

No. 21028

**UNITED STATES OF AMERICA
and
BELGIUM**

**Exchange of notes constituting an air transport agreement
(with enclosure and annexes). Washington, 23 October
1980**

Authentic text: English.

Registered by the United States of America on 15 April 1982.

**ÉTATS-UNIS D'AMÉRIQUE
et
BELGIQUE**

**Échange de notes constituant un accord relatif aux trans-
ports aériens (avec pièce jointe et annexes). Wash-
ington, 23 octobre 1980**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 15 avril 1982.

EXCHANGE OF NOTES CONSTITUTING AN AIR TRANSPORT AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND BELGIUM

I

BELGIAN EMBASSY

October 23, 1980

Sir:

I have the honor to refer to the United States-Belgium Air Services Agreement of April 5, 1946, as amended;² the Memorandum of Understanding on Passenger Charter Air Services of October 17, 1972, as extended,³ and the related Protocol,⁴ which entered into force on December 12 and 14, 1978.

Article 15 of the Protocol envisioned the conclusion of a new air transport agreement between our two countries, incorporating the provisions of the Protocol and updating provisions on other aspects of the bilateral air transport régime.

I now have the honor to propose that the above-cited agreements governing United States-Belgium air transport be replaced in their entirety by the Agreement enclosed with this note.

If this arrangement is agreeable to the Government of the United States of America, I further propose that this note and its enclosure, together with your affirmative reply, shall constitute an agreement between our two Governments, which shall enter into full force and effect on October 23, 1980.

I avail myself of this opportunity, Sir, to renew to you the assurances of my highest consideration.

[Signed]

J. RAOUL SCHOUMAKER
Ambassador of Belgium

The Honorable Edmund S. Muskie
The Secretary of State

AIR TRANSPORT AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF BELGIUM

The Government of the United States of America and the Government of Belgium,

Desiring to promote an international air transport system based on fair competition among airlines in the marketplace with minimum governmental regulation;

¹ Came into force on 23 October 1980 by the exchange of the said notes.

² United Nations, *Treaty Series*, vol. 4, p. 125, and annex A in volumes 1112 and 1148.

³ *Ibid.*, vol. 938, p. 3, and annex A in volumes 1042, 1083, 1112 and 1148.

⁴ *Ibid.*, vol. 1148, p. 379.

Desiring to facilitate the expansion of international air transport opportunities;

Desiring to develop an air service system which caters to all segments of demand and provides a wide and flexible range of air services;

Desiring to make it possible for airlines to offer a variety of service options at the lowest prices that are not predatory or discriminatory and do not represent abuse of dominant position, and wishing to encourage airlines to develop and implement innovative and competitive prices;

Desiring to ensure the highest degree of safety and security in international air transport and reaffirming their grave concern about acts or threats against the security of aircraft, which jeopardize the safety of persons or property, adversely affect the operation of air transportation, and undermine public confidence in the safety of civil aviation;

Agreeing that cargo operations between their countries should be conducted in a deregulated environment;

Being Parties to the Convention on International Civil Aviation opened for signature at Chicago on December 7, 1944;¹

Desiring to conclude a new agreement covering all forms of air transportation to replace the Air Transport Agreement concluded between them and signed at Brussels on April 5, 1946; the 1972 Memorandum of Understanding on Passenger Charter Air Services; the 1977 Exchange of Notes Amending the 1946 Agreement and Extending the 1972 Memorandum of Understanding; and the December 1978 Protocol between the Government of the United States and the Government of Belgium Amending the Air Transport Agreement of 1946, as amended;

Have agreed as follows:

Article 1. DEFINITIONS

For the purposes of this Agreement, unless otherwise stated, the term:

(a) "Aeronautical authorities" means, in the case of the United States, the Civil Aeronautics Board or the Department of Transportation, whichever has jurisdiction, or their successor agencies, and in the case of Belgium, l'Administration de l'Aéronautique Civile, or its successor agency;

(b) "Agreement" means this Agreement, its annexes, and any amendments thereto;

(c) "Air transportation" means any operation performed by aircraft for the public carriage of traffic in passengers, baggage, cargo and mail, separately or in combination, for remuneration or hire;

(d) "Convention" means the Convention on International Civil Aviation, opened for signature at Chicago on December 7, 1944, and includes:

(i) Any amendment which has entered into force under article 94(a) of the Convention and has been ratified by both parties, and

¹ 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; vol. 1008, p. 213, and vol. 1175, p. 297.

(ii) Any annex or any amendment thereto adopted under article 90 of the Convention, insofar as such annex or amendment is at any given time effective for both parties;

(e) “Designated airline” means an airline designated and authorized in accordance with Article 3 of this Agreement;

(f) “International air transportation” means air transportation which passes through the air space over the territory of more than one State;

(g) “Price” means:

(i) Any fare, rate or price to be charged by airlines, or their agents, and the conditions governing the availability of such fare, rate or price;

(ii) The charges and conditions for services ancillary to carriage of traffic which are offered by airlines; and

(iii) Amounts charged by airlines to air transportation intermediaries;

for the carriage of passengers (and their baggage) and/or cargo (excluding mail) in air transportation.

(h) “Stop for non-traffic purposes” means a landing for any purpose other than taking on or discharging passengers, baggage, cargo and mail in air transportation;

(i) “Territory” means the land areas under the sovereignty, jurisdiction, protection, or trusteeship of a Party, and the territorial waters adjacent thereto; and

(j) “User charge” means a charge made to airlines for the provision of airport, air navigation or aviation security property or facilities.

Article 2. GRANT OF RIGHTS

(1) Each Party grants to the other Party the following rights for the conduct of international air transportation by the airlines of the other Party:

(a) The right to fly across its territory without landing;

(b) The right to make stops in its territory for non-traffic purposes;

(c) The rights otherwise specified in this Agreement, and its annexes.

(2) Nothing in paragraph (1) of this article shall be deemed to grant the right for one Party's airlines to take up in the territory of the other Party passengers, cargo and mail carried for remuneration or hire and destined for another point in the territory of that other Party.

Article 3. DESIGNATION AND AUTHORIZATION

(1) Each Party shall have the right to designate as many airlines as it wishes to conduct international air transportation in accordance with this Agreement and to withdraw or alter such designations. Such designations shall be transmitted to the other Party in writing through diplomatic channels, and shall identify whether the airline is authorized to conduct the type of air transportation specified in annex I or in annex II or in both.

(2) On receipt of such a designation and of applications in the form and manner prescribed from the designated airline for operating authorizations and

technical permissions, the other Party shall grant appropriate authorizations and permissions with minimum procedural delay, provided:

- (a) Substantial ownership and effective control of that airline are vested in the Party designating the airline, nationals of that Party, or both;
- (b) The designated airline is qualified to meet the conditions prescribed under the laws and regulations normally applied to the operation of international air transportation by the Party considering the application or applications; and
- (c) The Party designating the airline is maintaining and administering the standards set forth in article 6 (Safety).

Article 4. REVOCATION OF AUTHORIZATION

(1) Each Party may revoke, suspend or limit the operating authorizations or technical permissions of an airline designated by the other Party where:

- (a) Substantial ownership and effective control of that airline are not vested in the other Party or the other Party's nationals;
- (b) That airline has failed to comply with the laws and regulations referred to in article 5 of this Agreement; or
- (c) The other Party is not maintaining and administering the standards as set forth in article 6 (Safety).

(2) Unless immediate action is essential to prevent further non-compliance with subparagraphs (1)(b) or (1)(c) of this article, the rights established by this Article shall be exercised only after consultation with the other Party.

Article 5. APPLICATION OF LAWS

(1) While entering, within or leaving the territory of one Party, its laws and regulations relating to the operation and navigation of aircraft shall be complied with by the other Party's airlines.

(2) While entering, within or leaving the territory of one Party, its laws and regulations relating to the admission to or departure from its territory of passengers, crew or cargo on aircraft (including regulations relating to entry, clearance, aviation security, immigration, passports, customs and quarantine or, in the case of mail, postal regulations) shall be complied with by or on behalf of such passengers, crew or cargo of the other Party's airlines.

Article 6. SAFETY

(1) Each Party shall recognize as valid, for the purpose of operating the air transportation provided for in this Agreement, certificates of airworthiness, certificates of competency, and licenses issued or validated by the other Party and still in force, provided that the requirements for such certificates or licenses at least equal the minimum standards which may be established pursuant to the Convention. Each Party may, however, refuse to recognize as valid, for the purpose of flight above its own territory, certificates of competency and licenses granted to or validated for its own nationals by the other Party.

(2) Each Party may request consultations concerning the safety and security standards maintained by the other Party relating to aeronautical facilities, aircrew, aircraft, and operation of the designated airlines. If, following such consultations, one Party finds that the other Party does not effectively maintain

and administer safety and security standards and requirements in these areas that at least equal the minimum standards which may be established pursuant to the Convention, the other Party shall be notified of such findings and the steps considered necessary to conform with these minimum standards; and the other Party shall take appropriate corrective action. Each Party reserves the right to withhold, revoke or limit the operating authorization or technical permission of an airline or airlines designated by the other Party in the event the other Party does not take such appropriate action within a reasonable time.

Article 7. AVIATION SECURITY

Each Party:

- (1) Reaffirms its commitment to act consistently with the provisions of the Convention on Offenses and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on September 14, 1963,¹ the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on December 16, 1970,² and the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, signed at Montreal on September 23, 1971;³
- (2) Shall require that operators of aircraft of its registry act consistently with applicable aviation security provisions established by the International Civil Aviation Organization; and
- (3) Shall provide maximum aid to the other Party with a view to preventing unlawful seizure of aircraft, sabotage to aircraft, airports, and air navigation facilities, and threats to aviation security; give sympathetic consideration to any request from the other Party for special security measures for its aircraft or passengers to meet a particular threat; and, when incidents or threats of hijacking or sabotage against aircraft, airports or air navigation facilities occur, assist the other Party by facilitating communications intended to terminate such incidents rapidly and safely.

Article 8. COMMERCIAL OPPORTUNITIES

(1) The airlines of one Party shall have the right to establish offices in the territory of the other Party for the promotion and sale of their services.

(2) The designated airlines of one Party shall have the right, in accordance with the laws and regulations of the other Party relating to entry, residence and employment, to bring in and maintain in the territory of the other Party managerial, sales, technical, operational and other specialist staff required for the provision of air transportation.

(3) Each designated airline may perform its own ground handling in the territory of the other Party ("self-handling") or, at its option, select among competing agents for such services. These rights shall be subject only to physical constraints resulting from considerations of airport safety. Where such considerations preclude self-handling, ground services shall be available on an equal basis to all airlines; charges shall be based on the costs of services provided; and such services shall be comparable to the kind and quality of services if self-handling were possible.

¹ United Nations, *Treaty Series*, vol. 704, p. 219.

² *Ibid.*, vol. 860, p. 105.

³ *Ibid.*, vol. 974, p. 177.

(4) Each airline of one Party may engage in the sale of air transportation in the territory of the other Party directly and, at the airline's discretion, through its agents. In the case of charter services, however, such sales shall be subject to the applicable respective rules on a non-discriminatory basis. Each airline shall be free 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.

(5) Each airline of one Party shall have the right to convert and remit to its country, on demand, local revenues in excess of sums locally disbursed. Conversion and remittance shall be permitted promptly without restrictions or remittance taxation at the rate of exchange applicable to current transactions and remittance.

Article 9. CUSTOMS DUTIES AND TAXES

(1) On arriving in the territory of one Party, aircraft operated in international air transportation by the designated airlines of the other Party, their regular equipment, ground equipment, fuel, lubricants, consumable technical supplies, spare parts including engines, aircraft stores (including but not limited to such items as food, beverages and liquor, tobacco and other products destined for sale to or use by passengers in limited quantities during the flight), and other items intended for or used solely in connection with the operation or servicing of aircraft engaged in international air transportation shall be exempt, on the basis of reciprocity, from all import restrictions, property taxes and capital levies, customs duties, excise taxes, and similar fees and charges imposed by the national authorities, and not based on the cost of services provided, provided such equipment and supplies remain on board the aircraft.

(2) There shall also be exempt, on the basis of reciprocity, from the taxes, duties, fees and charges referred to in paragraph (1) of this article, with the exception of charges based on the cost of the service provided:

- (a) Aircraft stores introduced into or supplied in the territory of a Party and taken on board, within reasonable limits, for use on outbound aircraft of a designated airline of the other Party engaged in international air transportation, even when these stores are to be used on a part of the journey performed over the territory of the Party in which they are taken on board;
- (b) Ground equipment and spare parts including engines introduced into the territory of a Party for the servicing, maintenance or repair of aircraft of a designated airline of the other Party used in international air transportation; and
- (c) Fuel, lubricants and consumable technical supplies introduced into or supplied in the territory of a Party for use in an aircraft of a designated airline of the other Party engaged in international air transportation, even when these supplies are to be used on a part of the journey performed over the territory of the Party in which they are taken on board.

(3) Equipment and supplies referred to in paragraphs (1) and (2) of this article may be required to be kept under the supervision or control of the appropriate authorities.

(4) The exemptions provided for by this article shall also be available where the designated airlines of one Party have contracted with another airline, which

similarly enjoys such exemptions from the other Party, for the loan or transfer in the territory of the other Party of the items specified in paragraphs (1) and (2) of this article.

(5) Each Party shall use its best efforts to secure for the designated airlines of the other Party, on the basis of reciprocity, an exemption from taxes, duties, charges and fees imposed by State, regional and local authorities on the items specified in paragraphs (1) and (2) of this article, as well as from fuel through-put charges, in the circumstances described in this article, except to the extent that the charges are based on the actual cost of providing the service.

Article 10. USER CHARGES

(1) User charges imposed by the competent charging authorities on the airlines of the other Party shall be just, reasonable, and non-discriminatory.

(2) User charges imposed on the airlines of the other Party may reflect, but shall not exceed, an equitable portion of the full economic cost to the competent charging authorities of providing the airport, air navigation, and aviation security facilities and services. Facilities and services for which charges are made shall be provided on an efficient and economic basis. Reasonable notice shall be given prior to changes in user charges. Each Party shall encourage consultations between the competent charging authorities in its territory and airlines using the services and facilities, and shall encourage the competent charging authorities and the airlines to exchange such information as may be necessary to permit an accurate review of the reasonableness of the charges.

Article 11. FAIR COMPETITION

(1) Each Party shall allow a fair and equal opportunity for the designated airlines of both Parties to compete in providing the international air transportation services covered by this Agreement.

(2) Each Party shall take all appropriate action within its jurisdiction to eliminate all forms of discrimination or unfair competitive practices adversely affecting the competitive position of the airlines of the other Party.

(3) Neither Party shall unilaterally limit the volume of traffic, frequency or regularity of service, or the aircraft type or types operated by the designated airlines of the other Party, except as may be required for customs, technical, operational or environmental reasons under uniform conditions consistent with article 15 of the Convention.

(4) Neither Party shall impose on the other Party's designated airlines a first refusal requirement, uplift ratio, no-objection fee, or any other requirement with respect to the capacity, frequency or traffic which would be inconsistent with the purposes of this Agreement.

(5) Neither Party shall require the filing of schedules, programs for charter flights, or operational plans by airlines of the other Party for approval, except as may be required on a non-discriminatory basis to enforce uniform conditions as foreseen by paragraph (3) of this article or as may be specifically authorized in an annex to this Agreement. If a Party requires filings for information purposes, it shall minimize the administrative burdens of filing requirements and procedures on air transportation intermediaries and on designated airlines of the other Party.

Article 12. PRICING

(1) Each Party shall allow prices for air transportation to be established by each designated airline based upon commercial considerations in the marketplace. Intervention by the Parties shall be limited to:

- (a) Prevention of predatory or discriminatory prices or practices;
- (b) Protection of consumers from prices that are unduly high or restrictive because of the abuse of a dominant position; and
- (c) Protection of airlines from prices that are artificially low because of direct or indirect governmental subsidy or support.

(2) Each Party may require notification to or filing with its aeronautical authorities of prices proposed to be charged to or from its territory by airlines of the other Party. Notification or filing by the airlines of both Parties may be required no more than 45 days before the proposed date of effectiveness for passenger services and 60 days for cargo services. In individual cases, notification or filing may be permitted on shorter notice than normally required. Neither Party shall require the notification or filing by airlines of the other Party or by airlines of third countries of prices charged by charterers to the public for traffic originating in the territory of that other Party.

(3) Neither Party shall take unilateral action to prevent the inauguration or continuation of a price charged or proposed to be charged by (a) an airline of either Party or by an airline of a third country for international air transportation between the territories of the Parties, or (b) an airline of one Party for international air transportation between the territory of the other Party and a third country, including in both cases transportation on an interline or intra-line basis. If either Party believes that any such price is inconsistent with the considerations set forth in paragraph (1) of this article, it shall request consultations and notify the other Party of the reasons for its dissatisfaction as soon as possible. These consultations shall be held not later than 30 days after receipt of the request, and the Parties shall cooperate in securing information necessary for reasoned resolution of the issue. If the Parties reach agreement with respect to a price for which a notice of dissatisfaction has been given, each Party shall use its best efforts to put that agreement into effect. Without mutual agreement, that price shall go into or continue in effect.

(4) Notwithstanding paragraph (3) of this article, each Party shall allow (a) any airline of either Party or any airline of a third country to meet a lower or more competitive price proposed or charged by any other airline or charterer for international air transportation between the territories of the Parties, and (b) any airline of one Party to meet a lower or more competitive price proposed or charged by any other airline or charterer for international air transportation between the territory of the other Party and a third country. As used herein, the term "meet" means the right to establish on a timely basis, using such expedited procedures as may be necessary, (a) an identical or similar price on a direct, interline or intra-line basis, notwithstanding differences in conditions relating to routing, roundtrip requirements, connections, type of service or aircraft type, or (b) such price through a combination of prices.

Article 13. SURFACE TRANSPORTATION

Notwithstanding any other provision of the Agreement, the airlines and charterers of both Parties shall be permitted to employ any surface transporta-

tion that is incidental to international air transportation, provided that passengers or shippers are not misled as to the facts concerning such transportation.

Article 14. COMMISSIONS

The airlines of one Party may be required to file with the aeronautical authorities of the other Party the level or levels of commissions and all other forms of compensation to be paid or provided by such airline, in any manner or by any device, directly or indirectly, to or for the benefit of any person (other than its own employees) for the sale of air transportation originating in the territory of the other Party.

Article 15. ENFORCEMENT

(1) The Party in whose territory the traffic originates shall have the exclusive jurisdiction for the enforcement of its rules and regulations.

(2) The Parties shall cooperate with each other on enforcement matters.

(3) Each Party may take such steps as it considers necessary to regulate the conduct of its own airlines, charterers, travel organizers, agents, forwarders, or shippers offering or organizing services covered by this Protocol. However, such regulations shall not preclude or limit the power of the other Party to regulate, within its territory and pursuant to its domestic laws, the conduct of such organizations or individuals of the first Party.

Article 16. CONSULTATIONS

Either Contracting Party may, at any time, request consultations on the implementation, interpretation, application or amendment of this Agreement or compliance with this Agreement. Such consultations shall begin within a period of 60 days from the date the other Contracting Party receives the request, unless otherwise agreed by the Contracting Parties.

Article 17. SETTLEMENT OF DISPUTES

(1) Any dispute arising under this Agreement which is not resolved by a first round of formal consultations, except those which may arise under paragraph (3) of article 12 (Pricing), may be referred by agreement of the Parties for decision to some person or body. If the Parties do not so agree, the dispute shall at the request of either Party be submitted to arbitration in accordance with the procedures set forth below.

(2) Arbitration shall be by a tribunal of three arbitrators to be constituted as follows:

(a) Within 30 days after the receipt of a request for arbitration, each Party shall name one arbitrator. Within 60 days after these two arbitrators have been named, they shall by agreement appoint a third arbitrator, who shall act as President of the arbitral tribunal;

(b) If either Party fails to name an arbitrator, or if the third arbitrator is not appointed in accordance with subparagraph (a) of this paragraph, either Party may request the President of the International Court of Justice to appoint the necessary arbitrator or arbitrators within 30 days. If the President is of the same nationality as one of the Parties, the most senior Vice President who is not disqualified on that ground shall make the appointment.

(3) Except as otherwise agreed, the arbitral tribunal shall determine the limits of its jurisdiction in accordance with this Agreement and shall establish its own procedure. At the direction of the tribunal or at the request of either of the Parties, a conference to determine the precise issues to be arbitrated and the specific procedures to be followed shall be held no later than 15 days after the tribunal is fully constituted.

(4) Except as otherwise agreed, each Party shall submit a memorandum within 45 days of the time the tribunal is fully constituted. Replies shall be due 60 days later. The tribunal shall hold a hearing at the request of either Party or at its discretion within 15 days after replies are due.

(5) The tribunal shall attempt to render a written decision within 30 days after completion of the hearing or, if no hearing is held, after the date both replies are submitted, whichever is sooner. The decision of the majority of the tribunal shall prevail.

(6) The Parties may submit requests for clarification of the decision within 15 days after it is rendered and any clarification given shall be issued within 15 days of such request.

(7) Each Party shall, consistent with its national law, give full effect to any decision or award of the arbitral tribunal.

(8) The expenses of the arbitral tribunal, including the fees and expenses of the arbitrators, shall be shared equally by the Parties. Any expenses incurred by the President of the International Court of Justice in connection with the procedures of paragraph (2)(b) of this article shall be considered to be part of the expenses of the arbitral tribunal.

Article 18. AMENDMENT

Any amendments or modifications of this Agreement agreed by the Parties shall come into effect when confirmed by an exchange of notes.

Article 19. TERMINATION

Either Party may, at any time give notice in writing to the other Party of its decision to terminate this Agreement. Such notice shall be sent simultaneously to the International Civil Aviation Organization. This Agreement shall terminate at midnight (at the place of receipt of notice to the other Party) immediately before the first anniversary of the date of receipt of the notice by the other Party, unless the notice is withdrawn by agreement before the end of this period.

Article 20. MULTILATERAL AGREEMENT

If a multilateral agreement, accepted by both Parties, concerning any matter covered by this Agreement enters into force, this Agreement shall be amended so as to conform with the provisions of the multilateral agreement.

Article 21. REGISTRATION WITH ICAO

This Agreement and all amendments thereto shall be registered with the International Civil Aviation Organization.

Article 22

This Agreement shall supersede the Air Transport Agreement signed at Brussels on April 5, 1946; the 1972 Memorandum of Understanding on Passenger

Charter Air Services; the 1977 Exchange of Notes Amending the 1946 Agreement and Extending the 1972 Memorandum of Understanding; and the December 1978 Protocol between the Government of the United States and the Government of Belgium Amending the Air Transport Agreement of 1946, as amended.

Article 23. ENTRY INTO FORCE

This Agreement shall enter into force on the date of exchange of notes through diplomatic channels.

ANNEX I

SCHEDULED AIR SERVICE

Section 1

Airlines of one Party whose designation identifies this annex shall, in accordance with the terms of their designation, be entitled to perform international air transportation (1) between points on the following routes, and (2) between points on such routes and points in third countries through points in the territory of the Party which has designated the airline.

- A. *Routes for the airline or airlines designated by the Government of the United States:*
From the United States via intermediate points to Belgium and beyond to any point or points outside Belgium, including points in the United States, without geographical or directional limitation.
- B. *Routes for the airline or airlines designated by the Government of Belgium:*
- (a) From Belgium via intermediate points to Atlanta, New York City, and three additional points in the United States, and beyond to any point or points in Canada and/or Mexico.*
- (b) From Belgium via intermediate points to any point or points in the United States, and beyond to any point or points in Canada and/or Mexico. This route is authorized for all-cargo services only.**

Section 2

Each designated airline may, on any or all flights and at its option, operate flights in either or both directions and without directional or geographic limitation; serve points on the routes in any combination and in any order; and omit stops at any point or points outside the territory of the Party which has designated that airline without loss of any right to carry traffic otherwise permissible under this Agreement.

Section 3

On any segment or segments of the routes described in section 1 above, a designated airline may perform international air transportation without any limitation as to change, at any point on the route, in type or number of aircraft operated.

* For operations between these points and points beyond the United States, traffic rights are granted for the following segments only: (a) between one point in the United States and one point in Canada; and (b) between one point in the United States and Mexico City. The Belgian Government shall designate through diplomatic channels: (a) the point in Canada to be served with traffic rights, (b) the point in the United States beyond which traffic rights to Canada will be exercised, and (c) the point in the United States beyond which traffic rights to Mexico City will be exercised. Any of these three points may be changed upon 60 days' notice to the United States Government. The two United States points must be chosen from among the five points in the United States available for service by a Belgium designated airline.

** For operations beyond the United States, traffic rights are granted only for the segment between Mexico City and the one point in the United States designated by the Belgian Government through diplomatic channels for service on route (a), above. However, the operating flexibility granted in Section 2 shall apply with respect to points in Canada (i.e., on all-cargo flights serving a point in Canada as both an intermediate and beyond point with one landing; the Canadian point shall be considered as an intermediate with full traffic rights).

ANNEX II

CHARTER AIR SERVICE

Section 1

Airlines of one Party whose designation identifies this annex shall, in accordance with the terms of their designation, be entitled to perform international air transportation to, from and through any point or points in the territory of the other Party, either directly or with stopovers en route, for one-way or roundtrip carriage of the following traffic:

- (a) Any traffic to or from a point or points in the territory of the Party which has designated the airline;
- (b) Any traffic to or from a point or points beyond the territory of the Party which has designated the airline and carried between the territory of that Party and such beyond point or points (i) in transportation other than under this annex; or (ii) in transportation under this annex with the traffic making a stopover of at least two consecutive nights in the territory of that Party. However, favorable consideration shall be extended on the basis of comity and reciprocity to applications by designated airlines to carry such traffic with a stopover of less than two consecutive nights.

Section 2

With regard to traffic originating in the territory of either Party, each airline performing air transportation under this annex shall comply with such laws, regulations and rules of the Party in whose territory the traffic originates, whether on a one-way or roundtrip basis, as that Party now or hereafter specifies shall be applicable to such transportation. In addition, designated airlines of one Party may also operate charters with traffic originating in the territory of the other Party in compliance with the laws, regulations and rules of the first Party. When the regulations or rules of one Party apply more restrictive terms, conditions or limitations to one or more of its airlines, the designated airlines of the other Party shall be subject to the least restrictive of such terms, conditions or limitations. Moreover, if the aeronautical authorities of either Party promulgate regulations or rules which apply different conditions to different countries, each Party shall apply the most liberal regulation or rule to the designated airlines of the other Party.

Section 3

Neither Party shall require a designated airline of the other Party, in respect of the carriage of traffic from the territory of that other Party on a one-way or roundtrip basis, to submit more than a declaration of conformity with the laws, regulations and rules of that other Party referred to under section 2 of this annex or of a waiver of these regulations or rules granted by the aeronautical authorities of that other Party.

II

DEPARTMENT OF STATE
WASHINGTON

October 23, 1980

Excellency:

I have the honor to acknowledge receipt of your Note of today's date which reads as follows:

[See note I]

In reply, I have the honor to inform your Excellency that the Government of the United States of America agrees that the cited agreements governing United States-Belgium air services shall be replaced in their entirety by the agreement enclosed with your Note and also agrees that your Note and its enclosure, together with this reply, shall constitute an agreement between our two Governments which shall enter into full force and effect on October 23, 1980.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

*[Signed — Signé]*¹

His Excellency J. Raoul Schoumaker
Ambassador of Belgium

¹ Signed by Ernest Johnston — Signé par Ernest Johnston.