

No. 17996

**SPAIN
and
PAKISTAN**

**Air Transport Agreement (with annex). Signed at Madrid
on 19 June 1979**

Authentic texts: Spanish and English.

Registered by Spain on 17 October 1979.

**ESPAGNE
et
PAKISTAN**

**Accord relatif au transport aérien (avec annexe). Signé à
Madrid le 19 juin 1979**

Textes authentiques : espagnol et anglais.

Enregistré par l'Espagne le 17 octobre 1979.

AIR TRANSPORT AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF PAKISTAN AND THE GOVERNMENT OF THE KINGDOM OF SPAIN

The Government of the Islamic Republic of Pakistan and the Government of the Kingdom of Spain,

Desiring to promote the development of Air Transport between Pakistan and Spain and to continue to the fullest extent the international cooperation in this field,

Desiring to apply to the Air Transport the principles and provisions of the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December, 1944,²

Have agreed as follows:

Article 1. For the purpose of the interpretation and application of the present Agreement and its annex, except as otherwise provided herein:

(i) "The Convention" means the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December, 1944, and includes any amendment to the Convention under Article 94 thereof;

(ii) The term "aeronautical authorities" means, in the case of Pakistan, the Director General of Civil Aviation, and/or any authority/person or body authorised to perform any functions presently exercised by the said Director General, and, in the case of Spain, the Ministry of Transports and Communications and/or any authority/person or body authorised to perform any functions presently exercised by the said Ministry;

(iii) The term "territory" in relation to a State has the meaning assigned to it in Article 2 of the Convention;

(iv) The terms "air services", "international air services", "airline" and "stop for non-traffic purposes" have the meanings respectively assigned to them in Article 96 of the Convention;

(v) The term "designated airline" means an airline which one Contracting Party shall have designated, by written notification to [the] other Contracting Party, in accordance with article 3 of this Agreement;

(vi) The term "capacity" in relation to an aircraft means the payload of that aircraft available on a route or section of a route;

(vii) The term "capacity" in relation to "agreed service" means the capacity of the aircraft used on such service, multiplied by the frequency operated by such aircraft over a given period and route or section of a route;

(viii) The term "carriage of traffic" means carriage of passengers, cargo and mail, and

(ix) The term "tariff" means the prices to be paid for the carriage of passengers and cargo and the conditions under which those prices apply, including prices and

¹ Applied provisionally from 19 June 1979, the date of signature, and came into force definitively on 10 September 1979, the date of an exchange of diplomatic notes by which the Contracting Parties informed each other of the fulfilment of the required procedures, 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.

conditions for agency and other auxiliary services but excluding remuneration and conditions for the carriage of mail.

Article 2. (A) Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement for the purpose of establishing and operating scheduled international air services on the route specified in the annex to this Agreement. Such services and routes are hereinafter called “the agreed services” and “the specified routes” respectively. The airline designated by each Contracting Party shall enjoy while operating an agreed service on a specified route, the following rights:

- (i) To fly without landing across the territory of the other Contracting Party;
- (ii) To make stops in the said territory for non-traffic purposes; and
- (iii) To take up and to put down passengers, cargo and mail at any point on the specified routes subject to the provisions contained in the annex to this Agreement.

(B) Nothing in this Agreement shall be deemed to confer on the designated airline of one Contracting Party, the privilege of taking up in the territory of the other Contracting Party, passengers, cargo or mail, with or without remuneration of hire and destined for another point in the territory of the other Contracting Party.

Article 3. (A) Each Contracting Party shall have the right to designate one airline for the purpose of operating the agreed services on the specified routes. This designation shall be notified in writing by one Contracting Party to the other Contracting Party.

(B) On receipt of the notification, the other Contracting Party shall, subject to the provisions of paragraph (C) and (D) of this article, grant to the airline designated the appropriate operating authorisations.

(C) 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 conditions prescribed by or under the laws and regulations normally and reasonably applied to the operation of international air services by such authorities.

(D) Each Contracting Party shall have the right to refuse to accept the designation of an airline or to refuse to grant the operating authorisation referred to in paragraph (B) of this article, or to impose such conditions as it may deem necessary on the exercise by the designated airline of the rights specified in article 2 of this Agreement, in any case where the said Contracting Party is not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or in its nationals.

(E) When an airline has been so designated and authorised under paragraph (B) of this article, it may begin at any time to operate the agreed services, provided that the capacity is regulated under article 6 and that a tariff established in accordance with the provisions of article 9 of this Agreement is in force in respect of those services.

Article 4. (A) Each Contracting Party shall have the right to revoke an operating authorisation or 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 may deem necessary on the exercise of these rights:

- (i) In any case where it is not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or in nationals of such Contracting Party; or

- (ii) In case of failure by that airline to comply with the laws and regulations of the Contracting Party granting these rights; or
- (iii) In case the airline otherwise fails to comply with the provisions of this Agreement.

(B) Unless immediate action for revocation, suspension or imposition of the conditions mentioned in paragraph (A) of this article is essential to prevent further infringements of laws and regulations, such right shall be exercised by each Contracting Party only after consultation with the other Contracting Party.

Article 5. (A) The laws and regulations of each Contracting Party shall apply to the navigation and operation of the aircraft of the airline designated by the other Contracting Party during entry into, stay in, departure from, and flight over the territory of the former Contracting Party.

(B) The laws and regulations of each Contracting Party relating to the arrival in or departure from its territory of passengers, crews and cargo and in particular regulations regarding passports, customs, currency and medical and quarantine formalities shall be applicable to passengers, crews and cargo arriving in or departing from the territory of that Contracting Party in aircraft of the airline designated by the other Contracting Party.

(C) For military reasons or public security, each Contracting Party shall have the right to restrain or forbid the flights of the aircraft belonging to the airline designated by the other Contracting Party above certain zones of its territory provided that such restrictions or prohibitions are applied equally to the aircraft of the airline designated by the first Contracting Party or the airlines of the other States which operate on international scheduled air services.

Article 6. (A) There shall be fair and equal opportunity for the designated airlines of both Contracting Parties to operate the agreed services on the specified routes.

(B) In operating the agreed services, the designated airline of each Contracting Party shall take into account the interests of the designated airline of the other Contracting Party so as not to affect unduly the services which the latter provides on the whole or part of the same route.

(C) On any specified route the capacity provided by the designated airline of one Contracting Party together with the capacity provided by the designated airline of the other Contracting Party shall be maintained in reasonable relationship to the requirements of the public for air transport on that route.

(D) In application of the principles stated in the preceding paragraph of this article:

- (i) The agreed services provided by each designated airline shall have as their primary objective the provision, at a reasonable load factor, of capacity adequate to the current and reasonably anticipated requirements for the carriage of traffic originating in the territory of either Contracting Party and destined for the territory of the other Contracting Party;
- (ii) The rights of the designated airline of either Contracting Party to embark and to disembark at points in the territory of the other Contracting Party international traffic destined for or coming from third countries shall be in accordance with the principle that such traffic will be of a supplementary character and capacity shall be related to:

- (a) The air transport needs between the country of origin and the countries of destination and the air transport needs of the area through which the designated airline passes, after taking account of local and regional air services; and
- (b) The economics of through airline operations.

Article 7. The designated airline of each Contracting Party shall submit for approval to the aeronautical authorities of the other Contracting Party not later than thirty days prior to the inauguration of services on the specified routes, the flight schedules including the types of aircraft to be used. This shall likewise apply to later changes. In special cases, this time-limit may be reduced subject to the consent of said authorities.

Article 8. (A) The aeronautical authorities of a Contracting Party shall supply to the aeronautical authorities of the other Contracting Party at their request such periodic or other statements of statistics as may be reasonably required for the purpose of reviewing the capacity provided on the agreed services by the designated airline of the Contracting Party referred to first in this article. Such statements shall include all information required to determine the amount of traffic carried by those airlines on the agreed services and the origins and designations of such traffic.

(B) Each Contracting Party shall cause its designated airline to provide to the aeronautical authorities of the other Contracting Party, as long in advance as practicable, copies of tariff schedules, including any modification thereof, and all other relevant information concerning the operation of the agreed services, including information about the capacity provided on each of the specified routes and any further information as may be required to satisfy the aeronautical authorities of the other Contracting Party that the requirements of this Agreement are being duly observed.

(C) Each Contracting Party shall cause its designated airline to provide to the aeronautical authorities of the other Contracting Party statistics relating to the traffic carried on the agreed services showing the points of origin and destination.

Article 9. (A) The tariff to be charged by the airlines of the 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, including cost of operation, reasonable profit, and the tariff of other airlines.

(B) The tariff referred to in paragraph (A) of this article shall, if possible, be agreed by the designated airlines concerned of both Contracting Parties, after consultation with the other airlines operating over the whole or part of the route, and such agreement shall, wherever possible, be reached by the use of the procedures of the International Air Transport Association for the working out of tariff.

(C) The tariff so agreed shall be submitted for the approval of the aeronautical authorities of both Contracting Parties at least ninety (90) days before the proposed date of their introduction. In special cases, this period may be reduced, subject to the agreement of the said authorities.

(D) This approval may be given expressly; if neither of the aeronautical authorities has expressed disapproval within thirty (30) days from the date of submission, in accordance with paragraph (C) of this article, this tariff shall be considered as approved. In the event of the period for submission being reduced, as provided for in

paragraph (C), the aeronautical authorities may agree that the period within which any disapproval must be notified shall be less than thirty (30) days.

(E) If a tariff cannot be agreed in accordance with paragraph (B) of this article or if, during the period applicable in accordance with paragraph (D) of this article, one aeronautical authority gives the other aeronautical authority notice of its disapproval of a tariff agreed in accordance with the provisions of paragraph (B) of this article, the aeronautical authorities of the two Contracting Parties shall, after consultation with the aeronautical authorities of any other State whose advice they consider useful, endeavour to determine the tariff by mutual agreement.

(F) If the aeronautical authorities cannot agree on any tariff submitted to them under paragraph (C) of this article, or on the determination of any tariff under paragraph (E) of this article, the dispute shall be settled in accordance with the provisions of article 14 of this Agreement.

(G) A tariff established in accordance with the provision of this article shall remain in force until a new tariff has been established. Nevertheless, a tariff shall not be prolonged by virtue of this paragraph for more than twelve (12) months after the date on which it would otherwise have expired.

Article 10. Each Contracting Party shall grant to the designated airline of the other Contracting Party the right of transfer of excess of receipts over expenditure earned by the airline in the territory of the first Contracting Party in connection with the carriage of passengers, mail and cargo, in accordance with the Foreign Exchange Regulations in force. The transfer of such funds shall be allowed by each Contracting Party at the exchange rate for current transaction prevailing on the date of remittance.

Article 11. (A) Aircraft operated on international air services by the designated airlines of either Contracting Party, as well as their regular equipment, supplies or fuels and lubricants, and aircraft stores (including food, beverages and tobacco) on board such aircraft, shall be exempted from all customs duties, inspection fees and other duties or taxes on arriving in the territory of the other Contracting Party, provided such equipment and supplies remain on board the aircraft up to such time as they are re-exported.

(B) They shall also be exempt from the same duties and taxes, with the exception of charges corresponding to the service performed:

- (i) Aircraft stores taken on board in the territory of either Contracting Party, within limits fixed by the authorities of said Contracting Party, and for use on board aircraft engaged in international air services of the other Contracting Party.
- (ii) Spare parts entered into the territory of either Contracting Party for the maintenance or repair of aircraft used on international air services by the designated airline of the other Contracting Party.
- (iii) Fuel and lubricants destined to supply aircraft operated on international air services by the designated airlines of the other Contracting Party, even when these supplies are to be used on the part of the journey performed over the territory of the Contracting Party in which they are taken on board.

Materials referred to in subparagraphs (i), (ii) and (iii) above may be required to be kept under Customs supervision or control.

(C) The regular airborne equipment, as well as the materials and supplies retained on board the aircraft of either Contracting Party, may be loaded in the territory of the other Contracting Party only with the approval of the customs authorities of such territory. In such case, they may be placed under the supervision of said authorities up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.

(D) Passengers in transit across the territory of either Contracting Party shall be subject to no more than a simplified control. Baggage and cargo in direct transit shall be exempt from customs duties.

Article 12. (A) In a spirit of close collaboration, the aeronautical authorities of both Contracting Parties shall consult each other from time to time with a view to ensuring the implementation and the compliance of the provisions of this Agreement and the Annex.

(B) Either Contracting Party may, at any time, request consultation with the other Contracting Party in writing. Such consultation shall begin within a period of sixty (60) days from the date of receipt of the request.

(C) If either of the Contracting Parties considers it desirable to modify any provision of this Agreement including the annex, such modification, if agreed between the Contracting Parties and if necessary after consultation in accordance with this article, shall come into effect when confirmed by an exchange of diplomatic notes. However if the amendment relates only to the annex, consultation shall be between the aeronautical authorities of both Contracting Parties. When these authorities agree on any amendments, the agreed amendments shall come into force after confirmation through exchange of Diplomatic Notes.

Article 13. Either Contracting Party may, at any time, give notice to the other Contracting Party of its desire to terminate this Agreement. Such notice shall be simultaneously communicated to the International Civil Aviation Organization. This Agreement shall terminate one year after the date of receipt of the notice by the other Contracting Party, unless the notice is withdrawn before the expiration of this period. In the absence of acknowledgement of receipt by the other Contracting Party, notice shall be deemed to have been received fourteen days after the receipt of the notice by the International Civil Aviation Organization.

Article 14. (A) 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 negotiations between themselves.

(B) If the Contracting Parties fail to reach a settlement by negotiations, the dispute may, at the request of either Contracting Party, be submitted for decision to a tribunal of three arbitrators, one to be named by each Contracting Party and the third to be agreed upon by the two arbitrators so chosen, provided that such third arbitrator shall not be a national of either Contracting Party. Each of the Contracting Parties shall designate an arbitrator within a period of sixty days from the date of receipt by either Contracting Party from the other Contracting Party of a Diplomatic Note requesting arbitration of the dispute, and the third arbitrator shall be agreed upon within a further period of sixty days. If either Contracting Party fails to designate its own arbitrator within the period of sixty days or if the third arbitrator is not agreed upon within the period indicated above, the President or the Council of the

International Civil Aviation Organization may be requested by either Contracting Party to appoint an arbitrator or arbitrators.

(C) The Contracting Parties undertake to comply with any award given, including any interim recommendation made under paragraph (B) of this article.

(D) If and so long as either Contracting Party or a designated airline of either Contracting Party fails to comply with the requirements of paragraph (C) of this article, the other Contracting Party may limit or revoke any rights which it has granted by virtue of this Agreement.

Article 15. Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one Contracting Party and still in force shall be recognized as valid by the other Contracting Party for the purpose of operating the routes and services provided in the annex to the present Agreement, provided that the requirements under which such certificates or licences were issued or rendered valid are equal to or above the minimum standards which [have been] established pursuant to the conventions on International Civil Aviation.

Each Contracting Party reserves the right, however, of refusing to recognize the validity of the certificates of competency and the licences granted to its own nationals by the other Contracting Party, for the purpose of overflying its own territory.

Article 16. In the event of the conclusion of a Multilateral Convention or Agreement concerning air transport to which both Contracting Parties become a party, this Agreement shall be modified to conform to the provisions of such Convention or Agreement.

Article 17. This Agreement and any amendment thereto shall be registered with the International Civil Aviation Organization.

Article 18. The Agreement, including the annex, shall be approved according to the constitutional requirements of each Contracting Party and shall come into force on Exchange of Diplomatic Notes confirming that these requirements have been fulfilled. However, the provisions of this Agreement shall be provisionally applied from the date of signature.

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

DONE this nineteenth day of June 1979 in duplicate at Madrid in the English and Spanish languages, both texts being equally authentic.

For the Government
of the Islamic Republic of Pakistan:

[Signed]

A. I. AKRAM

For the Government
of the Kingdom of Spain:

[Signed]

JOSÉ J. PUIG DE LA BELLACASA Y U.

ANNEX

(A) *Routes to be operated by the designated airline of Pakistan*

<i>From</i>	<i>To</i>	<i>Intermediate points</i>	<i>Points beyond</i>
Points in Pakistan	Madrid	Intermediate points	Points beyond

The designated airline of Pakistan may, on all or any flights, omit calling at any of the above points, provided that the agreed services on these routes begin at a point in Pakistan territory.

(B) *Routes to be operated by the designated airline of Spain*

<i>From</i>	<i>To</i>	<i>Intermediate points</i>	<i>Points beyond</i>
Points in Spain	Karachi	Intermediate points	Points beyond

The designated airline of Spain may, on all or any flights, omit calling at any of the above points, provided that the agreed services on these routes begin at a point in Spain territory.

(C) The intermediate points and the points beyond referred to in paragraphs (A) and (B) above as well as the traffic rights shall be determined at a later date.