

No. 23624

**BELGIUM
and
PANAMA**

**Agreement on air services (with annex). Signed at Panama
City on 12 January 1966**

Authentic text: Spanish.

Registered by Belgium on 19 November 1985.

**BELGIQUE
et
PANAMA**

**Accord relatif aux services aériens (avec annexe). Signé à
Panama le 12 janvier 1966**

Texte authentique : espagnol.

Enregistré par la Belgique le 19 novembre 1985.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ ON AIR SERVICES BETWEEN THE GOVERNMENT
OF THE REPUBLIC OF PANAMA AND THE GOVERNMENT OF
THE KINGDOM OF BELGIUM

The Government of the Republic of Panama and the Government of the Kingdom of Belgium,

Desiring to promote international co-operation in the field of air transport to the fullest extent possible, and

Desiring to conclude an agreement for the purpose of establishing air services between the territories of their respective countries,

Have appointed their Plenipotentiaries, who being duly authorized to that end, have agreed as follows:

Article 1. For the purposes of this Agreement and its annex:

(a) The term “Convention” means the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944;²

(b) The term “aeronautical authorities” means, in the case of Panama, the Ministry of the Interior and Justice and, in the case of Belgium, the Ministry of Communications (Aviation Administration) or, in both cases, any person or body authorized to perform the functions currently exercised by the Ministries referred to;

(c) The terms “designated airline” or “designated airlines” mean any air transport enterprise or enterprises which have been designated by either Contracting Party for the operation of the agreed services specified in the annex to this Agreement;

(d) The term “territory” has the meaning assigned to it 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.

Article 2. 1. Subject to the provisions of this Agreement, the Contracting Parties grant to each other the following rights for the purpose of operating the international air services specified in the annex to this Agreement:

(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 put down and take up in the said territory, at the points specified in the annex, international traffic in passengers, mail and cargo.

2. Each Contracting Party shall designate one or more airlines to operate the agreed services.

¹ Came into force provisionally on 12 January 1966 by signature, and definitively on 2 June 1970, the date on which the Contracting Parties notified each other (on 31 October 1969 and on 2 June 1970) of the completion of the required constitutional procedures, in accordance with article 17.

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.

Article 3. 1. Subject to the provisions of article 9 of this Agreement, each Contracting Party shall without delay grant to the airline or airlines designated by the other Contracting Party the requisite operating authorization.

2. However, before being so authorized, the airline or airlines designated to inaugurate the agreed services may be recalled to satisfy the aeronautical authorities of the other Contracting Party that it (they) has (have) fulfilled the conditions prescribed under the laws and regulations normally applied to the operation of international air services by the said authorities.

Article 4. 1. The designated airlines shall, for the operation of agreed services between the territories of the Contracting Parties, be accorded treatment based on the principles of reciprocity and equal opportunity.

2. The airline or airlines designated by each Contracting Party shall take into consideration the interests of the airline or airlines designated by the other Contracting Party so as not to affect unduly the services which the latter provides on all or part of the same routes.

3. The transport capacity provided by the designated airline or airlines shall be adjusted to traffic requirements.

4. The principal objective of the agreed services shall be to provide a capacity corresponding to traffic requirements between the territory of the Contracting Party which has designated the airline or airlines and the points served on the routes specified.

5. The right of the designated airline or airlines to carry international traffic between the territory of the other Contracting Party and the territories of third countries shall be exercised in accordance with the general principles of normal operation recognized by the two Contracting Parties, provided that the capacity is adjusted to:

- (a) Traffic requirements from and to the territory of the Contracting Party which has designated the airline or airlines;
- (b) Traffic requirements in the areas crossed, taking account of local and regional services; and
- (c) The need to operate the agreed services economically.

Article 5. 1. The tariffs to be charged for the carriage of passengers and cargo on the agreed routes shall be established in the light of all relevant factors, including cost of operation, the type of equipment in service, reasonable profit, the characteristics of the different routes and the tariffs charged by other airlines operating over all or part of the same route. The said tariffs shall be established in accordance with the following rules:

2. Where possible the tariffs for each route shall be established by mutual agreement between the designated airlines. To that end, the designated airlines shall come to an agreement after consultation with the airlines of third countries operating over all or part of the same routes. Such agreement shall, so far as possible, take account of the recommendations of the international authority normally responsible in the matter;

3. In any case, the tariffs agreed in accordance with the above provisions shall be submitted for approval to the aeronautical authorities of both Contracting Parties at least 30 days before the proposed date of their introduction. In special cases, this period may be reduced, subject to the agreement of the said authorities;

4. If the designated airlines do not agree or if either Contracting Party does not approve new tariffs submitted for its approval in accordance with the procedure set forth in the provisions above, the aeronautical authorities of the two Contracting Parties shall determine by mutual agreement the tariffs for the routes or the parts thereof regarding which they failed to reach agreement;

5. If the aeronautical authorities of the two Contracting Parties are unable to reach agreement in accordance with the above-mentioned procedure, the provisions of article 12 of this Agreement shall be applied. The existing tariffs shall remain in force until the arbitral decision has been rendered.

Article 6. Each Contracting Party shall grant the other Contracting Party the right freely to transfer, at the official rate, net earnings derived in its territory from the transport of passengers, baggage, mail and cargo, by the designated airline or airlines of the other Contracting Party. Should the service of payments between the Contracting Parties be governed by a special agreement, that agreement shall be applicable.

Article 7. 1. Aircraft operated on international services by the designated airline or airlines of one Contracting Party, together with their regular equipment, supplies of fuel and lubricants and aircraft stores (including food, beverages and tobacco) shall, on arriving in the territory of the other Contracting Party, be exempt from all customs duties, inspection fees and other similar charges, provided that such equipment, supplies and stores remain on board the aircraft until the flight continues.

2. The following shall also be exempt from the said duties and charges, with the exception of fees and payments relating to services performed:

- (a) Aircraft stores acquired in the territory of one Contracting Party, within the limits laid down by the authorities of the said Contracting Party, and for use on board aircraft operated on international services by the designated airline or airlines of the other Contracting Party;
- (b) Spare parts and regular aircraft equipment imported into the territory of a Contracting Party for the maintenance or repair of aircraft operated on international services;
- (c) Fuel and lubricants for use in aircraft operated on international services by the designated airline or 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.

3. The regular equipment, cargo and supplies carried on board the aircraft operated by the designated airline or airlines of one Contracting Party may be unloaded in the territory of the other Contracting Party only with the consent of the customs authorities of that territory. In such case, they may be placed under the supervision of the said authorities until such time as they are re-exported or otherwise disposed of in accordance with customs regulations.

Article 8. 1. The laws and regulations of one Contracting Party relating to the admission to and departure from its territory of aircraft engaged in international air navigation or to the flights of such aircraft over the said territory shall be applied to the airline or airlines designated by the other Contracting Party.

2. The laws and regulations of one Contracting Party relating to the admission to, stay in and departure from its territory of passengers, baggage, mail or cargo, in-

cluding laws and regulations relating to formalities, immigration, passports, customs and quarantine shall be complied with, by or on behalf of such passengers, baggage, mail or cargo carried by the aircraft of the designated airline or airlines of the other Contracting Party while within the territory of the first Contracting Party.

3. Passengers in direct transit through the territory of the other Contracting Party shall be entitled to facilities of all kinds. Baggage and cargo in direct transit shall be exempt from customs duties and other charges.

4. Each Contracting Party undertakes not to treat its own airlines more favourably than the designated airline or airlines of the other Contracting Party in applying the regulations concerning customs, visas, immigration, quarantine, exchange control or other regulations which affect international air transport.

Article 9. 1. Each Contracting Party reserves the right not to grant, or to revoke, operating authorization for the designated airline or airlines of the other Contracting Party if the latter fails to prove that substantial ownership and effective control of the airlines are vested in the other Contracting Party or its nationals or if the airline(s) fails (fail) to comply with the laws and regulations or to fulfil the obligations deriving from this Agreement.

2. Unless revocation, suspension or immediate imposition of the conditions provided for under paragraph 1 of this article is necessary in order to prevent further infringements of laws or regulations, such right may be exercised only after consultation with the other Contracting Party.

Article 10. If either Contracting Party considers it desirable to modify any provision of this Agreement or its annex, it may request consultations with the other Contracting Party. Such consultations may be held between the aeronautical authorities either orally or in writing and shall begin within 60 days from the date on which the other Contracting Party receives notice of the request.

Any modification thus agreed shall come into force following their confirmation by an exchange of diplomatic notes, once the two countries have completed the relevant constitutional formalities.

Article 11. The Contracting Parties reserve the right to substitute a national airline or airlines for those that were originally designated, after first notifying the other Contracting Party. All the provisions of this Agreement and its annex shall be applicable to the newly designated airline or airlines.

Article 12. 1. If any dispute arises relating to the interpretation or application of this Agreement and cannot be settled through direct negotiations, it shall be referred, at the request of either Contracting Party, to an arbitral tribunal.

2. The arbitral tribunal shall be composed as follows: each Contracting Party shall appoint an arbitrator and the two arbitrators thus appointed shall in turn appoint by mutual agreement a third arbitrator, who shall be a national of a third State and who shall have the deciding vote. The appointment of the third arbitrator shall be confirmed by the Contracting Parties. The arbitrators shall be appointed within 30 days, and the third arbitrator within 60 days, of the date on which one Contracting Party notifies the other of its intention to submit the dispute to arbitration.

3. If the appointments are not made within the periods specified in paragraph 2 of this article, each Contracting Party may, unless otherwise agreed, request the President of the Council of the International Civil Aviation Organization to make

the necessary appointments. If the President is a national of one of the Contracting Parties or is otherwise prevented from discharging this function, his deputy shall make the necessary appointments.

4. The arbitral tribunal shall render its decision by majority vote and shall adopt its own rules of procedure. Its decisions shall be binding on the two Contracting Parties. The arbitral tribunal shall decide on the apportionment of the fees and costs occasioned by the arbitral procedure.

Article 13. This Agreement and its annex and any subsequent amendments thereto shall be registered with the International Civil Aviation Organization.

Article 14. This Agreement and its annex shall be brought into line with any multilateral convention which becomes binding on the two Contracting Parties.

Article 15. 1. In a spirit of close collaboration, the aeronautical authorities of the Contracting Parties shall hold consultations from time to time in order to ensure that the principles laid down in this Agreement are applied and that the objectives of the Agreement are satisfactorily achieved.

2. The aeronautical authorities of each Contracting Party shall supply to the aeronautical authorities of the other Contracting Party, at their request, such regular or other statistical data as are necessary for determining the volume of traffic carried on the agreed services.

Article 16. Either Contracting Party may at any time give notice to the other Contracting Party of its decision to terminate this Agreement. Such notice shall be communicated simultaneously to the International Civil Aviation Organization. In such case, this Agreement shall terminate 12 months after the date on which the notice is received unless the notice has been withdrawn by the Contracting Party which gave it 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 14 days after the receipt of the notice by the International Civil Aviation Organization.

Article 17. This Agreement, including the annex which is an integral part thereof, shall enter into force provisionally on the date of its signature. It shall enter into force on the day on which each Contracting Party notifies the other of the completion of its required constitutional procedures through an exchange of diplomatic notes.

IN WITNESS WHEREOF the Plenipotentiaries of the Contracting Parties have signed this Agreement in duplicate in the Spanish language at Panama City, Republic of Panama, on 12 January 1966 and have affixed their seal thereto.

For the Government of the Republic of Panama:

F. ELETA ALMARAN

For the Government of the Kingdom of Belgium:

J. D'HONDT

ANNEX TO THE AGREEMENT ON AIR SERVICES BETWEEN THE GOVERNMENT
OF THE REPUBLIC OF PANAMA AND THE GOVERNMENT OF THE KINGDOM
OF BELGIUM

ROUTE SCHEDULE

I. *Services which the designated Belgian airline or airlines may operate:*

1. Belgium, intermediate points in Europe, points in the Atlantic Ocean, points in Canada, points in the United States of America, points in Mexico, points in Central America, points in the West Indies, point in Panama, points beyond and vice versa.

2. Belgium, points in Europe, points in the Atlantic Ocean, points in the West Indies, points in South America, point in Panama, points beyond and vice versa.

II. *Services which the designated Panamanian airline or airlines may operate:*

1. Panama, points in the West Indies, points in Central America, points in Mexico, points in the United States of America, points in Canada, points in the Atlantic Ocean, point in Belgium, points beyond and vice versa.

2. Panama, points in South America, points in the West Indies, points in the Atlantic Ocean, points in Europe, point in Belgium, points beyond and vice versa.

The designated airline or airlines may at its (their) discretion omit calling at intermediate points or points beyond on the agreed services.
