No. 17873

SWITZERLAND and MEXICO

Air Transport Agreement (with route schedule). Signed at Mexico City on 2 June 1966

Modifications of the annex to the above-mentioned Agreement

Authentic texts: French and Spanish.

The Agreement and the certified statement were registered by the International Civil Aviation Organization on 2 July 1979.

SUISSE et MEXIOUE

Accord relatif aux transports aériens (avec tableau de routes). Signé à Mexico le 2 juin 1966 Modifications de l'annexe à l'Accord susmentionné

Textes authentiques: français et espagnol.

L'Accord et la déclaration certifiée ont été enregistrés par l'Organisation de l'aviation civile internationale le 2 juillet 1979.

[Translation — Traduction]

AIR TRANSPORT AGREEMENT' BETWEEN THE UNITED MEXICAN STATES AND SWITZERLAND

The Government of the United Mexican States and the Swiss Federal Council, Considering that the United Mexican States and Switzerland are parties to the

Considering that the Onited Mexican States and Switzerland are parties to the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944;²

Considering that the possibilities of commercial aviation as a means of transport and of promoting friendly understanding and goodwill among peoples are increasing from day to day;

Desiring to strengthen even more the cultural and economic bonds which link their peoples and the understanding and goodwill which exist between them;

Considering that it is desirable to organize, on equitable bases of equality and reciprocity, regular air services between the two countries, in order to obtain greater cooperation in the field of international air transport;

Desiring to conclude an agreement which will facilitate the attainment of the aforementioned objectives,

Have accordingly appointed duly authorized plenipotentiaries for that purpose, who have agreed as follows:

Article 1. For the purposes of this Agreement:

- (a) The term "Agreement" shall mean this Agreement and the route schedule annexed hereto;
- (b) The term "aeronautical authorities" shall mean, in the case of the United Mexican States, the Ministry of Communications and Transport or any person or body authorized to perform the functions exercised at present by the Ministry of Communications and Transport, and in the case of Switzerland, the Federal Aeronautics Office or any person or body authorized to perform the functions exercised at present by the Federal Aeronautics Office;
- (c) The term "airline" shall mean any air transport enterprise offering or operating an international air service;
- (d) The term "designated airline" shall mean an airline which the aeronautical authorities of one Contracting Party have notified to the aeronautical authorities of the other Contracting Party to be the airline which will operate a route or routes specified in the route schedule annexed to the Agreement;
- (e) The term "capacity of an aircraft" shall mean the payload of an aircraft expressed in terms of the number of seats for passengers and the weight for cargo and mail;

¹ Applied provisionally from 2 June 1966, the date of signature, and came into force definitively on 4 September 1967, the date of the exchange of the instruments of ratification, which took place at Bern, in accordance with article 18.

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; vol. 958, p. 217, and vol. 1008, p. 213.

- (f) The term "capacity offered" shall mean the total of the capacities of the aircraft utilized for the operation of each one of the agreed air services multiplied by the frequency with which the said aircraft operates over a given period;
- (g) The term "air route" shall mean the scheduled route to be followed by an aircraft assigned to regular air service;
- (h) The term "specified route" shall mean the route described in the route schedule annexed to this Agreement;
- (i) The term "passenger load factor" shall mean the ratio of the number of passengers carried by an airline on a specified route over a given period to the number of seats offered by the same airline on the same route and over the same period;
- (j) The term "frequency" shall mean the number of round trips over a given period that an airline operates on a specified route;
- (k) The term "change of gauge" shall mean the change of an aircraft for another of different capacity on a specified route;
- (1) The term "scheduled flights" shall mean the flights made by the designated airlines on specified routes in accordance with the authorized time-tables;
- (m) The terms "territory", "air service", "international air service" and "stop for non-traffic purposes" shall have the meaning specified in the Chicago Convention.
- Article 2. 1. Each Contracting Party shall grant to the other Contracting Party the rights specified in this Agreement with the purpose of establishing air services on the routes specified in the annexed Route Schedule.
- 2. Except as otherwise provided in this Agreement, the airline designated by each Contracting Party shall enjoy, in the operation of international services, the following rights:
- (a) To fly without landing across the territory of the other Contracting Party;
- (b) To make stops for non-commercial purposes in the said territory;
- (c) To embark and disembark passengers, cargo and mail in international traffic in the said territory, at the points specified in the annexed route schedule.
- 3. If such rights are not exercised immediately, that fact shall not preclude the subsequent inauguration of air services over routes specified in the said route schedule by the airline of a Contracting Party to which such rights are granted.
- 4. In no case shall the aforementioned rights imply the right to combine specified routes.
- Article 3. 1. Air service on a specified route may be inaugurated by the designated airline immediately or at a later date, at the option of the Contracting Party to which the rights are granted, after the other Contracting Party has given the necessary permission. The said other Contracting Party is obliged to give such permission, subject to the condition that the designated airline must meet the requirements imposed by the competent aeronautical authorities of the said Contracting Party, in accordance with the laws and regulations normally applied by those authorities.
- 2. The aeronautical authorities of the two Contracting Parties shall communicate to each other as soon as possible the designation of the airline and the relevant information on authorization granted to operate the routes specified in the route schedule.

- Article 4. Each Contracting Party reserves the right to refuse to grant permission to operate an air service to the airline designated by the other Contracting Party, or to revoke such permission after it has been granted, if it is not satisfied that a substantial share of the ownership and the effective control of the said airline are vested in nationals of the other Contracting Party, or if the said airline fails to comply with the laws and regulations referred to in this Agreement, or if the airline of the Government designating it ceases to fulfil the conditions under which the rights are accorded or the conditions stipulated in the permission granted.
- Article 5. 1. The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of aircraft used 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 entering or departing from, and while within, the territory of the first-mentioned Contracting Party.
- 2. The laws and regulations of a Contracting Party which govern, within its territory, the entry, stay and departure of passengers, crew, cargo and mail, such as those relating to the formalities of entry, exit, emigration and immigration, customs and health measures, shall apply to passengers, crew, cargo and mail transported on the aircraft of the designated airline of the other Contracting Party while within the said territory.
- Article 6. Certificates of airworthiness, certificates of competency and licences issued or validated 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 described in this Agreement, provided that the requirements under which such certificates or licences were issued or validated are equal to or above the minimum standards established pursuant to the Convention on International Civil Aviation. Each Contracting Party reserves the right to refuse to recognize, for the purpose of flight over its own territory, certificates of competency and licences granted to its own nationals by another State.
- Article 7. 1. Each of the Contracting Parties may impose or permit to be imposed on aircraft of the other Party fair and reasonable charges for the use of airports, services and installations. The Contracting Parties agree, however, that the said charges shall not be higher than those paid for the use of such airports, services and installations by its national aircraft used in similar international service.
- 2. Aircraft used by the airline designated by a Contracting Party in the agreed service shall, upon entering the territory of the other Contracting Party, be exempt from customs duties, inspection fees and other similar duties and taxes.
- 3. Lubricating oil, technical supplies for consumption, spare parts, tools and special equipment for maintenance work, as well as stores, introduced into the territory of one Contracting Party by the other Contracting Party solely for use by aircraft of the latter Contracting Party, shall be exempt, on a basis of reciprocity, from customs duties, inspection fees and other similar duties and taxes; however, they may be disembarked only with the authorization of the customs authorities of the other Contracting Party.
- 4. Fuel, lubricating oils, other technical supplies for consumption, spare parts, standard equipment and stores retained on board aircraft of the designated airlines shall be exempt, on a basis of reciprocity, upon arriving in or departing from the ter-

ritory of the other Contracting Party, from customs duties, inspection fees and other similar duties and taxes, even if such articles are used or consumed by such aircraft on flights within the said territory.

- 5. Fuel, lubricating oils, other technical supplies for consumption, spare parts, standard equipment and stores taken on board aircraft of the airlines of one Contracting Party in the territory of the other Contracting Party and used in international service shall be exempt, on a basis of reciprocity, from customs duties, excise taxes, inspection fees and other similar duties and taxes.
- Article 8. The Contracting Parties agree that the designated airlines shall be accorded fair and reasonable treatment to ensure equal opportunity for the operation of agreed air services between the territories of the Contracting Parties.
- Article 9. In the operation by the designated airline of either Contracting Party of the air services referred to in this Agreement, the interests of the airlines of the other Contracting Party shall be taken into consideration so as not to affect unduly the services provided by the latter airlines.
- Article 10. 1. It is agreed that the services provided by a designated airline under this Agreement shall retain as its principal objective the provision of air transport with capacity adequate to the requirements of traffic between the two countries, with the understanding that the designated airline may provide international air service between the territory of the Contracting Party designating it and other points on the specified routes.
- 2. The services provided by the airlines operating under this Agreement shall be closely related to the public demand for such services.
- 3. The right to take on or put down, in the operation of such services, international traffic to or from third countries at any point or points on the routes specified in the route schedule shall be exercised in accordance with the general principles of orderly development, which both Contracting Parties accept, and shall be subject to the general principle that air transport capacity must be related to:
- (a) Traffic requirements between the country of origin and the countries of destination:
- (b) The requirements of through traffic; and
- (c) Traffic requirements of the area through which the airline passes, after local and regional services have been taken into account.
- 4. Both Contracting Parties agree to recognize that fifth-freedom traffic is complementary to the traffic needs on the routes between the territories of the Contracting Parties and is subsidiary with regard to the needs of third-freedom and fourth-freedom traffic between the territory of the other Contracting Party and a third country on the route.
- 5. With reference to the above provisions, both Contracting Parties recognize that the development of local and regional services constitutes a legitimate right of the two Contracting Parties. Consequently, they agree to consult each other periodically on the way in which the rules of this article are to be applied by their respective designated airlines in order to ensure that their interests in local and regional service, as well as their continental service, will not be prejudiced.
- 6. Any change of gauge justified by reason of economy of operation shall be permitted at any point on the specified routes. However, no change of gauge may be made

in the territory of the other Contracting Party where it would alter the operating pattern of through traffic or would be incompatible with the principles set forth in this Agreement.

- 7. Before any increase is made in the capacity offered or the frequency of service on one of the specified routes, notice shall be given not less than fifteen (15) days in advance by the aeronautical authorities of the Contracting Party concerned to the aeronautical authorities of the other Contracting Party. Should the latter Party consider such an increase to be unjustified in view of the volume of traffic on the route or to be detrimental to the interests of the airline designated by it, it may, within fifteen (15) days, request consultation with the other Contracting Party. Such consultation shall begin within (30) days from the request, and the designated airlines shall be required to submit any information requested of them so as to enable the need or justification for the proposed increase to be determined. If no agreement is reached between the Contracting Parties within ninety (90) days from the date of the request for consultation, the question shall be submitted to arbitration in accordance with the provisions of article 13. In the meantime, the proposed increase may not be put into effect.
- Article 11. 1. The tariffs for each agreed service shall be established at reasonable levels, due regard being paid to all relevant factors, including the 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, where possible, be established by mutual agreement by the designated airlines of both Contracting Parties after consultation with other airlines operating over all or part of the same route. In reaching an agreement, the designated airlines may use the procedures established by the International Air Transport Association (IATA) for the fixing of tariffs. The tariffs must be submitted for approval to the aeronautical authorities of both Contracting Parties at least forty-five (45) days before the date proposed for their entry into force. In special cases, the time-limit may be reduced if the aeronautical authorities so agree.
- 3. The tariffs which an airline designated by either of the Contracting Parties proposes to establish must include the rates from the point of departure to the destination indicated in the specified routes, from the point of departure and the destination to intermediate points and between intermediate points, and to points beyond the terminal points indicated, provided that the same flight number and the same aircraft are involved.
- 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 fix the tariff by mutual agreement.
- 5. In the absence of an agreement, the dispute shall be submitted to arbitration in accordance with article 13 of this Agreement.
- 6. It is understood that the procedure provided for in paragraphs 4 and 5 and this paragraph shall be applicable only in cases of extreme conflict between the designated airlines and the aeronautical authorities concerned. Normal cases involving the non-approval of tariffs as a result of a failure to comply with certain requirements on the part of the designated airline requesting approval or as a result of certain amendments to internal regulations may always be settled directly between the designated airline and the competent aeronautical authorities.

- 7. Established tariffs shall remain in force until new tariffs are fixed in accordance with the provisions of this article or of article 13 of this Agreement.
- Article 12. 1. Consultation between the competent authorities of the two Contracting Parties for the purpose of discussing the interpretation, application or amendment of this Agreement may be requested at any time by either Contracting Party. Such consultation shall begin within a period of sixty (60) days from the date of receipt of the request made through the diplomatic channel. If an agreement to amend the Agreement is reached, such agreement shall be formalized by means of an exchange of diplomatic notes.
- 2. The amendments so agreed upon shall be provisionally applicable as of the date of the exchange of diplomatic notes and shall enter into force as soon as both Contracting Parties have notified each other that their respective constitutional formalities have been completed.
- Article 13. 1. Except as otherwise provided in this Agreement, any dispute between the Contracting Parties relative to the interpretation or application of this Agreement which cannot be settled through consultation shall be submitted to an arbitral tribunal composed of three members, one of whom shall be designated by each of the Contracting Parties and the third by agreement by the first two members of the tribunal, on condition that the third member is not a national of either of the Contracting Parties.
- 2. Each of the Contracting Parties shall designate an arbitrator within sixty (60) days from the date of delivery by either of the Contracting Parties to the other Contracting Party of a diplomatic note requesting the settlement of a dispute by arbitration; the third arbitrator shall be designated within thirty (30) days from the date of expiration of the sixty (60) days referred to above.
- 3. If within the term indicated no agreement is reached concerning the third arbitrator, the post shall be filled by a person appointed for that purpose by the President of the Council of the International Civil Aviation Organization, in conformity with its practice.
- 4. The Contracting Parties agree to abide by any decision handed down in accordance with this article. The arbitral tribunal shall determine the distribution of the costs resulting from this procedure.
- Article 14. This Agreement and all amendments to it shall be registered with the International Civil Aviation Organization.
- Article 15. If a general multilateral air transport convention accepted by both Contracting Parties enters into force, this Agreement shall be amended so as to conform to the provisions of that convention.
- Article 16. Either of the Contracting Parties may at any time notify the other Contracting Party of its intention to terminate this Agreement, undertaking the obligation of simultaneously notifying the International Civil Aviation Organization. The Agreement shall cease to have effect six (6) months after date of receipt of the notice of termination. If the other Contracting Party fails to acknowledge receipt, the notice shall be deemed to have been received fourteen (14) days after its receipt by the International Civil Aviation Organization.

- Article 17. This Agreement is subject to ratification. The exchange of instruments of ratification shall take place as soon as possible at Bern.
- Article 18. This Agreement shall be provisionally applicable as of the date of its signature and shall enter definitively into force on the date of the exchange of the instruments of ratification.
- Article 19. Without prejudice to the provisions of article 16, this Agreement shall remain in force for a period of three (3) years from the date of its signature and shall be tacitly understood to have been renewed for successive periods of three (3) years unless one of the Contracting Parties requests revision of the Agreement six (6) months before the date of its termination.

In witness whereof the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done at Mexico City, in duplicate in the Spanish and French languages, both texts being equally authentic, on 2 June 1966.

For the Government of the United Mexican States:

Antonio Carrillo Flores Minister for Foreign Affairs For the Swiss Federal Council:

Fernand Bernoulli Ambassador Extraordinary and Plenipotentiary

ROUTE SCHEDULE

SECTION I

The airline designated by the Mexican Government shall be entitled to operate air services in both directions on the route specified and to make scheduled stops at the points indicated in this paragraph, with the maximum initial frequencies authorized in each direction with the equipment mentioned, as indicated in this route schedule.

	Equipment		
Route	Model	Capacity	Weekly frequency
Points in Mexican territory—intermediate points (1) (4)—Zurich and/or Geneva and/or Basel and/or Berne (2) (3) and points beyond (1) (4)	DC-8	150	2
(2) (3) and points ocyona (1) (4)	DC-0	150	4

- (1) Fifth-freedom rights and stopover rights *en route* to and from points in Swiss territory may not be exercised on the above-mentioned route.
- (2) The designated airline may not serve more than two of the points mentioned in Swiss territory.
 - (3) Neither cabotage rights nor stopover rights may be exercised in Swiss territory.
- (4) Intermediate points and points beyond on the specified route may be omitted on some or all flights at the discretion of the designated airline.

SECTION II

The airline designated by Switzerland shall be entitled to operate air services in both directions on the route specified and to make scheduled stops at the points indicated in this paragraph, with the maximum initial frequencies authorized in each direction with the equipment specified, as indicated in this route schedule.

	Equipment		
Route	Model	Capacity	Weekly frequency
Points in Swiss territory—intermediate points (1) (4)—Mexico City and/or Mérida and/or Acapulco and/or Guadalajara (2) (3) and points beyond (1) (4)	DC-8	150	2

- (1) Fifth-freedom rights and stopover rights en route to and from points in Mexican territory may not be exercised on the above-mentioned route.
- (2) The designated airline may not serve more than two of the points, in Mexican territory.
 - (3) Neither cabotage rights nor stopover rights may be exercised in Mexican territory.
- (4) Intermediate points and points beyond on the specified route may be omitted on any or all flights at the discretion of the designated airline.

MODIFICATIONS OF THE ANNEX TO THE AIR TRANS-PORT AGREEMENT OF 2 JUNE 1966 BETWEEN SWITZER-LAND AND THE UNITED MEXICAN STATES¹ MODIFICATIONS DE L'ANNEXE À L'ACCORD DU 2 JUIN 1966 ENTRE LA SUISSE ET LES ÉTATS-UNIS DU MEXIQUE RELATIF AUX TRANSPORTS AÉRIENS'

The modifications were agreed upon at Mexico on 23 February 1976 and came into force on 22 November 1978 by an exchange of notes to that effect.

The modified annex reads as follows:

Les modifications ont été convenues à Mexico le 23 février 1976 et sont entrées en vigueur le 22 novembre 1978 par un échange de notes à cet effet.

L'annexe modifiée est libellée comme suit :

ANNEXE

TABLEAU DE ROUTES

SECTION I

Routes sur lesquelles des services aériens pourront être exploités par l'entreprise désignée par la Suisse

Points de départ	Points intermédiaires	Points au Mexique	Points au-delà
Points en territoire suisse	Note 4 Nassau ou Barbade	Mexico et/ou Mérida et/ou Acapulco et/ou Guadalajara Notes 6 et 7	Points au-delà du Mexique

SECTION II

Routes sur lesquelles des services aériens pourront être exploités par l'entreprise désignée par le Mexique

Points de départ	Points intermédiaires	Points au Mexique	Points au-delà
Points en territoire mexicain	Note 4 Note 5	Zurich et/ou Genève et/ou Bâle et/ou Berne Notes 6 et 7	Points au-delà de la Suisse

- 1. Les services aériens prévus aux sections I et II pourront être exploités au moyen d'appareils DC-8, DC-10 à 250 places ou par des appareils semblables gros porteurs.
- 2. L'entreprise aérienne désignée de chacune des Parties contractantes pourra exploiter jusqu'à trois vols par semaine sur la route spécifiée.
- 3. Les points intermédiaires mentionnés et les points au-delà, sur les routes spécifiées, pourront être omis sur chacun ou tous les vols à la convenance de l'entreprise aérienne désignée, et n'importe lequel des services pris en considération pourra se terminer sur le territoire de l'autre Partie contractante.

¹ See p. 62 of this volume.

¹ Voir p. 46 du présent volume.

- 6. Ni los derechos de cabotaje, ni los derechos de parada estancia (stop over) podrán ser ejercidos en territorio de las Partes Contratantes.
- 7. Las líneas aéreas designadas no podrán operar más de dos puntos, de entre los mencionados, en el territorio de las Partes Contratantes.

[Translation — Traduction]

ANNEX

ROUTE SCHEDULE

SECTION I

Routes on which air services may be operated by the airline designated by Switzerland

Points of departure	Intermediate points	Points in Mexico	Points beyond
Points in Swiss ter- ritory	Note 4 Nassau or Barba- bados	Mexico and/or Mérida and/ or Acapulco and/or Guada- lajara Notes 6 and 7	Points beyond Mexico

SECTION II

Routes on which air services may be operated by the airline designated by Mexico

Points of departure	Intermediate points	Points in Mexico	Points in Switzerland
Points in Mexican ter- ritory	Note 4 Note 5	Zurich and/or Geneva and/or Basel and/or Berne Notes 6 and 7	Points beyond Switzerland

- (1) The air services provided for under sections I and II may be operated with DC-8, 250-seat DC-10 or similar wide-body equipment.
- (2) The designated airline of each Contracting Party may operate up to three flights per week on the specified route.
- (3) The intermediate points indicated and the points beyond on the specified routes may be omitted on some or all flights at the discretion of the designated airline, and any of the services considered may terminate in the territory of the other Contracting Party.
- (4) The airlines designated by the Contracting Parties shall not enjoy fifth-freedom rights at intermediate points other than those indicated on their respective routes.
- (5) The intermediate point with traffic right on the route to be operated by the airline designated by the Mexican Government shall be determined by both Contracting Parties before the operation of the air service.
- (6) Neither cabotage rights nor stopover rights may be exercised in the territory of the Contracting Parties.
- (7) The designated airlines may not serve more than two of the points mentioned in the territory of the Contracting Parties.