

No. 21979

**ISRAEL
and
CHILE**

**Agreement for air services between and beyond their
respective territories (with annex). Signed at Jerusalem
on 11 March 1982**

Authentic texts: English, Spanish and Hebrew.

Registered by Israel on 28 June 1983.

**ISRAËL
et
CHILI**

**Accord relatif aux services aériens entre les territoires des
deux pays et au-delà (avec annexe). Signé à Jérusalem
le 11 mars 1982**

Textes authentiques : anglais, espagnol et hébreu.

Enregistré par Israël le 28 juin 1983.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE STATE OF ISRAEL AND THE GOVERNMENT OF THE REPUBLIC OF CHILE FOR AIR SERVICES BETWEEN AND BEYOND THEIR RESPECTIVE TERRITORIES

The Government of the State of Israel and the Government of the Republic of Chile being parties to the Convention on International Civil Aviation,² and

Desiring to conclude an Agreement for the purpose of establishing air services between and beyond their respective territories,

Have agreed as follows:

Article 1. DEFINITIONS

(1) For the purpose of this Agreement, unless the context otherwise requires:

(a) The term "the Convention" means the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944, and includes any Annex adopted under Article 90 of that Convention and any amendment of the Annexes or Convention under Articles 90 and 94 thereof, in so far as those amendments have been ratified by both Parties;

(b) The term "aeronautical authorities" means, in the case of the State of Israel—the Minister of Transport and any person or body authorized to perform any functions at present exercised by the said Minister; and in the case of the Republic of Chile—the Junta de Aeronautica Civil and any person or body authorized to perform any functions at present exercised by the said Junta or similar functions;

(c) The term "designated airline or airlines" means an airline or airlines which one Contracting Party shall have designated, by written notification to the other Contracting Party, in accordance with Article 3, for the operation of air services on the routes specified in such notification;

(d) The term "territory" has the meaning assigned in Article 2 of the Convention;

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

(f) The term "agreed service" means any air service established by virtue of the rights specified in this Agreement granted by one Contracting Party to the other Contracting Party; and

(g) The term "specified route" means any of the routes specified in the schedules under the Annex to this Agreement.

¹ Came into force on 9 February 1983, the date of the last of the notifications (effected on 4 October 1982 and 9 February 1983) by which the Contracting Parties informed each other of the completion of the constitutional requirements, in accordance with article 17 (1).

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

(2) The Annex forms an integral part of this Agreement and any reference to this Agreement shall include a reference to the Annex except where otherwise provided.

Article 2. TRAFFIC RIGHTS

(1) Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement for the purpose of establishing air services on the routes specified in the appropriate Schedule of the Annex.

(2) Subject to the provisions of this Agreement, the airlines designated by each Contracting Party shall enjoy, while operating an agreed service on a specified route, the following privileges:

- (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 specified for that route in the appropriate Schedule of the Annex for the purpose of putting down and taking on international traffic in passengers, cargo and mail.

Article 3. DESIGNATION OF AIRLINES

(1) Each Contracting Party shall have the right to designate in writing to the other Contracting Party one or more airlines for the purpose of operating the agreed services on the specified routes.

(2) On receipt of the designation, the other Contracting Party shall, subject to the provisions of paragraphs (3) and (4) of this Article, without undue delay grant to the airlines designated the appropriate operating authorization.

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

(4) Each Contracting Party shall have the right to refuse to accept the designation of an airline and to withhold or revoke the grant to an airline of the privileges specified in paragraph (2) of Article 2 or to impose such conditions as it may deem necessary on the exercise by an airline of those privileges in any case where it is not satisfied that such airline has the nationality of the Contracting Party designated the airline in accordance with the national legislation of each one of them.

(5) At any time after the provisions of paragraphs (1) and (2) of this Article have been complied with, an airline so designated and authorized may begin to operate the agreed services provided that a service shall not be operated unless a tariff established in accordance with the provisions of Article 10 is in force in respect of that service.

(6) Each Contracting Party shall have the right to withhold, revoke or suspend the exercise by an airline of the privileges specified in paragraph (2) of Article 2 or to impose such conditions as it may deem necessary on the exercise by an airline of those privileges in any case where the airline fails to comply with the laws or regulations of the Contracting Party granting those privileges or otherwise fails to operate in accordance with the conditions prescribed in this

Agreement; provided that, unless immediate suspension or imposition of conditions is essential to prevent further infringements of laws or regulations, this right shall be exercised only after consultation with the other Contracting Party.

Article 4. EXEMPTION FROM CUSTOMS AND DUTIES

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

(2) Fuel, lubricating oils and spare parts introduced into or taken on board aircraft in the territory of a Contracting Party by the other Contracting Party or its nationals, and intended solely for use by aircraft of such other Contracting Party shall be accorded with respect to customs duties, inspection fees or other national duties or charges imposed by the other Contracting Party, treatment not less favourable than that granted to national or other foreign airlines engaged in international air transport.

(3) Goods so exempted may only be unloaded with the approval of the customs authorities of the other Contracting Party. These goods which are to be re-exported may be kept until re-exportation under customs supervision.

Article 5. TRANSIT TRAFFIC

Passengers, baggage and cargo in direct 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 6. AVIATION SECURITY

The Contracting Parties reaffirm 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 services and undermine public confidence in the safety of civil aviation.

They reaffirm their commitments under and shall have regard to the provisions of the Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963,¹ the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16 December 1970,² and the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, signed at Montreal on 23 September 1971.³ The Contracting Parties shall also have regard to applicable aviation security provisions established by the International Civil Aviation Organization.

Article 7. APPLICABILITY OF LAWS AND REGULATIONS

(1) The laws and regulations of one Contracting Party governing entry into and departure from its territory of aircraft engaged in international air navigation

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

² *Ibid.*, vol. 860, p. 105.

³ *Ibid.*, vol. 974, p. 177.

or flights of such aircraft over that territory shall apply to the designated airlines of the other Contracting Party.

(2) The laws and regulations of one Contracting Party governing entry into, sojourn in, and departure from its territory of passengers, crew, cargo or mail, such as formalities regarding entry, exit, emigration and immigration, as well as customs and sanitary measures shall apply to passengers, crew, cargo or mail carried by the aircraft of the designated airlines of the other Contracting Party while they are within the said territory.

(3) Each Contracting Party undertakes not to grant any preference to its own airlines with regard to the designated airlines of the other Contracting Party in the application of the laws and regulations provided for by this Article.

(4) When utilizing the airports and other facilities offered by one Contracting Party, the designated airlines of the other Contracting Party shall not have to pay fees higher than those which have to be paid by national aircraft operating scheduled international services.

Article 8. RECOGNITION OF CERTIFICATES AND LICENCES

(1) Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one of the Contracting Parties shall, during the period of their validity be recognized as valid by the other Contracting Party.

(2) Each Contracting Party reserves its rights, however, not to recognize as valid, for the purpose of flights in its own territory, certificates of competency and licences granted to its own nationals or rendered valid for them by the other Contracting Party or by any other States.

Article 9. CAPACITY

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

(2) Each Party shall take into consideration the interests of the other Party in its designated airlines so as not to affect unduly the opportunity for the airlines of each Party to offer the services covered by this Agreement.

(3) The capacity of transport offered by the designated airlines in the routes specified in the Annex shall be determined by each one of them on the basis of market requirements.

(4) 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.

(5) 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.

(6) Neither Party shall require the filing of schedules 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 (4) 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 10. TARIFFS

(1) Each Party shall allow tariffs 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 tariffs or practices;
- (b) Protection of consumers from tariffs that are unduly high or restrictive because of the abuse of monopoly power; and
- (c) Protection of airlines from tariffs 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 authority of tariff proposed to be charged to or from its territory by the designated airlines of the other Party. Notification or filing by the designated airlines of both Parties may be required no more than 30 days before the proposed date of effectiveness. In individual cases, notification or filing may be permitted on shorter notice than normally required.

(3) If either Party believes that a tariff proposed or charged by an airline of the other Party for international air transportation between the territories of the Parties is inconsistent with the considerations set forth in paragraph 1 of this Article, it shall notify the other Party of the reasons for its dissatisfaction as soon as possible. In the case of a proposed tariff, such notice of dissatisfaction shall be given to the other Party within 30 days of receiving the notification or filing of the tariff. Either Party may then request consultations which shall be held as soon as possible, and in no event later than 30 days after receipt of the request. The Parties shall cooperate in securing information necessary for reasoned resolution of the issue.

(4) If the Parties reach agreement with respect to a tariff for which a notice of dissatisfaction has been given, each Party shall use its best efforts to put that agreement into effect.

(5) With regard to paragraph (1), if,

- (a) With respect to a proposed tariff, consultations are not requested or an agreement is not reached as a result of consultations; or
- (b) With respect to a tariff already being charged when notice of dissatisfaction is given, consultations are not requested within 15 days of receipt of the notice or an agreement is not reached as a result of consultations within 30 days of receipt of the notice,

either Party may take action to prevent the inauguration or continuation of the tariff for which a notice of dissatisfaction has been given, but only with respect to traffic where the first point on the itinerary (as evidenced by the document authorizing transportation by air) is in its own territory. Neither Party shall take unilateral action to prevent the inauguration or continuation of any tariff subject to this Article, except as provided in this paragraph.

(6) In the case that airlines of third countries are authorized to operate air services between the territories of both Contracting Parties, in the routes

specified in the Annex of this Agreement, Parties will apply to them the rules of this Article, without prejudice to national laws, regulations and agreements to which each of the Parties is bound.

Article 11. TRANSFER OF EARNINGS

Each Contracting Party grants to the designated airlines of the other Contracting Party the right to remit to its head office the excess over expenditure of receipts earned in the territory of the first Contracting Party. The procedure for such remittance, however, shall be in accordance with the foreign exchange regulations of the Contracting Party in the territory of which the revenue accrued.

Article 12. EXCHANGE OF INFORMATION AND STATISTICS

The aeronautical authorities of either 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 airlines of the first Contracting Party. Such statements shall include all information required to determine the amount of traffic carried by the said designated airlines on the agreed services and the origins and destinations of such traffic. Such information may be requested directly by the aeronautical authorities of each Contracting Party from the designated airlines of the other Contracting Party.

Article 13. REGULAR CONSULTATIONS

There shall be regular and frequent consultations between the aeronautical authorities of the Contracting Parties to ensure close collaboration in all matters affecting the fulfillment of this Agreement.

Article 14. SETTLEMENT OF DISPUTES

(1) If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the aeronautical authorities of the Contracting Parties shall endeavour to settle it by negotiations between themselves.

(2) If the aeronautical authorities fail to settle the dispute, the Contracting Parties will endeavour to settle it.

(3) If the Contracting Parties fail to reach a settlement by negotiation, they may agree to refer the dispute for decision to some person or body; if they do not so agree, the dispute shall, at the request of either Contracting Party, be submitted 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 so nominated.

Each of the Contracting Parties shall nominate an arbitrator within a period of sixty (60) days from the date of receipt of the other Contracting Party of a notice through diplomatic channels requesting arbitration of the dispute by such a tribunal 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 Organ-

ization may be requested by either Contracting Party to appoint an arbitrator or arbitrators as the case requires. In such case, the third arbitrator shall be a national of a State other than any of the Parties to this Agreement and shall act as President of the arbitral tribunal.

(4) Any decision given by the arbitration tribunal under paragraph (3) of this Article shall, unless the Contracting Parties decide otherwise at the time of setting up the tribunal, be binding on both Contracting Parties.

(5) If and so long as either Contracting Party or the designated airlines of either Contracting Party fails to comply with a decision given under paragraph (2)¹ of this Article, 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.

Article 15. MODIFICATIONS

(1) If either of the Contracting Parties considers it desirable to modify the terms of this Agreement, it may request consultation between the aeronautical authorities of both Contracting Parties in relation to the proposed modifications. Consultation shall begin within a period of sixty (60) days from the date of the request.

(2) Any modification to the Agreement, excluding the Annex, shall come into effect in accordance with the procedure set out in Article 17 of the Agreement.

(3) Notwithstanding paragraph 2 of Article 1 of the Agreement any modifications to the Annex shall come into effect when they have been confirmed by an exchange of notes through diplomatic channels.

(4) If a general multilateral agreement concerning air transport comes into force in respect of both Contracting Parties, this Agreement shall be amended so as to conform with the provisions of that Agreement.

Article 16. TERMINATION

Either Contracting Party may at any time give notice to the other if it desires to terminate this Agreement. Such notice shall be simultaneously communicated to the international Civil Aviation Organization. If such notice is given, this Agreement shall terminate twelve months after the date of receipt of the notice by the other Contracting Party, unless the notice to terminate is withdrawn by agreement before the expiry 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 17. ENTRY INTO FORCE

(1) The present Agreement shall be approved by each Contracting Party and shall enter into force on the date of the last notification by either Contracting Party to the other that it has complied with its Constitutional requirements for the entry into force of the present Agreement.

¹ Reads "(3)" in the authentic Spanish text.

(2) The present Agreement and any Exchange of Notes in accordance with Article 16¹ shall be registered with the International Civil Aviation Organization.

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

DONE this 11th March 1982 at Jerusalem, in triplicate in the English, Spanish and Hebrew languages, all texts being equally authentic. In case of divergence of interpretations, the English text shall prevail.

For the Government
of the State of Israel:

[Signed — Signé]²

For the Government
of the Republic of Chile:

[Signed — Signé]³

ANNEX

SCHEDULE I

In observance of the Agreement in effect and under the conditions provided therein, the airline or airlines designated by Chile may operate the following routes:

Chile, via intermediate points, to Israel and points beyond Israel in both directions.

SCHEDULE II

In observance of the Agreement in effect and under the conditions provided therein, the airline or airlines designated by the State of Israel may operate the following routes:

Israel, via intermediate points, to Chile, and points beyond Chile, in both directions.

NOTE:

(a) The designated airline or airlines of each Contracting Party may, on any or all flights, alter the order of calling and/or omit calling at any of the points of the specified routes, provided the service begins or terminates, in the territory of the Party designating the airline.

(b) The designated airline or airlines may operate as indicated above, after informing the aeronautical authorities of the other Contracting Party of any intermediate or beyond point they wish to include in the respective schedules, and after receiving their approval in accordance with their national laws and regulations.

¹ Reads "15" in the authentic Spanish text.

² Signed by Arye Grozbord — Signé par Arye Grozbord.

³ Signed by Santiago Benadave — Signé par Santiago Benadave.