

No. 14397

**SPAIN
and
BOLIVIA**

**Agreement on scheduled international air transport (with
annex). Signed at La Paz on 12 September 1974**

Authentic text: Spanish.

Registered by Spain on 30 October 1975.

**ESPAGNE
et
BOLIVIE**

Accord relatif aux transports internationaux aériens réguliers (avec annexe). Signé à La Paz le 12 septembre 1974

Texte authentique : espagnol.

Enregistré par l'Espagne le 30 octobre 1975.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ BETWEEN THE REPUBLIC OF BOLIVIA AND THE SPANISH STATE ON SCHEDULED INTERNATIONAL AIR TRANSPORT

PREAMBLE

The Government of the Republic of Bolivia and the Government of the Spanish State,

Being desirous of promoting the development of air transport between the Republic of Bolivia and the Spanish State and of furthering international co-operation in this field as much as possible, and in order that international civil air transport services between their territories may be established on a basis of equal opportunity and be conducted soundly and economically, the two Contracting Parties have agreed on the following provisions:

DEFINITIONS FOR THE APPLICATION OF THE AGREEMENT

Article I. For the purposes of the interpretation and application of this Agreement and its annexes, unless otherwise defined in the text thereof:

(a) The term “aeronautical authorities” means, in the case of Bolivia, the Ministry of Transport, Communications and Civil Aviation (Office of the Under-Secretary for Civil Aviation) and, in the case of Spain, the Air Ministry (Office of the Under-Secretary for Civil Aviation) or, in both cases, any agencies or persons legally authorized to assume the functions exercised by the said authorities;

(b) The term “designated airline” refers to the airline designated by each Contracting Party to operate air services on the routes specified in annex I to this Agreement;

(c) The terms “territory”, “international air service” and “stop for non-traffic purposes” have the meaning specified in articles 2 and 96 of the Convention on International Civil Aviation, signed at Chicago on 7 December 1944;²

(d) The term “specified routes” means the routes which are or may hereafter be established in annex I to this Agreement;

(e) The term “agreed services” means the international air services which may, in accordance with the provisions of this Agreement, be established on the specified routes.

GRANTING OF RIGHTS

Article II. Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement for the purpose of establishing scheduled international air services on the routes specified in annex I to this Agreement.

¹ Came into force provisionally on 12 September 1974 by signature and definitively on 3 September 1975 by the exchange of diplomatic notes (effected on 20 August and 3 September 1975) by which the Contracting Parties informed each other that their respective constitutional formalities had been completed, in accordance with article XIX.

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; vol. 740, p. 21; vol. 893, p. 117, and vol. 958, p. 217.

The said 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) to fly, without landing, across the territory of the other Contracting Party;
- (b) to make stops in the said territory for non-traffic purposes;
- (c) to make stops at the points in the territory of the other Contracting Party specified in the route plan contained in annex I to this Agreement for the purpose of putting down and taking up international traffic in passengers, mail and cargo from or to the other Contracting Party or another State, in accordance with the provisions of annex I to this Agreement;
- (d) nothing in this Agreement shall be interpreted as conferring on the airline designated by a Contracting Party the right to engage in cabotage within the territory of the other Contracting Party.

DESIGNATION OF AIRLINES AND CONDITIONS FOR THE EXERCISE OF THE RIGHTS GRANTED

Article III. (1) Each Contracting Party shall have the right to designate in writing to the other Contracting Party an airline for the operation of the agreed services on the specified routes.

(2) On receipt of such designation, the other Contracting Party shall, subject to the provisions of paragraphs 3 and 4 of this article, without delay grant the appropriate operating authorizations.

(3) The aeronautical authorities of the Contracting Parties may require the designated airlines to show proof that they are qualified to fulfil the obligations prescribed by the laws and regulations normally applied to the operation of the agreed services, in accordance with the provisions of the Convention on International Civil Aviation (Chicago, 1944).

(4) Each Contracting Party shall have the right to refuse to grant the operating authorization 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 II, if it is not satisfied that ownership and effective control of that airline are vested in the Contracting Party designating the airline or in its nationals.

(5) When an airline has been so designated and authorized, it may begin at any time to operate the agreed services, provided that a tariff established in accordance with the provisions of article VII of this Agreement is in force in respect of those services.

(6) Each Contracting Party shall have the right, by written communication to the other Contracting Party, to replace an airline it has designated. The newly designated airline shall have the same rights and be subject to the same obligations as the airline which it replaces.

REVOCAION AND SUSPENSION OF RIGHTS

Article IV. (1) Each Contracting Party reserves the right to revoke the operating authorization granted to an airline designated by the other Contracting Party, or to suspend the exercise by that airline of the rights specified in article II of this Agreement or impose such conditions as it may deem necessary on the exercise of those rights:

- (a) if it is not satisfied that ownership and effective control of the airline are vested in the Contracting Party designating the airline or in its nationals, or
- (b) in case of failure by that airline to comply with the laws and regulations of the Contracting Party granting those rights, or
- (c) if the airline fails to operate the agreed services in accordance with the conditions prescribed in this Agreement and its annexes.

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

EXEMPTION FROM DUTIES

Article V. (1) Aircraft operated on international air services by the designated airline of either Contracting Party, as well as their regular equipment, fuel, lubricants and stores (including food, tobacco and beverages) on board such aircraft, shall be exempt from all customs duties, inspection fees or other duties or taxes on arriving in the territory of the other Contracting Party, provided that such equipment and stores remain on board the aircraft until such time as they are re-exported.

(2) There shall also be exempt from the same duties and taxes, with the exception of charges for services rendered:

- (a) aircraft stores taken on board in the territory of either Contracting Party, within limits fixed by the authorities of the said Contracting Party, for use on board aircraft operated on international services of the other Contracting Party;
- (b) spare parts imported into the territory of a Contracting Party for the maintenance or repair of aircraft operated on international air services by the designated airline of the other Contracting Party; and
- (c) fuel and lubricants intended to supply aircraft operated on international air services by the designated airline of the other Contracting Party, even when those supplies are consumed during the flight over the territory of the Contracting Party in which they were taken on board.

The items referred to in subparagraphs (a), (b) and (c) may be required to be kept under customs supervision or control.

(3) The regular airborne equipment, as well as the aforementioned materials and stores, may be unloaded in the territory of the other Contracting Party only with the approval of the customs authorities of that territory. In such case, they may be placed under the supervision of the said authorities until such time as they are re-exported or otherwise disposed of in a duly authorized manner.

(4) The designated airlines may, under the system of exemptions granted in paragraph 2, subparagraphs (a), (b) and (c), of this article, store at the airport or airports of the other Contracting Party, under customs control, the necessary amounts of fuel, lubricants, spare parts, regular equipment and aircraft stores imported from the territory of each Contracting Party or from third States and intended solely for use by aircraft operated on the "agreed services".

FACILITIES AFFORDED TO PASSENGERS, BAGGAGE AND CARGO IN TRANSIT

Article VI. Passengers in transit across the territory of either Contracting Party shall be subject only to simplified control and shall be afforded every facility. Baggage and cargo in direct transit shall be exempt from customs and other similar duties or taxes.

TARIFFS

Article VII. (1) In the following paragraphs, the term “tariff” means the prices charged for the carriage of passengers, baggage and goods and the conditions of carriage, as well as the prices for and conditions of agency services and other auxiliary services, with the exception of payments and conditions for the carriage of mail.

(2) The tariffs to be applied by the airline of each Contracting Party for carriage to or from the territory of the other Contracting Party shall be established at reasonable levels, due regard being paid to all relevant factors, especially cost of operation, reasonable profit and the tariffs applied by other airlines.

(3) The tariffs referred to in paragraph 2 of this article shall, if possible, be agreed by the airlines concerned of both Contracting Parties, for which purpose they may consult with any other airline or airlines operating over the whole or part of the route. The airlines shall, where possible, reach such agreement through the rate-fixing machinery of the International Air Transport Association (IATA).

(4) The tariffs so agreed shall be submitted for approval to the aeronautical authorities of the Contracting Parties at least 90 days before the proposed date of their introduction. In special cases, this time-limit may be reduced with the consent of the said authorities.

(5) Approval or disapproval shall be expressly notified within 30 days from the date on which application is made.

(6) If agreement on a tariff cannot be reached in accordance with the provisions of paragraph 3 of this article or if, within the period referred to in paragraph 5 of this article, one aeronautical authority gives the other aeronautical authority notice of its dissatisfaction with any tariff agreed in accordance with the provisions of paragraph 3, the aeronautical authorities of the two Contracting Parties shall endeavour to determine the tariff by mutual agreement, for which purpose they may, if they deem it useful, seek the opinion of the aeronautical authorities of any other State.

(7) If the aeronautical authorities are unable to agree on the approval of any tariff submitted to them under paragraph 4 of this article or on the determination of any tariff under paragraph 6 of this article, the dispute shall be settled in accordance with the provisions of article XVI of this Agreement.

(8) Any tariff established in accordance with the provisions of this article shall remain in force until a new tariff has been established. However, the applicability of a tariff shall not be extended, by virtue of this paragraph, for a period of more than 12 months from the date on which it was to have expired.

PROVISIONS RELATING TO LAWS, REGULATIONS AND PROHIBITED AREAS

Article VIII. (1) The laws and regulations of each Contracting Party applicable in its territory to the entry and departure of aircraft engaged in international air navigation or to the operation of such aircraft while within its territory shall apply to aircraft of the airline designated by the other Contracting Party.

(2) The laws and regulations applicable in the territory of each Contracting Party to the entry, stay and departure of passengers, crew, baggage, mail and cargo, and the formalities relating to entry into and departure from the country, to immigration, to customs and to sanitary measures, shall also apply in the said territory to operations of the designated airline of the other Contracting Party.

(3) Any restrictions or prohibitions on flights over certain areas of the territories of the Contracting Parties by aircraft belonging to a designated airline shall be

applied in accordance with article 9 of the Convention on International Civil Aviation (Chicago, 1944).

RECOGNITION OF CERTIFICATES AND LICENCES

Article IX. Certificates of airworthiness, certificates of competency and licences issued or rendered valid by a Contracting Party and still in force shall be recognized as valid by the other Contracting Party for the purpose of operating the routes specified in annex I to this Agreement, provided that the requirements under which such certificates or licences were issued or rendered valid are equal to or above the minimum established by the Chicago Convention of 1944 and its annexes.

However, each Contracting Party reserves the right to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licences issued to its own nationals by another State.

TRANSFERS OF EXCESS RECEIPTS

Article X. Each Contracting Party undertakes to grant the other Contracting Party free transfer, at the official rate of exchange, of the excess of receipts over expenditure achieved in its territory in connexion with the carriage of passengers, baggage, mail and cargo by the designated airline of the other Contracting Party. Where transfers between the Contracting Parties are governed by a special agreement, they shall be effected in accordance with that agreement.

CAPACITY

Article XI. (1) The agreed air services on any of the routes specified in annex I to this Agreement shall have as their principal objective the provision of adequate capacity from and to the country to which the designated airline belongs.

(2) On common routes, the designated airlines shall take into account their mutual interests so as not to affect unduly their respective services.

(3) The right to take up and put down in the respective territories of the Contracting Parties international traffic to or from third countries, in accordance with the provisions of article II (c) and of annex I to this Agreement, shall be exercised in accordance with the general principles of orderly development of international air traffic accepted by both Contracting Parties and in such a way that capacity is related to:

- (a) traffic requirements between the country of origin and the countries of destination;
- (b) the requirements of through airline operation;
- (c) the traffic requirements of the area through which the airline passes, taking into account local and regional services; and
- (d) the requirements of economic operation of the agreed services.

(4) The Contracting Parties may establish protective rules with respect to the operation of regional services, subject to similar requirements, by airlines of third countries which are in the same situation and which operate on the same sector of the "specified routes".

STATISTICS

Article XII. The aeronautical authorities of each Contracting Party shall be required to furnish to the aeronautical authorities of the other Contracting Party, at

regular intervals, such statistical data and statements of statistics as may be necessary for the purpose of reviewing the capacity required on the agreed air services by the designated airline of the other Contracting Party. Such statements shall include all data required to determine the volume of traffic carried by the airlines in question on the agreed services.

In order to ensure the necessary uniformity of the data supplied by both Contracting Parties, statements of statistics shall be furnished in accordance with the rules and standard forms of ICAO.

EXCHANGE OF VIEWS

Article XIII. The aeronautical authorities of the Contracting Parties may, whenever they deem it appropriate, proceed to exchanges of views in order to attain close co-operation and understanding in all matters concerning the interpretation and/or application of this Agreement and its annexes.

CONSULTATIONS, MODIFICATIONS AND AMENDMENTS

Article XIV. (1) The Contracting Parties may at any time modify the provisions of this Agreement by means of consultation between their aeronautical authorities, which shall be requested through the diplomatic channel. Consultation shall begin within a period of 60 days from the date of the request. Any modifications and/or amendments which are agreed upon shall enter into force when they have been confirmed by an exchange of diplomatic notes, subject to prior fulfilment of the constitutional requirements of each Contracting Party.

(2) The Contracting Parties may at any time modify and/or amend the annexes, or may add provisions thereto, by means of direct consultation between their aeronautical authorities, whose modifications and/or amendments or additions shall enter into force upon an exchange of diplomatic notes. Consultation between the said authorities shall begin within a period of 60 days from the date of the request.

(3) The consultation procedure laid down in paragraph 1 of this article shall also apply for the purpose of considering the interpretation and/or application of this Agreement and its annexes if, in the opinion of one of the Contracting Parties, the exchange of views provided for in article XIII above has not yielded results.

MODIFICATIONS OF THE AGREEMENT CONSEQUENTIAL ON MULTILATERAL CONVENTIONS

Article XV. This Agreement and its annexes shall be amended to bring them into harmony with any multilateral convention which is binding on both Contracting Parties.

SETTLEMENT OF DISPUTES

Article XVI. (1) If any disagreement arises as to the interpretation and/or application of this Agreement and its annexes, the Contracting Parties shall in the first place endeavour to settle it by means of the consultations agreed upon in article XIV, paragraph 1.

(2) If the Contracting Parties fail to reach a settlement by means of consultations, the dispute shall be submitted for decision to an arbitral tribunal, which shall be constituted and shall function as follows:

- (a) The tribunal shall be composed of three arbitrators. Each Contracting Party shall appoint its own arbitrator, and the third arbitrator shall be designated by agreement between the first two and shall not be a national of either Contracting Party.
- (b) The first two arbitrators shall be appointed within a period of 60 days from the date on which one of the Contracting Parties receives the diplomatic note from the other Contracting Party requesting arbitration. The third arbitrator shall be appointed within 30 days after the designation of the first two arbitrators.
- (c) If the time-limits laid down in subparagraph (b) above are not complied with, the Contracting Parties may, unless otherwise agreed, request the President of the Council of the International Civil Aviation Organization (ICAO) to make the appointments in question. If the President is a national of either Contracting Party or is otherwise unable to act, his deputy shall make the appointments.
- (d) The arbitral tribunal shall adopt its own rules of procedure and shall render its decision, by majority vote, within a period of 30 days from the date on which it is constituted. This period may be extended by agreement between the Contracting Parties.
- (e) Decisions of the arbitral tribunal shall be binding on both Contracting Parties. Each Contracting Party shall defray the expenses of its own arbitrator. The expenses of the third arbitrator shall be defrayed by the two Contracting Parties in equal parts.

DENUNCIATION OF THE AGREEMENT

Article XVII. 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 (ICAO). 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 agreement before the expiry of that period. If the other Contracting Party fails to acknowledge receipt of the notice, it shall be deemed to have been received fourteen (14) days after receipt of such notice by the International Civil Aviation Organization (ICAO).

REGISTRATION

Article XVIII. This Agreement and its annexes, any modification thereto and any exchange of notes shall be registered with the International Civil Aviation Organization (ICAO).

FINAL PROVISION

Article XIX. This Agreement shall enter into force provisionally on the date of its signature and definitely when the Contracting Parties shall have informed each other, by means of an exchange of diplomatic notes, that their respective constitutional formalities for its definitive entry into force have been completed.

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

DONE in two copies, both in the Spanish language, at La Paz, on 12 September 1974.

For the Government
of the Spanish State:
JOSÉ MANUEL PAZ AGÜERAS

For the Government
of the Republic of Bolivia:
ALBERTO GUZMÁN SORIANO

A N N E X I

ROUTE PLAN

Schedule No. 1

1. Bolivian routes

The airline designated by the Government of Bolivia shall be entitled to operate the agreed services, in both directions, on the following routes:

From Bolivia, via intermediate points in South America (including Panama) and in the islands of the Caribbean, to Madrid, and to points beyond in Western Europe.

Schedule No. 2

2. Spanish routes

The airline designated by the Government of Spain shall be entitled to operate the agreed services, in both directions, on the following routes:

From Spain, via intermediate points in the islands of the Caribbean and in South America (including Panama), to La Paz, and to points beyond on the South American continent.

3. The designated airlines of both Contracting Parties may, in operating the agreed services on the specified routes, omit one or more stops at intermediate points or points beyond the respective territories.

4. With reference to the provisions of article XI, paragraphs 3 and 4, of the Agreement concerning the exercise by the designated airlines of the traffic rights granted to them in article II (c) of the Agreement, the aeronautical authorities of the Contracting Parties shall determine by agreement the intermediate points and points beyond to be served by the designated airlines and the rules to which the exercise of the designated airlines and the rules to which the exercise of the corresponding traffic rights must conform.
