Thomas WAINMAN-WOOD

ANNEX

1. In the operation of an agreed service on a specified route set out in the schedule of routes hereunder, the airline designated by the Government of Canada shall have the following rights:

- (a) to pick up and discharge in the territory of the Czechoslovak Socialist Republic international traffic in passengers, mail and cargo destined for or coming from Canada;
- (b) to carry international traffic in passengers, mail and cargo between Canada and intermediate points;
- (c) to carry Fifth Freedom traffic between Prague and the points beyond and the intermediate point named by Canada pursuant to the route schedule;
- (d) to carry into and out of the territory of the other Contracting Party on the same flight with stop-over privilege through international traffic originating in or destined for points so specified in third countries.

2. In the operation of an agreed service on a specified route set out in the schedule of routes, the airline designated by the Government of the Czechoslovak Socialist Republic shall have the following rights:

- (a) to pick up and discharge in the territory of Canada international traffic in passengers, mail and cargo destined for or coming from the Czechoslovak Socialist Republic;
- (b) to carry international traffic in passengers, mail and cargo between the Czechoslovak Socialist Republic and intermediate points;
- (c) to carry Fifth Freedom traffic between Montreal and New York, USA, whether New York is served as a point beyond or as an intermediate point;

(d) to carry into and out of the territory of the other Contracting Party on the same flight with stop-over privilege through-international traffic originating in or destined for points so specified in third countries.

3. The designated airlines of the Contracting Parties while operating an agreed service on a specified route may omit any or all intermediate points.

4. Requests for authorization to operate additional scheduled flights shall be submitted at least 24 hours before departure.

ROUTE SCHEDULE

SECTION I

The following routes may be operated by the designated airline of Canada:

<i>Points of Departure</i>	<i>Intermediate points</i>	<i>Destination in the Czechoslovak Socialist Republic</i>	<i>Points beyond</i>
Any point or points in Canada	Any point or points in Europe to be named by Canada	Prague	A point to be named by Canada

NOTE:

The exercise by the airline designated by Canada of Fifth Freedom traffic rights between a named intermediate point and Prague, and between Prague and a named point beyond, shall be subject to the prior approval of the aeronautical authorities of the Czechoslovak Socialist Republic. In the event that the said authorities do not grant approval for the exercise of any of these Fifth Freedom traffic rights within a period of thirty days from the date of the request, consultations shall take place between the aeronautical authorities of the Contracting Parties. If at the termination of a further period of thirty days a mutually satisfactory arrangement has not been reached, the Fifth Freedom traffic rights granted under this Agreement to the airline designated by the Czechoslovak Socialist Republic, and the Fifth Freedom traffic rights granted to the airline designated by Canada, shall be immediately rescinded.

SECTION II

The following routes may be operated by the designated airline of the Czechoslovak Socialist Republic:

<i>Points of Departure</i>	<i>Intermediate Points</i>	<i>Destination in Canada</i>	<i>Points beyond</i>
Any point or points in the Czechoslovak Socialist Republic	Any point or points in Europe to be named by the Czechoslovak Socialist Republic New York, U.S.A.	Montreal	New York
