

**No. 15093**

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**SWITZERLAND  
and  
CANADA**

**Air Transport Agreement (with annex). Signed at Ottawa on  
20 February 1975**

*Authentic texts: French and English.*

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

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**SUISSE  
et  
CANADA**

**Accord sur le transport aérien (avec annexe). Signé à  
Ottawa le 20 février 1975**

*Textes authentiques : français et anglais.*

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

## AIR TRANSPORT AGREEMENT<sup>1</sup> BETWEEN THE SWISS CONFEDERATION AND CANADA

The Swiss Federal Council and the Government of Canada,

Both having ratified the Convention on International Civil Aviation opened for signature at Chicago on the 7th day of December, 1944,<sup>2</sup>

Desiring to conclude an Agreement on air transport between and beyond their respective territories,

Have appointed plenipotentiaries, who, duly authorized to that effect, have agreed as follows:

*Article I.* For the purpose of this Agreement, unless otherwise stated:

(a) "Aeronautical authorities" means, in the case of Switzerland, the Federal Air Office and, in the case of Canada, the Minister of Transport and the Canadian Transport Commission or, in both cases, any other authority or person empowered to perform the functions now exercised by the said authorities;

(b) "Agreed services" means scheduled air services for the transport of passengers, cargo and mail on the specified routes herein, separately or in combination;

(c) "Agreement" means this Agreement and the Annex attached thereto and any amendments thereto;

(d) "Convention" means the Convention on International Civil Aviation opened for signature at Chicago on the 7th day of December, 1944;

(e) "Designated airline" means an airline which has been designated and authorized in accordance with Article III of this Agreement;

(f) "Tariffs" shall be deemed to include all rates, tolls, fares, charges for transportation, conditions of carriage, classifications, rules, regulations, practices and services related thereto, but excluding remuneration and conditions for the carriage of mail;

(g) "Territory", "Air Service", "International Air Service", "Airline" and "Stop for non-traffic purposes" have the meanings respectively assigned to them in Articles 2 and 96 of the Convention.

*Article II.* 1. Each Contracting Party grants to the other Contracting Party the following rights for the operation of air services by the designated airline:

(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; and

(c) to make stops in the said territory at the points named on the routes specified in the Schedule for the purpose of taking up and discharging international traffic in passengers, cargo and mail, separately or in combination.

<sup>1</sup> Applied provisionally from 20 February 1975, the date of signature, and came into force on 12 March 1976, the date on which the Contracting Parties notified each other of the fulfilment of their constitutional formalities, in accordance with article XX.

<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.

2. Nothing in paragraph 1 of this Article shall be deemed to confer on the airline of one Contracting Party the privilege of taking up, in the territory of the other Contracting Party, passengers, cargo or mail carried for remuneration or hire and destined for another point in the territory of that other Contracting Party.

*Article III.* 1. Each Contracting Party shall have the right to designate, by diplomatic note, an airline to operate the agreed services on any route specified in the Schedule and to substitute another airline for that previously designated.

2. Following receipt of a notice of designation, the aeronautical authorities of the other Contracting Party shall, consistent with its laws and regulations, grant with a minimum of delay to the airline so designated the appropriate authorizations to operate the agreed services for which the airline has been designated.

3. The aeronautical authorities of one Contracting Party may require the airline designated by the other Contracting Party to prove that it is qualified to fulfil the conditions prescribed under the laws and regulations normally applied to the operation of international air services by the said authorities in conformity with the provisions of the Convention.

4. The aeronautical authorities of each Contracting Party shall have the right not to grant the operating authorization referred to in paragraph 2 of this Article, or to impose such conditions as it may deem necessary for the exercise by the designated airline of the rights specified in Article II of the present Agreement, whenever the said Contracting Party has no proof that a substantial part of the ownership and effective control of that airline are vested in the Contracting Party designating the airline or in its nationals.

5. Having received the operating authorization, provided for under paragraph 2 of the present Article, the designated airline may begin at any time to operate the agreed services, partly or in whole, provided that tariffs established in accordance with the provisions of Article XI of the present Agreement are in force with respect to such services.

*Article IV.* 1. The aeronautical authorities of each Contracting Party shall have the right to withhold the authorizations referred to in Article III with respect to the airline designated by the other Contracting Party, to revoke such authorizations or impose on them conditions, temporarily or permanently:

- (a) in the event of failure by such airline to qualify before the aeronautical authorities of that Contracting Party under the laws and regulations applied by these authorities in conformity with the Convention;
- (b) in the event of failure by such airline to comply with the laws and regulations of that Contracting Party;
- (c) in the event that they are not satisfied that substantial ownership and effective control of the airline are vested in the Contracting Party designating the airline or its nationals; and
- (d) in case the airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement.

2. Unless immediate action is essential to prevent infringement of the laws and regulations referred to above, the rights enumerated in paragraph 1 of this Article shall be exercised only after consultations with the other Contracting Party in conformity with Article XIV.

*Article V.* 1. The designated airlines shall enjoy fair and equal opportunities to operate the agreed services between the territories of the Contracting Parties.

2. The designated airline of each Contracting Party shall take into consideration the interests of the designated airline of the other Contracting Party so as not to affect unduly the agreed services of the latter airline.

3. The main objective of the agreed services shall be to provide capacity corresponding to traffic demands between the territory of the Contracting Party which has designated the airline and the points served on the specified routes.

4. The right of each of the designated airlines to carry international traffic between the territory of the other Contracting Party and the territories of third countries, shall be exercised in conformity with the general principles of normal development to which both Contracting Parties subscribe and subject to the condition that the capacity shall be adapted:

- (a) to traffic demands from and to the territory of the Contracting Party which has designated the airline;
- (b) to traffic demands of the areas through which the service passes, local and regional services being taken into account;
- (c) to the requirements of through airline operations.

*Article VI.* 1. The laws, regulations and procedures 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 shall be complied with by the designated airline of the other Contracting Party upon entrance into, departure from and while within the said territory.

2. The laws and regulations of one Contracting Party respecting entry, sojourn, exit, clearance transit, emigration and immigration, passports, customs and quarantine shall be complied with by the designated airline of the other Contracting Party and its crews, passengers, cargo and mail upon transit of, admission to, departure from and while within the territory of such a Contracting Party.

3. Passengers, baggage and cargo in transit across the territory of one Contracting Party and not leaving the area of the airport reserved for such purpose shall only be subject to a very simplified control. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes.

*Article VII.* 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 provided that such certificates or licences were issued or rendered valid pursuant to and in conformity with the standards established under the Convention. Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flights above its own territory, certificates of competency and licences granted to its own nationals or rendered valid for them by the other Contracting Party.

2. If the privileges or conditions of the licences or certificates referred to in paragraph 1 above, issued by the aeronautical authorities of one Contracting Party to any person or designated airline operating the agreed services on the routes specified in this Agreement, should permit a difference from the standards established under the Convention, and which difference has been filed with the International Civil Aviation Organization, the aeronautical authorities of the other Contracting Party may request consultations with the aeronautical authorities of that Contracting Party with a view to satisfying themselves that the practice in question is

acceptable to them. Failure to reach a satisfactory agreement in matters regarding flight safety will constitute grounds for the application of Article IV; in other cases Article XVI applies.

*Article VIII.* 1. The charges imposed in the territory of either Contracting Party for the use of airports and other aviation facilities on the aircraft of the designated airline of the other Contracting Party shall not be higher than those imposed on aircraft of the national airline operating on scheduled international air services.

2. Neither of the Contracting Parties shall give a preference to its own or any other airline over the airline of the other Contracting Party in the application of the laws and regulations provided for by Article VI of the present Agreement or in the use of airports, airways and air traffic services and associated facilities under its control.

*Article IX.* 1. The designated airline of one Contracting Party shall submit to the aeronautical authorities of the other Contracting Party, at the latest thirty (30) days before beginning the operation of the agreed services, the envisaged timetables which conform to the principles stated in Article V of the present Agreement. The same procedure shall apply to any further modification.

2. The designated airline of each Contracting Party shall provide monthly to the aeronautical authorities of the other Contracting Party per flight information relating to the amount of traffic carried over the routes specified in the Schedule.

*Article X.* 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 aircraft, fuel, lubricating oils, consumable technical supplies, spare parts including engines, regular aircraft equipment, stores including beverages, tobacco and other products destined for sale to passengers in limited quantities during the flight, and other items intended for use or used solely in connection with the operation or servicing of aircraft of the designated airline of such other Contracting Party operating the agreed services, as well as printed publicity material distributed without charge by that designated airline.

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 or on behalf of the designated airline of the other Contracting Party;
- (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 Contracting Party 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 Party.

*Article XI.* 1. The tariffs on any agreed service shall be established at reasonable levels, due regard being paid to all relevant factors including cost of operation, reasonable profit, characteristics of service (such as standards of speed and accommodation) and, where it is deemed suitable, the tariffs of other airlines for

any part of the specified route. These tariffs shall be fixed in accordance with the following provisions of this Article.

2. The tariffs referred to in paragraph 1 of this Article shall be agreed upon between the designated airlines of the Contracting Parties; such agreement shall be reached, whenever possible, through the rate-fixing procedure established by the international body which formulates proposals in this matter.

3. The tariffs so agreed shall be submitted for approval to the aeronautical authorities of the Contracting Parties at least forty-five (45) days before the proposed date of their introduction; in special cases, a shorter period may be accepted by the aeronautical authorities. If within thirty (30) days from the date of submission the aeronautical authorities of one Contracting Party have not notified the aeronautical authorities of the other Contracting Party that they are dissatisfied with the tariff submitted to them, such tariff shall be considered to be acceptable and shall enter into force on the expiration of the forty-five (45) day period mentioned above. In the event that a shorter period for the submission of a tariff is accepted by the aeronautical authorities, they may also agree that the period for giving notice of dissatisfaction be less than thirty (30) days.

4. If a tariff cannot be established in accordance with the provisions of paragraph 2 above, or if during the period applicable in accordance with paragraph 3 above, a notice of dissatisfaction has been given, the aeronautical authorities of the Contracting Parties shall endeavour to determine the tariff by mutual agreement between themselves.

5. If the aeronautical authorities cannot agree on 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 XVI of the present Agreement.

6. (a) No tariff shall enter into force if the aeronautical authorities of either Contracting Party are dissatisfied with it except under the provisions of paragraph 3 of Article XVI of the present Agreement.

(b) When tariffs have been established in accordance with the provisions of this Article, those tariffs shall remain in force until new tariffs have been established in accordance with the provisions of this Article or Article XVI of the present Agreement but no longer than twelve (12) months from the date of notice of dissatisfaction given by the aeronautical authorities of one of the Contracting Parties.

*Article XII.* 1. The designated airline of one Contracting Party shall have the right to maintain representations in the territory of the other Contracting Party. These representations may include commercial, operational and technical staff as required to perform the commercial, operational and technical duties of the designated airline.

2. Each designated airline shall have the right to engage in the sale of air transportation in the territory of the other Contracting Party directly and, in its discretion, through its agents. Such airline shall have the right to sell such transportation, and any person shall be free to purchase such transportation in the currency of that territory or in freely convertible currencies of other countries.

3. Each Contracting Party undertakes to guarantee to the designated airline of the other Contracting Party free transfer, at the prevailing market rate of exchange, of the excess of receipts over expenditure realized in its territory in due proportion to the carriage of passengers, baggage, cargo and mail by the said designated airline. If

payments between the Contracting Parties are regulated by a special agreement, this special agreement shall apply.

*Article XIII.* Each Contracting Party shall exempt from income tax, and all other taxes on income imposed by it, all income derived from the operation of aircraft in international traffic in accordance with the provisions of the Exchange of Notes between the Government of Canada and the Swiss Federal Council concerning the taxation of enterprises operating ships and aircraft concluded on September 22, 1959,<sup>1</sup> and any amendment thereto.

*Article XIV.* 1. In a spirit of close co-operation, each Contracting Party or its aeronautical authorities shall consult each other from time to time with a view to ensuring the implementation of, and satisfactory compliance with, the provisions of this Agreement and the Schedule.

2. A consultation requested by one of the Contracting Parties or their aeronautical authorities shall begin within a period of sixty (60) days of the date of receipt of such a request.

*Article XV.* 1. Any modification of the present Agreement shall enter into force when the two Contracting Parties will have notified to each other the fulfilment of their constitutional procedures relating to the conclusion and the entering into force of international agreements.

2. Modifications to the Annex of the present Agreement may be agreed directly between the aeronautical authorities of the Contracting Parties. They shall enter into force after having been confirmed by an exchange of diplomatic notes.

*Article XVI.* 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 or through diplomatic channels.

2. If the Contracting Parties fail to reach a settlement by negotiation or through diplomatic channels, they may submit the dispute 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 arbitrators. 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 within the period specified, 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 all cases, the third arbitrator shall be a national of a third State, shall act as President of the Tribunal and shall determine its own procedure and the place where arbitration will be held.

3. The Contracting Parties undertake to comply with any decision given under paragraph 2 of this Article.

4. The arbitral Tribunal shall decide on the distribution of the cost of the procedure.

5. If and so long as either Contracting Party or a designated airline of either Contracting Party fails to comply with a decision given under paragraph 2 of this Ar-

<sup>1</sup> United Nations, *Treaty Series*, vol. 470, p. 101.

ticle, the other Contracting Party may limit, withhold or revoke any rights or privileges which it has granted by virtue of this Agreement to the Contracting Party in default or to the designated airline in default.

*Article XVII.* 1. Either Contracting Party may at any time give notice in writing through diplomatic channels to the other Contracting Party of its decision to terminate this Agreement; such notice shall be communicated simultaneously to the International Civil Aviation Organization.

2. The notice of termination shall become effective at the termination of the time-table period during which a period of twelve (12) months will have elapsed, unless it is withdrawn by mutual agreement before this period expires.

3. In the absence of acknowledgement of receipt by the other Contracting Party, the notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization.

*Article XVIII.* The present Agreement and any amendment thereto shall be registered with the International Civil Aviation Organization.

*Article XIX.* If a general multilateral air convention enters into force in respect of both Contracting Parties, the provisions of such convention shall prevail. Consultations in accordance with Article XIV of this Agreement may be held with a view to determining the extent to which the present Agreement is affected by the provisions of the multilateral convention.

*Article XX.* 1. The present Agreement shall be applied provisionally from the date of its signature; it shall enter into force when the Contracting Parties will have notified each other of the fulfilment of their constitutional formalities with regard to the conclusion and the entering into force of international agreements.

2. On the date of entry into force of the present Agreement, the Agreement between Canada and Switzerland concerning Air Services signed at Berne on January 10, 1958,<sup>1</sup> shall lapse. It shall provisionally cease to be applied from the date of the signature of the present Agreement.

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<sup>1</sup> United Nations, *Treaty Series*, vol. 464, p. 21.



EN FOI DE QUOI, les soussignés y étant dûment autorisés par leurs Gouvernements respectifs, ont signé le présent Accord.

FAIT en deux exemplaires à Ottawa ce 20<sup>e</sup> jour de février 1975, en langues française et anglaise, les deux versions faisant également foi.

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

DONE in two copies at Ottawa this 20th day of February 1975, in the French and English languages, each version being equally authentic.

*[Signed — Signé]*<sup>1</sup>

Pour le Conseil Fédéral Suisse  
For the Swiss Federal Council

*[Signed — Signé]*<sup>2</sup>

Pour le Gouvernement du Canada  
For the Government of Canada

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<sup>1</sup> Signed by E. Bernath — Signé par E. Bernath.

<sup>2</sup> Signed by J. MacEachen — Signé par J. MacEachen.

## A N N E X

## A. ROUTE SCHEDULES

I. *Routes on which air services may be operated  
in both directions by the designated airline of Switzerland*

<i>Points of departure</i>	<i>Intermediate points (1)</i>	<i>Destination in Canada</i>	<i>Points beyond (1)</i>
Switzerland	Cologne Amsterdam Paris London Manchester Prestwick Shannon Boston (3) New York (3)	Montreal and/or Toronto (2)	Boston (3) New York (3) Chicago Havana (4) Guatemala Panama Caracas (4) Bogota (4) Quito Guayaquil Lima

NOTES. (1) To be served with in-transit privileges only unless otherwise specified in these notes.

Beyond points may only be served from Montreal.

(2) A mandatory stop at Montreal has to be made until March 31, 1977.

No air services may be operated to Toronto via Boston or New York.

(3) All-cargo flights are excluded.

(4) Stopover privileges at Montreal en route to these points are granted.

II. *Routes on which air services may be operated  
in both directions by the designated airline of Canada*

<i>Points of departure</i>	<i>Intermediate points (1)</i>	<i>Destination in Switzerland</i>	<i>Points beyond (2) (4)</i>
Canada	London Prestwick Brussels Frankfurt Shannon Paris	Zurich and/or Geneva (3)	<p>a. Four points from the following countries: Poland, Hungary, Austria, Yugoslavia</p> <p>b. Five points in Asia, including a point or points in India; and beyond, and beyond to Canada</p> <p>c. A point in Kenya and four points in Africa south of the Tropic of Cancer</p>

NOTES. (1) To be served with in-transit privileges only.

(2) Rights to a given point to be exercised from no more than one of the destinations in Switzerland.

(3) Not to be served until April 1, 1977.

(4) To be named by Canada.

B. GENERAL NOTE

Any or all of the intermediate or beyond points on the specified routes in the above Schedules I and II may at the option of the respective designated airline be omitted on any or all flights.

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