

**No. 15090**

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**SWITZERLAND  
and  
ECUADOR**

**Agreement concerning scheduled air transport services (with annex). Signed at Quito on 6 May 1974**

*Authentic texts: French and Spanish.*

*Registered by the International Civil Aviation Organization on 8 November 1976.*

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**SUISSE  
et  
ÉQUATEUR**

**Accord relatif aux transports aériens réguliers (avec annexe). Signé à Quito le 6 mai 1974**

*Texte authentiques : français et espagnol.*

*Enregistré par l'Organisation de l'aviation civile internationale le 8 novembre 1976.*

## [TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> BETWEEN THE SWISS CONFEDERATION AND THE  
REPUBLIC OF ECUADOR CONCERNING SCHEDULED AIR  
TRANSPORT SERVICES

The Swiss Federal Council and the Government of the Republic of Ecuador,  
Considering that Switzerland and Ecuador are Parties to the Convention on  
International Civil Aviation opened for signature at Chicago on 7 December 1944,<sup>2</sup>  
Desiring to develop international co-operation in the field of air transport, and  
Desiring to conclude an agreement for the purpose of establishing scheduled air  
services between their respective countries and beyond,

Have appointed their plenipotentiaries, duly authorized for this purpose, who  
have agreed as follows:

*Article 1.* For the purpose of this Agreement and its annex:

(a) The term "Convention" means the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944;

(b) The term "aeronautical authorities" means, in the case of Switzerland, the Federal Air Office and, in the case of Ecuador, the National Civil Aviation Council and the Department of Civil Aviation or, in both cases, any person or agency authorized to perform the functions at present assigned to the said authorities;

(c) The term "designated airline" means an airline which one of the Contracting Parties has designated, in accordance with article 3 of this Agreement, to operate the agreed air services.

*Article 2.* 1. Each Contracting Party shall grant to the other Contracting Party the rights specified in this Agreement for the purpose of establishing air services on the routes specified in the annex to this Agreement. Such services and routes are hereinafter called "agreed services" and "specified routes".

2. Subject to the provisions of this Agreement, each Contracting Party's designated airline shall enjoy, while operating international services:

(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 right to take on and put down in the said territory, at points specified in the annex, international traffic in passengers, cargo and mail.

*Article 3.* 1. Each Contracting Party shall have the right to designate an airline to operate the agreed services on the specified routes. Such designation shall form the subject of a written notification between the aeronautical authorities.

2. In pursuance of the rights specified in article 2, paragraph 2 (c), of this Agreement, the bilateral benefits laid down by the Agreement shall normally be exer-

<sup>1</sup> Applied provisionally from 6 May 1974, the date of signature, and came into force on 23 February 1976, the date on which the Contracting Parties notified each other of the completion of their constitutional formalities, in accordance with article 19.

<sup>2</sup> 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.

cised as soon as the designated airlines of the two Contracting Parties are able to commence operations, if not simultaneously, within the same timetable period, at the latest.

3. An operating authorization for the agreed services shall in no case be granted by either Contracting Party to the designated airlines until they are effectively in a position to commence simultaneous operation. Nevertheless, either Contracting Party may grant an operating authorization unilaterally to the designated airline of the other Contracting Party if special negotiations to establish a balance of mutual advantages, in the spirit of the bilateralism governing all spheres of this Agreement, have been completed.

4. 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 fulfil the requirements prescribed by the laws and regulations normally applied by those authorities to the operation of international air services.

5. Each Contracting Party shall have the right not to grant the operating authorization provided for in this article or to impose such conditions as it may deem necessary, when such Contracting Party is not satisfied that substantial ownership and effective control of the airline are vested in the Contracting Party which has designated the airline or in its nationals.

6. On receipt of the operating authorization provided for in this article, the designated airline may begin at any time to operate any agreed service, provided that a tariff established in accordance with the provisions of article 10 of this Agreement is in force in respect of such service.

*Article 4.* 1. Each Contracting Party shall have the right to revoke an operating authorization, to suspend the exercise of the rights specified in article 2 of this Agreement by the airline designated by the other Contracting Party or to impose such conditions as it deems necessary on the exercise of such rights if:

- (a) it is not satisfied that substantial ownership and effective control of the airline are vested in the Contracting Party designating the airline or in its nationals;
- (b) the airline has failed to comply with the laws and regulations of the Contracting Party which granted those rights;
- (c) the airline fails to operate the agreed services in the manner prescribed in this Agreement and its annex.

2. Unless the revocation, suspension or imposition of conditions referred to in paragraph 1 of this article is imperative in order to prevent further infringement of the laws and regulations, such right shall be exercised only after consultation with the other Contracting Party.

*Article 5.* 1. The agreed services on the routes specified in the annex to this Agreement shall have as their primary objective the provision of capacity commensurate with the passenger, cargo and mail traffic requirements to and from the country which has designated the airline. Each designated airline shall take into account the interests of the other designated airline so that both may enjoy fair and equal opportunity to operate the agreed services.

2. The right to take on and put down international traffic to and from third countries in the territories of the Contracting Parties, being an accessory right, shall be subject, as regards capacity, to the following principles:

- (a) operational priority of national airlines in the regional traffic of each Contracting Party;
- (b) need for economic operation of the designated airlines.

*Article 6.* 1. Aircraft employed in international traffic by the designated airline of one Contracting Party and their regular airborne equipment, fuel, lubricants and aircraft stores (including food, beverages and tobacco) shall be exempt, on entry into the territory of the other Contracting Party, from all customs duties, inspection charges and other duties and fees, provided such equipment, and supplies remain on board until they are re-exported.

2. The following shall likewise be exempt from such duties, charges and fees, excluding payments for services performed:

- (a) aircraft stores taken on board in the territory of one Contracting Party, within limits laid down by the authorities of that Contracting Party;
- (b) spare parts and regular airborne equipment imported into the territory of one Contracting Party for the maintenance or repair of aircraft employed in international service by the designated airline of the other Contracting Party.

The requirement of customs supervision and inspection may be applied to the articles referred to in subparagraphs (a) and (b) above.

3. Regular airborne equipment, and other articles and stores which are on board aircraft of one Contracting Party may be unloaded in the territory of the other Contracting Party only with the consent of its customs authorities. When so unloaded, they may be placed under the supervision of the said authorities until they are re-exported or have been otherwise disposed of in a duly authorized manner.

*Article 7.* Passengers, baggage and cargo in transit through the territory of one Contracting Party and remaining in the airport area shall be subject to only cursory inspection and shall be granted every possible facility. Baggage and cargo in direct transit shall be exempt from customs duties and other similar duties or taxes.

*Article 8.* 1. The laws and regulations of one Contracting Party governing entry to and departure from its territory of aircraft engaged in international air navigation or flights of such aircraft over its territory shall apply to the designated airline of the other Contracting Party.

2. The laws and regulations of one Contracting Party governing entry into, sojourn in or departure from its territory of passengers, crew, cargo or mail, such as those relating to entry, departure, emigration and immigration, customs and health measures, shall apply to passengers, crew, cargo or mail carried by the aircraft of the airline designated by the other Contracting Party while they are in its territory.

3. In the application of the laws and regulations mentioned in this article, each Contracting Party undertakes not to give preferential treatment to other foreign airlines over the designated airline of the other Contracting Party.

4. The designated airline of one Contracting Party shall not be required to pay for the use of airports and other facilities provided by the other Contracting Party charges higher than those applicable to other foreign aircraft used in scheduled international services.

5. The designated airline of one Contracting Party shall have the right to maintain agents in the territory of the other Contracting Party. Such agents may include commercial, operational and technical personnel.

*Article 9.* 1. Certificates of airworthiness, certificates of competency and licences issued or validated by one of the Contracting Parties shall, during the period in which they are in force, be recognized as valid by the other Contracting Party.

2. Each Contracting Party reserves the right, however, to refuse to recognize as valid, for the purpose of flight over its territory, certificates and licences issued to or validated for its own nationals by the other Contracting Party or by any other State.

*Article 10.* 1. The tariffs on all agreed services shall be fixed at reasonable levels, due regard being paid to all relevant factors, including cost of operation, reasonable profit, the characteristics of each service and the tariffs of other airlines.

2. The tariffs referred to in paragraph 1 of this article shall, if possible, be agreed upon by the designated airlines of both Contracting Parties, in consultation with other airlines operating on the whole or part of the route concerned. The designated airlines shall, if possible, reach such agreement through the rate-fixing machinery established by the international agency which puts forward proposals in this respect.

3. The tariffs so established shall be submitted to the aeronautical authorities of the Contracting Parties for approval at least thirty (30) days before the proposed date of their introduction. In special cases this period may be reduced, subject to the agreement of the said authorities.

4. If the designated airlines are unable to reach agreement or if the tariffs are not approved by the aeronautical authorities of one Contracting Party, the aeronautical authorities of both Contracting Parties shall endeavour to set the tariff by mutual agreement.

5. Tariffs already in effect shall remain in force until new tariffs are set pursuant to the provisions of this article but no longer than twelve (12) months from the date on which the aeronautical authorities of one of the Contracting Parties refused approval.

*Article 11.* 1. Any sums by which revenue accruing to the designated airline of one Contracting Party in the territory of the other Contracting Party from the transport of passengers, baggage, cargo and mail exceed its expenditure shall be transferred to the country of that airline in accordance with the applicable laws of the other Contracting Party.

2. If transfers between the Contracting Parties are governed by a special agreement, the above-mentioned transfers shall be made under the terms of that agreement.

*Article 12.* The aeronautical authorities of the Contracting Parties shall, on request, supply each other with periodic statistics or other similar information relating to traffic on the agreed services.

*Article 13.* 1. Each Contracting Party or its aeronautical authorities may at any time request consultations with the other Contracting Party or with its aeronautical authorities.

2. The consultations requested by one Contracting Party or its aeronautical authorities shall begin within a period of sixty (60) days from the date of receipt of the request.

*Article 14.* 1. Any modification of this Agreement shall enter into force when the two Contracting Parties have informed each other of the completion of their constitutional formalities concerning the conclusion and entry into force of international agreements.

2. Modifications of the annex to this Agreement may be agreed upon directly by the aeronautical authorities of the Contracting Parties. They shall enter into force upon confirmation by an exchange of notes through the diplomatic channel.

*Article 15.* 1. A dispute between the Contracting Parties relating to the interpretation or application of this Agreement which cannot be settled by direct negotiations or through the diplomatic channel shall be submitted, at the request of either Contracting Party, to an arbitral tribunal composed of three members.

2. For that purpose each Contracting Party shall appoint an arbitrator and the two arbitrators shall appoint a third arbitrator, who shall be a national of a third State, as chairman. If within a period of two months from the date on which one of the Contracting Parties has appointed an arbitrator, the other Contracting Party has not appointed its arbitrator, or if within the month following the appointment of the second arbitrator, the arbitrators so appointed have not agreed on the choice of the chairman, either Contracting Party may request the President of the Council of the International Civil Aviation Organization to make the necessary appointments.

3. The arbitral tribunal shall establish its own procedure and shall decide on the apportionment of the costs arising from such procedure.

4. The Contracting Parties undertake to comply with any decision rendered in pursuance of this article.

*Article 16.* This Agreement and any amendments thereto shall be registered with the International Civil Aviation Organization.

*Article 17.* In the event of the conclusion of any multilateral air transport agreement which is binding on both Contracting Parties, this Agreement shall be modified to bring it into conformity with the provisions of such agreement.

*Article 18.* 1. Either of the Contracting Parties may at any time notify the other Contracting Party of its decision to denounce this Agreement; such notice shall be communicated simultaneously to the International Civil Aviation Organization.

2. The denunciation shall take effect on the expiry of the timetable period during which twelve (12) months shall have elapsed since such notice, unless the denunciation is withdrawn by mutual agreement before the end of that period.

3. Failing acknowledgement of receipt by the other Contracting Party, the notice shall be deemed to have reached it fourteen (14) days after the date of its receipt by the International Civil Aviation Organization.

*Article 19.* This Agreement shall be applied provisionally from the date of its signature and shall enter into force when the Contracting Parties have notified each other of the completion of their constitutional formalities concerning the conclusion and entry into force of international agreements.

IN WITNESS WHEREOF, the plenipotentiaries of the two Contracting Parties have signed this Agreement.

DONE at Quito on 6 May 1974 in two copies in the French and Spanish languages, both texts being equally authentic.

For the Swiss  
Federal Council:  
ETIENNE SERRA

For the Government  
of the Republic of Ecuador:  
RODRIGO VALDEZ

## A N N E X

### *Route schedule for the Swiss designated airline*

<i>Departure points</i>	<i>Intermediate points</i>	<i>Points in Ecuador</i>	<i>Points beyond Ecuador</i>
Points in Switzerland	Lisbon	Quito	La Paz
	Boston	Guayaquil	Santiago (Chile)
	Bermuda		
	Nassau		
	Kingston/Montego Bay		
	Port of Spain		

### *Route schedule for the Ecuadorian designated airline*

<i>Departure points</i>	<i>Intermediate points</i>	<i>Points in Switzerland</i>	<i>Points beyond Switzerland</i>
Points in Ecuador	To be determined	To be determined	To be determined

NOTES. 1. At the request of the authority of the Contracting Party which is not the one to which the designated airline belongs, one or more points on the specified routes may be omitted on any or all flights.

2. The points on the specified routes shall not necessarily be served in the order in which they are listed, subject, however, to the consideration that every service is operated over a reasonably direct route.

3. The designated airline of either Contracting Party shall have the right to terminate any of its services in the territory of the other Contracting Party.

4. Each designated airline may serve points not mentioned, provided it does not exercise traffic rights between such points and the territory of the other Contracting Party, or between that territory and such points.