No. 23019

MEXICO
and
ARGENTINA

Air Transport Agreement (with route schedules). Signed at Mexico City on 14 May 1969

Authentic text: Spanish.

Registered by Mexico on 26 July 1984.

MEXIQUE
et
ARGENTINE

Accord relatif aux transports aériens (avec tableaux de routes). Signé à Mexico le 14 mai 1969

Texte authentique : espagnol.

Enregistré par le Mexique le 26 juillet 1984.

[TRANSLATION — TRADUCTION]

AIR TRANSPORT AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED MEXICAN STATES AND THE GOVERNMENT OF THE ARGENTINE REPUBLIC

The Government of the United Mexican States and the Government of the Argentine Republic,

Being parties to the Convention on International Civil Aviation opened for signature at Chicago on 7 December 1944,[2]

Considering that the potentialities 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 still further 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 an equitable basis of equality and reciprocity, regular air services between the two countries, in order to achieve greater co-operation in the field of international air transport,

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

Have for this purpose designated duly authorized plenipotentiaries, who have agreed as follows:

Article I. For the purposes of this Agreement, the terms listed below, except where the text provides otherwise, shall have the following meanings:

(*a*) The term "Agreement" means this Agreement and the route schedule annexed hereto;

(*b*) The term "aeronautical authorities" means: in the case of the United Mexican States, the Ministry of Communications and Transport or any person or body authorized to perform the functions at present exercised by the Ministry of Communications and Transport; and, in the case of the Argentine Republic, the Commander-in-Chief at the Air Force or any body authorized to perform the functions exercised by the Commander-in-Chief of the Air Force;

(*c*) The term "airline" means any air transport enterprise offering or operating an international air service;

(*d*) The term "designated airline" means an airline the name of which has been communicated by the aeronautical authorities of one Contracting Party to the aeronautical authorities of the other Contracting Party as being the airline which will operate a route or routes specified in the route schedule annexed to the Agreement;

[1] Came into force provisionally on 14 May 1969, the date of signature, and definitively on 21 March 1984, the date of the exchange of the instruments of ratification, which took place at Buenos Aires, in accordance with article XVII.

[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.

(*e*) The terms "territory", "air service", "international air service" and "stop for non-traffic purposes" have the meanings assigned in articles 2 and 96 respectively of the Convention on International Civil Aviation concluded at Chicago on 7 December 1944, as currently worded;

(*f*) The term "capacity of an aircraft" means the payload of an aircraft expressed in terms of the number of seats for passengers and the weight of cargo and mail;

(*g*) The term "transport capacity offered" means the total capacity of the aircraft utilized for the operation of each of the agreed air services, multiplied by the frequency with which the said aircraft operate over a given period;

(*h*) The term "air route" means the scheduled route to be followed by an aircraft assigned to regular air service for the public transport of passengers, cargo and mail;

(*i*) The term "specified route" means the route described in the route schedule annexed to this Agreement;

(*j*) The term "passenger load factor" means 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 over the same period;

(*k*) The term "frequency" means the number of round trips over a given period that an airline operates on a specified route;

(*l*) The term "change of gauge" means the substitution of one aircraft for another of different capacity on a specified route;

(*m*) The term "regional traffic" means air traffic that originates in the territory of one Contracting Party and terminates in the territory of a neighbouring State.

Article II. 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 annexed route schedule.

2. Subject to the terms stipulated in this Agreement, the airline designated by each Contracting Party shall enjoy, in the operation of international services, the following rights:

(*a*) To fly across the territory of the other Contracting Party without landing;

(*b*) To make stops for non-traffic purposes in that territory;

(*c*) To embark and disembark passengers, cargo and mail at the points specified in the annexed route schedule.

3. The fact that such rights may not be exercised immediately shall not preclude the subsequent inauguration of air services by the airline of a Contracting Party to which such rights are granted over the routes specified in the said route schedule.

Article III. 1. With effect from the entry into force of this Agreement, the aeronautical authorities of the Contracting Parties shall communicate to each other as soon as possible the relevant information in respect of authorization to operate the routes specified in the route schedule.

2. Air service on a specified route may be inaugurated by the airline either immediately or at a later date, at the option of the Contracting Party to which the rights are granted, once that Party has designated that airline to operate a service on that route and once the other Contracting Party has given the necessary authorization. That other Contracting Party is obliged to give such authorization, provided that the designated airline meets the requirements established by the competent aeronautical authorities of the said Contracting Party, in accordance with the laws and regulations normally applied by those authorities.

Article IV. 1. Each Contracting Party reserves the right to withhold or revoke authorization for the operation of air services by the airline designated by the other Contracting Party in the following cases:

(*a*) If it is not sufficiently satisfied that substantial ownership and effective control of the airline are vested in nationals of the other Contracting Party;

(*b*) If the airline fails to comply with the laws and regulations referred to in this Agreement;

(*c*) If the airline or the Government designating it ceases to fulfil the conditions under which rights are granted in accordance with this Agreement;

(*d*) If the designated airline fails to comply with the conditions stipulated in the authorization granted.

2. The right to revoke an operating authorization shall be exercised by a Contracting Party only after consultation with the other Contracting Party, unless, to prevent further infringement of the relevant laws and other provisions, it is necessary forthwith to suspend or impose conditions on the operation of the service.

3. The airlines designated by each Contracting Party shall have legal representation, which shall have sufficient competence to answer before the competent authorities of the other Contracting Party in respect of the obligations to which such airlines are subject by virtue of their activities.

Article V. 1. The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of aircraft operated on international air services, or relating 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 on entering or departing from, and while within, the territory of the first Contracting Party.

2. The laws and regulations of one Contracting Party relating to the admission to, presence in and departure from its territory of passengers, crew, cargo and mail, such as regulations governing entry, departure, clearance, immigration, customs and health, shall apply to the passengers, crew, cargo and mail transported by aircraft of the airline designated by the other Contracting Party on entering or departing from, and while within, the territory of the first Party.

3. Any infractions committed by airlines designated by one Contracting Party in the territory of the other Contracting Party shall be adjudged in accordance with the law of the territory in which they are committed. The aeronautical authority of the territory where the infraction is committed shall also bring the matter to the attention of the other aeronautical authority, under whose flag the airline operates.

Article VI. 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 the other Contracting Party or a third State.

Article VII. So as to avoid any discriminatory measure and ensure respect for the principle of equal treatment, the Parties agree as follows.

1. Each Contracting Party may impose or permit to be imposed on aircraft of the other Party fair and reasonable charges for the use of public airports and other facilities under its authority. The Parties agree, however, that the charges shall not be higher than those paid for the use of such airports and facilities by their respective national aircraft used in similar international service.

2. Fuel, lubricating oils, 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, or its nationals, 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 federal, state and municipal taxes.

3. 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, from customs duties, inspection fees and other federal, state and municipal taxes and charges, on arrival in or departure from the territory of the other Contracting Party, even if such articles are used or consumed by such aircraft on flights within the said territory.

4. 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, inspection fees and other federal, state and municipal taxes.

Article VIII. 1. 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.

2. The services provided by the airlines operating under this Agreement shall be closely related to the public demand for such services, and shall be operated in accordance with general principles that will ensure the orderly development of air transport.

3. The volume of traffic between the Contracting States shall, as far as possible, be divided in equal proportions between the airlines designated by the two Contracting Parties. When the airline designated by one Contracting Party is temporarily unable to satisfy immediate traffic needs in the proportion assigned to it, the airline designated by the other Contracting Party may increase its services. As soon as the first-mentioned airline wishes to initiate services, the Contracting Parties shall hold consultations to consider the possibility of

adjusting the frequency of service of the airline that had already initiated services so as to comply with the principle of equality of supply. Where it proves necessary to increase frequency, priority shall be given to the airline which has fewer flights, unless it is unable to increase its frequency of service. In any event, frequency of service shall be established by means of consultations between the Contracting Parties.

4. In the operation by the designated airline by either Contracting Party of the air services referred to in the route schedule annexed to 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.

5. It is agreed that the services provided by a designated airline under this Agreement shall retain as their principal objective the provision of air transport with capacity adequate to the requirements of traffic between the two countries, on the understanding that the designated airline may offer capacity adequate for the requirements of traffic between the territory of the Contracting Party designating it and other points on the specified routes.

6. Within the limits of the capacity made available in accordance with paragraph 5 above, and as a complement to and subject to such capacity, the airline designated by one Contracting Party may meet the requirements of traffic between the territories of third States and the territory of the other Contracting Party at the point or points specified in the route schedule annexed hereto.

7. The Contracting Parties recognize that the development of local and regional services constitutes a legitimate right of their respective countries.

8. The Contracting Parties agree to consult each other periodically on the way in which the provisions 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 continental service, will not be prejudiced. The Contracting Parties shall take into account, during the course of such consultations, the statistics relating to the volume of traffic recorded, which they undertake to exchange on a regular basis.

9. 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.

10. The airline designated by one Contracting Party shall communicate to the aeronautical authorities of the other Contracting Party, for their approval, at least 30 days prior to the inauguration of the respective services, the frequency with which such services are to be operated. Similarly, approval of any increase in frequency above that agreed in this Agreement must be sought by the aeronautical authority of the Contracting Party concerned from the aeronautical authority of the other Contracting Party at least 30 days before the date on which the increase in capacity is to take effect. Should one Contracting Party consider the frequency to be offered by the airline designated by the other Contracting Party to be excessive in relation to actual traffic requirements on the route or to be prejudicial to the interests of its own designated airline, it may request a consultation with the other Contracting Party within 15 days of receipt of the request by the

airline concerned. Such consultation shall be initiated within 30 days from the request by the Contracting Party, 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 90 days from the date of the request for consultation, the question shall be submitted to arbitration in accordance with article XII. In the meantime, the proposed increase shall not be put into effect.

Article IX. 1. The tariffs for the agreed services shall be established at reasonable levels, due regard being paid to all relevant factors, including cost of operation, reasonable profit, the characteristics of each service and the tariffs of other airlines.

2. The designated airlines may establish by mutual agreement the tariffs referred to in paragraph 1 above after consultation with other airlines operating over all or part of the same route. The designated airlines may also use the procedure for the establishment of tariffs under the system adopted by the International Air Transport Association (IATA). In any event, the tariffs must be submitted to the aeronautical authorities of both Contracting Parties for their approval at least forty-five (45) days before the date proposed for their introduction. This period may be reduced if the aeronautical authorities so agree.

3. The tariffs requested by third airlines operating between the territories of the two Contracting Parties shall be authorized after consultation with the airlines of the Contracting Parties, provided that the latter airlines do not object.

4. If the designated airlines do not 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 establish the tariffs by mutual agreement.

5. In the absence of agreement, the matter shall be submitted to arbitration in accordance with article XII.

6. The procedure provided for in paragraphs 4 and 5 above shall not be applied in cases in which failure to approve the tariffs proposed by a designated airline to the aeronautical authorities of either Contracting Party is due to the fact that the designated airline has not submitted with its request for approval the documents or data needed to determine whether the proposed tariffs or the relevant rules of application meet the requirements referred to in paragraph 1 above. Such cases may always be settled directly between the designated airline and the competent aeronautical authorities.

7. The tariffs established shall remain in effect until new tariffs are established in accordance with this article or the arbitration procedure provided for in article XII.

Article X. The aeronautical authorities of the Contracting Parties may, at any time, exchange views in order to achieve close co-operation and understanding in all matters relating to the application and interpretation of this Agreement.

Article XI. 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 by the Ministry of Foreign Affairs of the United Mexican States or by the Ministry of Foreign Affairs and Worship of the Argentine Republic, as the case may be. 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 shall enter into force provisionally with effect from the date of the exchange of notes, and definitively on the date determined by the Contracting Parties, once they have obtained the approval required under their respective constitutional procedures, in a further exchange of notes.

Article XII. 1. Except as otherwise provided in this Agreement, any dispute between the Contracting Parties relating 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 between 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 of 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 of the 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 arbitral tribunal shall take decisions by majority vote and shall adopt its own rules of procedure.

5. The Contracting Parties agree to abide by any decision handed down in accordance with this article. The arbitral tribunal shall determine the apportionment of the costs resulting from this procedure.

Article XIII. This Agreement and all amendments to it shall be registered with the International Civil Aviation Organization.

Article XIV. If a general multilateral air transport convention accepted by both Contracting Parties enters into force, this Agreement shall be amended, by means of the procedure provided for under article XI, so as to conform to the provisions of that convention.

Article XV. Either Contracting Party 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 the 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 XVI. This Agreement is subject to ratification.

Article XVII. This Agreement shall be applied provisionally from the date of its signature and shall enter into force definitively on the date of exchange of

the instruments of ratification, such exchange to take place once the Contracting Parties have obtained the approval required by them in accordance with their respective constitutional procedures.

Article XVIII. Without prejudice to the provisions of article XV, this Agreement shall remain in force for a period of three years from the date of its signature and shall be understood to have been tacitly renewed for further successive periods of three years unless one Contracting Party requests revision of the Agreement six months before the date of its termination.

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

DONE in two original copies, both equally authentic, at Mexico City, on 14 May 1969.

For the Government
of the United Mexican States:

[*Signed*]

JOSÉ ANTONIO PADILLA SEGURA
Minister of Communications
and Transport

For the Government
of the Argentine Republic:

[*Signed*]

Dr. ENRIQUE MARTÍNEZ PAZ
Ambassador Extraordinary
and Plenipotentiary

ROUTE SCHEDULE

SECTION I

1. The airline designated by the Government of Mexico shall be entitled to operate, in both directions, on the following route:

Mexico City – Panama, Panama – Bogota, Colombia – Guayaquil or Quito, Ecuador – Lima, Peru – La Paz, Bolivia – Antofagasta, Chile – Santiago de Chile – Buenos Aires, Argentina and beyond to a point to be determined.

2. The designated airline may omit, on any or all flights, any or all of the intermediate points specified above.

3. The designated airline is authorized to exercise third- and fourth-freedom traffic rights to the city of Buenos Aires and from the city of Buenos Aires to Mexico City.

4. The designated airline may only exercise fifth-freedom traffic rights from and to the city of Buenos Aires, where such rights are granted by both Contracting Parties.

5. The designated airline may operate up to three flights a week on the specified route.

6. The designated airline shall operate its route with Douglas DC-8 aircraft, or similar or smaller equipment, with a maximum capacity of 150 seats.

ROUTE SCHEDULE

SECTION II

1. The airline designated by the Government of the Argentine Republic shall be entitled to operate, in both directions, on the following route:

Buenos Aires, Argentina – Santiago de Chile – Antofagasta, Chile – La Paz, Bolivia – Lima, Peru – Guayaquil or Quito, Ecuador – Bogota, Colombia – Panama, Panama – Mexico City and beyond to Los Angeles, United States.

2. The designated airline may omit, on any or all flights, any of the intermediate points specified above.

3. The designated airline is authorized to exercise third- and fourth-freedom traffic rights to Mexico City and from Mexico City to the city of Buenos Aires.

4. The designated airline may only exercise fifth-freedom traffic rights from and to Mexico City where such rights are granted by both Contracting Parties.

5. The designated airline may operate up to three flights a week on the specified route.

6. The designated airline shall operate its route with Boeing 707 aircraft, or similar or smaller equipment, with a maximum capacity of 150 seats.