No. 24255

BELGIUM and CANADA

Agreement on air transport (with annex and memorandum of understanding). Signed at Brussels on 13 May 1986

Authentic texts: French, Dutch and English. Registered by Belgium on 14 July 1986.

BELGIQUE et CANADA

Accord sur le transport aérien (avec annexe et mémorandum d'entente). Signé à Bruxelles le 13 mai 1986

Textes authentiques : français, néerlandais et anglais. Enregistré par la Belgique le 14 juillet 1986.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF BELGIUM AND THE GOVERNMENT OF CANADA ON AIR TRANSPORT

The Government of Belgium and the Government of Canada, hereinafter referred to as the Contracting Parties:

Being parties to the Convention on International Civil Aviation opened for signature at Chicago, on the 7th day of December, 1944;²

Taking into account the Agreement between Canada and Belgium for air services signed at Ottawa, August 30, 1949;³

Desiring to enhance air services between and beyond their respective territories and to ensure for their designated airlines fair and equal opportunity to compete in the provision of such air services;

Mindful of the needs and the convenience of the users of air transport services; Seeking to encourage the continued development of their bilateral relations, in particular in trade and tourism:

Desiring to ensure the highest degree of safety and security in international air transport;

Resolved to conclude a new agreement for the purpose of replacing the said Agreement, as amended by the Exchanges of Notes of July 20, 1956⁴ and of January 16, 1984;⁵

Have agreed as follows:

Article 1. DEFINITIONS

(a) "Aeronautical Authorities" means, in the case of Canada, the Minister of Transport and the Canadian Transport Commission and, in the case of Belgium, the Ministry of Communications or, in both cases, any other authority or person empowered to perform the functions now exercised by the said authorities.

(b) "Agreed services" means scheduled air services on the routes specified in the Annex to this Agreement for the transport of passengers, cargo and mail, separately or in combination

(c) "Agreement" means this Agreement, the Annex attached thereto, and any modifications to the Agreement or to the Annex.

(d) "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 of the Convention unde: Articles 90 and 94 thereof so far as those Annexes and amendments have been ϵ .dopted by both Contracting Parties.

(e) "Designated airline" means an airline which has been designated and authorized in accordance with Articles 3 and 4 of this Agreement.

¹ Came into force on 13 May 1986 by signature, in accordance with article 23.

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.

³ Ibid., vol. 53, p. 221.

⁴ Ibid., vol. 260, p. 435.

⁵ Ibid., vol. 1423, No. A-782.

(f) "Tariffs" means the prices to be paid for the carriage of passengers, baggage and cargo and the conditions under which those prices apply, including prices and conditions for other services performed by the carrier in connection with air transportation, but excluding remuneration and conditions for the carriage of mail.

(g) "Territory", "Air Service", "International Air Service", "Airline" and "Stop for non-traffic purposes" have the meaning respectively assigned to them in Articles 2 and 96 of the Convention.

(h) "Change of gauge" means the operation of one of the agreed services by a designated airline in such a way that one section of the route is flown by aircraft different in capacity from those used on another section.

Article 2. GRANT OF RIGHTS

1. Each Contracting Party grants to the other Contracting Party except as otherwise specified in the Annex the following rights for the conduct of international air services by the airline designated by the other Contracting Party:

- (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 for the purpose of taking up and discharging, while operating the routes specified in the Annex, international traffic in passengers, cargo and mail, separately or in combination.

2. Nothing in paragraph 1 of this Article shall be deemed to confer on a designated airline of one Contracting Party the privilege of taking up, in the territory of the other Contracting Party, passengers, cargo and mail carried for remuneration or hire and destined for another point in the territory of that other Contracting Party.

Article 3. DESIGNATION OF AIRLINE

Each Contracting Party shall have the right to designate, by diplomatic note, to the other Contracting Party, an airline to operate the agreed services on the routes specified in the Annex for such a Contracting Party and to substitute another airline for that previously designated.

Article 4. AUTHORIZATION OF SERVICES

1. Following receipt of a notice of designation or of substitution pursuant to Article 3 of this Agreement, the aeronautical authorities of the other Contracting Party shall, consistent with its laws and regulations, grant without delay to the airline so designated the appropriate authorizations to operate the agreed services for which that airline has been designated.

2. Upon receipt of such authorizations the airline may begin at any time to operate the agreed services, in whole or in part, provided that the airline complies with the applicable provisions of this Agreement and that tariffs are established in accordance with the provisions of Article 13 of this Agreement.

Article 5. REVOCATION OR SUSPENSION OF OPERATING AUTHORIZATION

1. The aeronautical authorities of each Contracting Party shall have the right to withhold the authorizations referred to in Article 4 with respect to an airline designated or an airline substituted by the other Contracting Party, to revoke or suspend such authorizations or impose conditions, temporarily or permanently: 1986

- (a) In the event of failure by such airline to satisfy them that it is qualified to fulfill the conditions prescribed under the laws and regulations normally and reasonably applied to the operation of international air service by these authorities in conformity with the Convention;
- (b) In the event of failure by such airline to operate in accordance with the conditions prescribed under this Agreement;
- (c) In the event of failure by such airline to comply with the laws and regulations of that Contracting Party;
- (d) In the event that they are not satisfied that substantial ownership and effective control of the airline are vested in the Contracting Party designating the airline or in its nationals.

2. Unless immediate action is essential to prevent infringement of the laws and regulations referred to above, the rights enumerated in paragraph 1 of this Article shall be exercised only after consultations with the aeronautical authorities of the other Contracting Party in conformity with Article 17 of this Agreement.

Article 6. APPLICATION OF LAWS AND REGULATIONS

1. The laws, regulations of one Contracting Party relating to the admission to, remaining in, or departure from its territory of aircraft engaged in international air navigation or to the operation and navigation of such aircraft shall be complied with by the designated airline of the other Contracting Party upon entrance into, departure from and while within the said territory.

2. The laws and regulations of one Contracting Party respecting entry, clearance, transit, immigration, passports, customs and quarantine shall be complied with by the designated airline of the other Contracting Party and by or on behalf of its crews, passengers, cargo and mail upon transit of, admission to, departure from and while within the territory of such a Contracting Party. Passengers in transit across the territory of either Contracting Party shall be subject to no more than a simplified control.

3. Neither of the Contracting Parties shall give preference to its own or any other airline engaged in similar international air services of the other Contracting Party in the application of its customs, immigration, quarantine and similar regulations or in the use of airports, airways, air traffic services and associated facilities under its control.

Article 7. CERTIFICATES AND LICENCES

1. Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one Contracting Party and still in force, shall be recognized as valid by the other Contracting Party for the purpose of operating the agreed services on the routes specified in the Annex, provided that such certificates or licences were issued or rendered valid pursuant to, and in conformity with, the standards established under the Convention.

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

2. If the certificates or licences referred to in paragraph 1 of this Article were issued or rendered valid according to requirements different from the standards established under the Convention, and if such difference has been filed with the Inter-

national Civil Aviation Organization, the aeronautical authorities of the other Contracting Party may request consultations in accordance with Article 17 of this Agreement with a view to satisfying themselves that the requirements in question are acceptable to them. Failure to reach a satisfactory agreement in matters regarding flight safety will constitute grounds for the application of Article 5 of this Agreement.

Article 8. AVIATION SECURITY

1. Each Contracting Party agrees to observe the security provisions required by the other Contracting Party for entry into the territory of the other Contracting Party and to take adequate measures to inspect passengers and their carry-on items.

2. The Contracting Parties shall act in conformity with the provisions of the Convention on Offences 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

3. The Contracting Parties shall also act consistently with applicable aviation security provisions established by the International Civil Aviation Organization.

4. Should a Contracting Party depart from the provisions of paragraphs 2 and 3 above the other Contracting Party may request consultations.

Failure to reach a satisfactory agreement will constitute grounds for the application of Article 5 of this Agreement.

5. The Contracting Parties agree to provide aid to each other as necessary with a view to preventing unlawful seizure of aircraft and other unlawful acts against the safety of aircraft, airports and air navigation facilities and any other threat to aviation security.

Each Contracting Party shall give sympathetic consideration to any request from the other Contracting Party for special security measures for its aircraft or passengers to meet a particular threat.

6. When an incident, or threat of an incident, of unlawful seizure of aircraft or other unlawful acts against the safety of aircraft, airports and air navigation facilities occurs, the Contracting Parties shall assist each other by facilitating communications intended to terminate rapidly and safely such incident or threat thereof.

Article 9. USER CHARGES

1. The charges imposed in the territory of one Contracting Party on the designated airline of the other Contracting Party for the use of airports and other aviation facilities by the aircraft of the designated airline of the other Contracting Party shall not be higher than those imposed on a national airline of the first Contracting Party engaged in similar international services.

2. Each Contracting Party shall encourage consultations between its competent charging authorities and the designated airline using the facilities and services, where practicable, through the airlines' representative organizations. Reasonable

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

² Ibid., vol. 860, p. 105.

³ Ibid., vol. 974, p. 177, and vol. 1217, p. 404 (corrigendum to vol. 974).

1986

notice should be given of any proposals for changes in user charges to enable them to express their views before changes are made.

Article 10. CUSTOMS AND EXCISE

1. Each Contracting Party shall on a basis of reciprocity exempt the designated airline of the other Contracting Party to the fullest extent possible under its national law from import restrictions, customs duties, excise taxes, inspection fees and other national duties and charges on aircraft, fuel, lubricating oils, consumable technical supplies, spare parts including engines, regular aircraft equipment, ground equipment, aircraft stores (including liquor, tobacco and other products destined for sale to passengers in limited quantities during the flight) and other items intended for use or used solely in connection with the operation or servicing of aircraft of the designated airline of such other Contracting Party operating the agreed services, as well as printed ticket stock, airway bills, any printed material which bears the insignia of the company printed thereon and usual publicity material distributed without charge by that designated airline.

2. The exemptions granted by this Article shall apply to the items referred to in paragraph 1 of this Article, whether or not such items are used or consumed wholly within the territory of the Contracting Party granting the exemption, provided such items are:

- (a) Introduced into the territory of one Contracting Party by or on behalf of the designated airline of the other Contracting Party, but not alienated in the territory of the said Contracting Party;
- (b) Retained on board aircraft of the designated airline of one Contracting Party upon arriving in or leaving the territory of the other Contracting Party;
- (c) Taken on board aircraft of the designated airline of one Contracting Party in the territory of the other Contracting Party and intended for use in operating the agreed services.

3. The regular airborne equipment, the ground equipment, as well as the materials and supplies normally retained on board the aircraft of the designated airline of either Contracting Party, may be unloaded in the territory of the other Contracting Party only with the approval of the Customs authorities of that territory. In such case, they may be placed under the supervision of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with Customs regulations.

4. Baggage and cargo in direct transit shall be exempt from customs duties and other taxes.

5. The exemptions provided for by this Article shall also be available where the designated airline of one Party has contracted with another airline, which similarly enjoys such exemptions from the other Contracting Party, for the loan or transfer in the territory of the other Contracting Party of the items specified in paragraph 1 of this Article.

Article 11. CAPACITY

1. There shall be fair and equal opportunity for the designated airline of each Contracting Party to operate the agreed services between and beyond their respective territories on the routes specified in the Annex to this Agreement. 2. In operating the agreed services, the designated airline of each Contracting Party shall take into account the interest of the designated airline of the other Contracting Party so as not to affect unduly the services which the latter provides on the whole or part of the same route.

3. The agreed services provided by the designated airlines of the Contracting Parties shall bear reasonable relationship to the requirements of the public for transportation on the specified routes and shall have as their primary objective the provision, at a reasonable load factor, of capacity adequate to meet the current and reasonably anticipated requirements for the carriage of passengers, cargo and mail between the territory of the Contracting Party which has designated the airline and the countries of ultimate destination of the traffic.

4. Provision for the carriage of passengers, cargo and mail both taken up and discharged at points on the specified routes in the territories of States other than that designating the airline shall be made in accordance with the general principle that capacity shall be related to:

- (a) Traffic requirements to and from the territory of the Contracting Party which has designated the airline;
- (b) Traffic requirements of the area through which the airline passes after taking account of other transport services established by airlines of the States comprising the area; and
- (c) The requirements of through airline operation.

Article 12. CHANGE OF GAUGE

The designated airline of one Contracting Party may make a change of gauge in the territory of the other Contracting Party on the following conditions:

- (a) That the substitution is justified by reasons of economy of operation;
- (b) That the aircraft operating on the sector more distant from the territory of the Contracting Party designating the airline shall operate only in connection with the aircraft on the nearer sector and shall be scheduled so to do; the former shall arrive at the point of change for the purpose of carrying traffic transferred from or to be transferred into the latter, and the capacity shall be determined with primary reference to this purpose;
- (c) That the airline shall not hold itself out to the public by advertisement or otherwise as providing a service which originates at the point where the change of aircraft is made, unless otherwise permitted by the Annex to this Agreement;
- (d) That in connection with any one aircraft flight into the territory of the other Contracting Party in which the change of aircraft is made, only one flight may be made out of that territory unless authorized by the aeronautical authorities of the other Contracting Party to operate more than one flight.

Article 13. TARIFFS

1. The tariffs for carriage on agreed services to and from the territory of the other Contracting Party shall be established at reasonable levels, due regard being paid to all relevant factors including cost of operation, reasonable profit, characteristics of service, the interest of users and, where it is deemed suitable, the tariffs of other airlines operating over all or part of the same route.

2. The tariffs shall, if possible, be agreed upon between the designated airlines of the Contracting Parties; such agreement shall be reached, whenever possible,

through the international tariff coordination mechanism of the International Air Transport Association.

Each designated airline shall be responsible only to its own aeronautical authorities for the justification and reasonableness of the tariffs so agreed.

The tariffs shall be submitted to and received by the aeronautical authorities of the Contracting Parties at least forty-five (45) days before the proposed date of their introduction; in special cases, a shorter period may be accepted by the aeronautical authorities.

If within thirty (30) days from the date of receipt, the aeronautical authorities of one Contracting Party have not notified the aeronautical authorities of the other Contracting Party that they are dissatisfied with the tariff submitted to them, such tariff shall be considered to be acceptable and shall come into effect on the date stated in the proposed tariff.

In the event that a shorter period for the submission of a tariff is accepted by the aeronautical authorities, they may also agree that the period for giving notice of dissatisfaction be less than thirty (30) days.

If a tariff cannot be established in accordance with the provisions of para-4. graph 2 of this Article, or if a notice of dissatisfaction has been filed in accordance with paragraph 3 of this Article, the aeronautical authorities of the Contracting Parties shall hold consultations in accordance with Article 17 of this Agreement and endeavour to determine the tariff by agreement between themselves.

If the aeronautical authorities cannot agree on any tariff submitted to them 5. under paragraph 3 of this Article or on the determination of any tariff under paragraph 4 of this Article, the dispute shall be settled in accordance with the provisions of Article 19 of this Agreement.

If the aeronautical authorities of one of the Contracting Parties become dissatisfied with an established tariff, they shall so notify the aeronautical authorities of the other Contracting Party and the designated airlines shall attempt, where required, to reach an agreement.

If within the period of ninety (90) days from the date of receipt of a notice of dissatisfaction, a new tariff cannot be established in accordance with the provisions of paragraphs 2 and 3 of this Article, the procedures as set out in paragraphs 4 and 5 of this Article shall apply.

7. When tariffs have been established in accordance with the provisions of this Article, those tariffs shall remain in force until new tariffs have been established in accordance with the provisions of this Article or Article 19 of this Agreement.

8. No tariff shall come into force if the aeronautical authorities of either Contracting Party are cissatisfied with it except under the provision of paragraph 4 of Article 19 of this Agreement.

The aeronautical authorities of both Contracting Parties shall endeavour to ensure that the tariffs charged and collected conform to the tariffs approved by them and are not subject to rebates.

10. Without prejudice to the application of the provisions of the preceding paragraphs of this Article, the designated airlines shall be allowed to match, on sectors of the agreed services on which they exercise fifth freedom traffic rights, tariffs applied by the third and fourth freedom airlines on the same sectors. The prices applied by the fifth freedom airlines shall not be lower and the tariff conditions shall not be less restrictive than those [of] the said third and fourth freedom airlines.

215

Article 14. STAFF REQUIREMENTS

1. The designated airline of one Contracting Party shall be allowed, on the basis of reciprocity, to maintain in the territory of the other Contracting Party its representatives and commercial, operational and technical staff as required in connection with the operation of the agreed services.

2. These staff requirements may, at the option of the designated airline, be satisfied by its own personnel or by using the services of any other organization, company or airline operating in the territory of the other Contracting Party and authorized to perform such services in the territory of that Contracting Party.

3. The representatives and staff shall be subject to the laws and regulations in force of the other Contracting Party. Consistent with such laws and regulations, each Contracting Party shall, on the basis of reciprocity and with the minimum of delay, grant the necessary work permits, employment visas or other similar documents to the representatives and staff referred to in paragraph 1 of this Article.

4. To the extent permitted under national law, both Contracting Parties shall dispense with the requirement of work permits or employment visas or other similar documents for personnel performing certain temporary services and duties.

Article 15. SALES AND REVENUES

1. Each designated airline shall be granted the right to engage in the sale of air transportation in the territory of the other Contracting Party directly and, at its discretion, through its agents.

Each designated airline shall have the right to sell transportation in the currency of that territory or, at its discretion, in freely convertible currencies of other countries.

Any person shall be free to purchase such transportation in currencies accepted for sale by that airline.

2. Each Contracting Party grants to the designated airline of the other Contracting Party the right of free transfer of the excess of receipts over expenditures earned by the designated airline in the territory of the other Contracting Party. Such transfers shall be effected on the basis of the official exchange rates for current payments, or where there are no official exchange rates, at the prevailing foreign exchange market rates for current payments, applicable on the day of the introduction of the request for transfer by the airline designated by the other Contracting Party and shall not be subject to any charges except normal service charges collected by banks for such transactions.

3. Income or profits from the operation of aircraft in international traffic derived by an airline, which for purposes of income taxation is a resident of a Contracting Party, shall be exempt, on the basis of reciprocity, from any income tax and all other taxes on profits imposed by the Government of the other Contracting Party.

This provision shall not have effect as long as a Convention for the avoidance of double taxation with respect to taxes on income providing for a similar exemption shall be in force between the two Contracting Parties.

Article 16. STATISTICS

The aeronautical authorities of each Contracting Party shall provide or shall cause their designated airline to provide the aeronautical authorities of the other Contracting Party, upon request, and in a format agreed upon by these authorities,

1986

periodic or other statements of statistics as may be reasonably required for the purpose of reviewing the operation of the agreed services.

Article 17. CONSULTATIONS

1. The aeronautical authorities of the Contracting Parties shall consult each other from time to time with a view to ensuring close cooperation in all matters affecting the implementation of, and satisfactory compliance with, the provisions of this Agreement and of its Annex.

2. Such consultations shall begin within a period of sixty (60) days of the date of receipt of such a request, unless otherwise agreed by the Contracting Parties.

Article 18. APPLICABILITY TO CHARTER FLIGHTS

1. The provisions set out in Articles 6, 7, 8, 9, 10, 14, 15, 16 and 17 of this Agreement shall be applicable also to charter flights operated by an air carrier of one Contracting Party into or from the territory of the other Contracting Party and to the air carrier operating such flights.

2. The provisions of paragraph 1 of this Article shall not affect national laws and regulations governing the right of air carriers to operate charter flights or the conduct of air carriers or other parties involved in the organization of such operations.

Article 19. SETTLEMENT OF DISPUTES

1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall in the first place endeavour to settle it by negotiation.

2. 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, or either Contracting Party may submit the dispute for decision to a Tribunal of three arbitrators.

3. The arbitral tribunal shall be constituted as follows:

Each of the Contracting Parties shall nominate an arbitrator within a period of sixty (60) days from the date of receipt, through diplomatic channels, of a request for arbitration. These two arbitrators shall by agreement appoint a third arbitrator within a further period of sixty (60) days. The third arbitrator shall be a national of a third State, shall act as President of the Tribunal and shall determine the place where arbitration will be held.

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 Organization may be requested by either Cortracting Party to appoint an arbitrator or arbitrators as the case requires.

4. The Contracting Parties undertake to comply with any decision or award given under paragraphs 2 and 3 of this Article.

If either Contracting Party fails to comply with such decision, the other Contracting Party shall have grounds for the application of Article 5 of this Agreement.

5. The expenses of the Arbitral Tribunal shall be shared equally between the Contracting Parties.

Article 20. MODIFICATIONS

1. If either of the Contracting Parties considers it desirable to modify any provision of this Agreement, it may request consultations with the other Contracting Party. Such consultations, which may be between aeronautical authorities and which may be through discussion or by correspondence, shall begin within a period of sixty (60) days from the date of the request.

2. If a general multilateral air convention comes into force in respect of both Contracting Parties, the provisions of such convention shall prevail. Consultations in accordance with paragraph 1 of this Article may be held with a view to determining the extent to which this Agreement is affected by the provisions of the multilateral convention.

3. Any modification agreed pursuant to such consultations shall come into force when it has been confirmed by an exchange of diplomatic notes.

Article 21. TERMINATION

1. Either Contracting Party may at any time give notice in writing through diplomatic channels to the other Contracting Party of its decision to terminate this Agreement.

Such notice shall be communicated simultaneously to the International Civil Aviation Organization.

2. The Agreement shall terminate one (1) year after the date of receipt of the notice by the other Contracting Party, unless the notice to terminate is withdrawn by mutual consent before the expiry of this period.

In the absence of acknowledgement of receipt by the other Contracting Party, the notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization.

Article 22. REGISTRATION

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

Article 23. ENTRY INTO FORCE

This Agreement shall enter into force on the date of signature. It shall as of that date replace the Agreement between Canada and Belgium for air services, signed at Ottawa, August 30, 1949, as amended.

Article 24. TITLES

Titles of articles used in this Agreement are for reference purposes only.

EN FOI DE QUOI, les soussignés, dûment autorisés à cet effet par leurs Gouvernements respectifs, ont signé le présent Accord.

FAIT en deux exemplaires à Bruxelles le 13^e jour de mai 1986, en français, en néerlandais et en anglais, chaque version faisant également foi.

TEN BLIJKE WAARVAN de ondergetekenden, daartoe behoorlijk gemachtigd door hun onderscheiden Regeringen, dit Akkoord hebben ondertekend.

GEDAAN te Brussel, de 13 de mei 1986, in twee exemplaren in de Nederlandse, de Franse en de Engelse taal, zijnde de drie teksten gelijkelijk authentiek.

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

DONE in duplicate at Brussels on this 13th day of May 1986 in the English, French and Dutch languages, each version being equally authentic.

Pour le Gouvernement de la Belgique :

1986

Voor de Regering van Belgis:

For the Government of Belgium: [Signed – Signé]

Léo Tindemans

Pour le Gouvernement du Canada :

> Voor de Regering van Canada:

For the Government of Canada:

[Signed – Signé] Maxwell F. Yalden

ANNEX

Schedule of routes

Section I

1. Specified routes

The following routes may be operated in each direction by the designated airline of Belgium.

Points	Intermediate	Points	Points
of departure	points	in Canada	beyond
Any point or points in Belgium	Any point or points to be named by Belgium	Montreal and/or Toronto	Any point or points in the USA to be named by Belgium

2. Agreed services

In the operation of agreed services on specified routes:

(a) Intermediate points and points beyond may be changed each IATA period on sixty days' notice to the aeronautical authorities of Canada.

(b) Any or all the intermediate points and points beyond may, at the option of the designated airline, be omitted on any or all flights provided that the point of departure or arrival is in Belgium.

(c) Fifth freedom traffic rights shall not be available on services to and from Canada except beyond Montreal to and from two points in the USA located east of and including Chicago and north of and including Washington, D.C. Fifth freedom traffic rights at Montreal shall not be available on all-cargo flights serving Chicago, Detroit and New York.

(d) Intransit traffic may be carried on flights coming from or destined for intermediate and/or beyond points.

(e) Only one intermediate point selected in the USA shall be served on flights which include service at Toronto. The same USA point shall be available on service beyond Toronto to the USA. No other point shall be served beyond Toronto.

(f) Service to Toronto shall be subject to the special conditions related to exemptions from the moratorium on access of new foreign carriers to Lester B. Pearson International Airport as set out in the Aide-Mémoire "Access to Toronto International Airport by Foreign Carriers" issued by the Department of External Affairs of Canada on July 20, 1983.

(g) The frequency of passenger-combination flights serving Toronto shall not exceed three per week in each direction. Increases in frequency/capacity at Toronto may be agreed between the designated air ines serving Toronto or between the aeronautical authorities. The said designated airlines are encouraged to cooperate on commercial matters with a view to providing an increased variety of service options to the public and more efficient and effective use of airline resources.

ANNEX

SCHEDULE OF ROUTES

Section II

1. Specified routes

The following routes may be operated in each direction by the designated airline of Canada.

Points of departure Any point or points in Canada	Intermediate points Any point or points to be named by Canada	Points in Belgium Brussels and/or one other point to be named by Canada	Points beyond Any point or points to be named by Canada and beyond to Canada
		named by Canada	beyond to Canada

2. Agreed services

In the operation of agreed services on the specified routes:

(a) Intermediate points and points beyond may be changed each IATA period on sixty days' notice to the aeronautical authorities of Belgium.

(b) Any or all the intermediate and beyond points may, at the option of the designated airline, be omitted on any or all flights provided that the point of departure or arrival is in Canada.

(c) With respect to intermediate and beyond points, passenger-combination services at Singapore, Tel-Aviv and Kinshasa are excluded. All-cargo services to Africa south of Sahara are excluded.

(d) The right to change gauge at London shall be limited to three frequencies weekly in each direction.

MEMORANDUM OF UNDERSTANDING

In the context of the negotiation of a new Air Transport Agreement, the Belgian and Canadian delegations have agreed as follows:

Notwithstanding Article 3 of the Agreement, Canada may designate a second airline to operate passenger-combination services between Montreal and Brussels.

Should Canada designate a second airline to operate passenger-combination services between Montreal and Brussels, tariffs on this section of the route shall be permitted to come into effect as unilaterally proposed by the airline designated to operate such services unless the aeronautical authorities of both Contracting Parties agree otherwise. This tariff provision does not apply to flights which include service at Toronto.

In all other respects, Article 13 remains applicable.

This Memorandum of Understanding shall form part of the Agreement on Air Transport between the Government of Belgium and the Government of Canada signed at Brussels on this 13th day of May 1986.

For the Government of Belgium:	For the Government of Canada:
[Signé]	[Signé]
Leo Tindemans	Maxwell F. Yalden

226