No. 26545

FRANCE and CHILE

Agreement relating to air services between and beyond their respective territories (with routes schedule). Signed at Paris on 6 December 1979

Authentic texts: French and Spanish. Registered by France on 1 May 1989.

FRANCE et CHILI

Accord relatif aux services aériens entre leurs territoires respectifs et au-delà de ceux-ci (avec tableau de routes). Signé à Paris le 6 décembre 1979

Textes authentiques : français et espagnol. Enregistré par la France le 1^{er} mai 1989.

[Translation — Traduction]

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FRENCH REPUBLIC AND THE GOVERNMENT OF THE REPUBLIC OF CHILE RELATING TO AIR SERVICES BETWEEN AND BEYOND THEIR RESPECTIVE TERRITORIES

The Government of the French Republic and the Government of the Republic of Chile,

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

Desiring to conclude a supplementary agreement to that Convention for the purpose of establishing air services between and beyond their respective territories,

Have agreed as follows:

Article 1. DEFINITIONS

For the purposes of this Agreement, except where otherwise stated:

- 1. 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 or amendment adopted under articles 90 and 94 thereof provided these annexes and amendments have come into force or been ratified by both Contracting Parties;
- 2. The term "aeronautical authorities" means, in the case of France, the Secretariat-General of Civil Aviation (Direction générale de l'Aviation Civile) and, in the case of the Republic of Chile, the Civil Aeronautics Council (Junta de l'Aéronautique Civile) or any person or body authorized by either Contracting Party to perform any of the functions currently exercised by the Secretariat-General of Civil Aviation or by the Civil Aeronautics Council;
- 3. The term "designated airline" means an airline which has been designated and authorized in accordance with article 4 of this Agreement;
- 4. The term "territory" has the meaning assigned to it in article 2 of the Convention;
- 5. 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;
- 6. The term "fares" means the prices paid for the carriage of passengers and cargo as well as the conditions under which those prices apply, including the prices, commissions and conditions for agency services and other auxiliary services, but excluding remuneration and conditions for the carriage of mail; and

² United Nations, *Treaty Series*, vol. 15, p. 295. For the texts of the Protocols amending this Convention, see vol. 320, p. 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.

¹ Came into force on 22 June 1982, the date of the last of the notifications (effected on 28 February 1980 and 22 June 1982) by which the Parties informed each other of the completion of the required constitutional procedures, in accordance with article 20 (1).

7. The term "annex" means the annex to this Agreement or any other amended annex in accordance with the provisions of article 15 of this Agreement.

Article 2. Applicability of the Chicago Convention

The provisions of this Agreement shall be governed by the provisions of the Convention in so far as those provisions are applicable to international air services.

Article 3. Grant of rights

- 1. Each Contracting Party shall grant to the other Contracting Party the following rights in respect of its scheduled international air services:
- The right to fly over its territory without landing;
- The right to make stops in its territory for non-traffic purposes.
- 2. Each Contracting Party shall grant to the other Contracting Party the rights specified in this Agreement for the purpose of establishing scheduled international air services on the routes specified in the appropriate section of the schedule of routes annexed to this Agreement. Such services and routes are hereinafter called "the agreed services" and the "specified routes" respectively. For purposes of operating an agreed service on a specified route the airline or airlines designated by each Contracting Party shall enjoy, in addition to the rights specified in paragraph 1 of this article, the right to make stops in the territory of the other Contracting Party at the points specified for that route in the Schedule annexed to this Agreement for the purpose of boarding and discharging passengers and taking on cargo or mail on mixed services or cargo or mail on all-cargo services.
- 3. Nothing in paragraph 2 of this article shall be deemed to entitle the airline or airlines of one Contracting Party to take on board, for hire or reward in the territory of the other Contracting Party, passengers, cargo and mail destined for another point in the territory of the other Contracting Party.
- 4. The provisions of paragraphs 1 and 2 of this article shall apply to all types of subsonic and supersonic aircraft, depending on the technical requirements of the air infrastructure of each Contracting Party.
- 5. For the application of the provisions of paragraph 2 of this article, each Contracting Party has the right to specify which routes should be followed on its territory and which airports must be used by the airlines designated by the other Contracting Party.

Article 4. Designation of airlines

- 1. Each Contracting Party shall have the right to designate in writing, for the information of the other Contracting Party, one or more airlines for the purpose of operating the agreed services on the specified routes.
- 2. On receipt of such notification and subject to the provisions of paragraphs 3 and 4 of this article, the aeronautical authorities of the other Contracting Party shall without delay grant the airline or airlines designated in accordance with paragraph 1 of this article the necessary operating permits.
- 3. The aeronautical authorities of either Contracting Party may require an airline designated by the other Contracting Party to prove that it can satisfy the conditions prescribed by the laws and regulations normally applied to the operation

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of international air services by such authorities in conformity with the provisions of the Convention.

- 4. Each Contracting Party shall have the right to reject the airline designated in pursuance of paragraph 2 of this article, or to impose such restrictions as it may deem necessary on the exercise by the designated airline or airlines of the rights specified in article 3 of this Agreement where it is not satisfied that the airline has the nationality of the Contracting Party which designated it in accordance with the respective national legislation.
- 5. Once an airline has been so designated and authorized, it may begin to operate the agreed services at any time, subject to the provisions of articles 9 and 14 of this Agreement.

Article 5. REVOCATION OR SUSPENSION OF OPERATING PERMITS

- 1. Each Contracting Party shall have the right to revoke an operating permit or to suspend the exercise of the rights specified in this Agreement by an airline or airlines designated by the other Contracting Party, or to impose such restrictions as it may deem necessary on the exercise of these rights
- (a) In any case where it is not satisfied that the airline has the nationality of the Contracting Party which designated it in accordance with its national legislation;
- (b) In case of failure by the airline to comply with the laws or regulations in force on the territory of the Contracting Party which granted those rights; or
- (c) In case the airline does not operate the services under the conditions prescribed in this Agreement.
- 2. Unless the immediate revocation, suspension or imposition of the restrictions mentioned in paragraph 1 of this article is imperative to prevent further infringements of laws and regulations of the provisions of this Agreement, that right shall be exercised only after consultations with the other Contracting Party.

Article 6. RESPECT FOR LAWS, REGULATIONS AND PROCEDURES

- 1. The laws, regulations and procedures of one Contracting Party governing the arrival in or departure from its territory of aircraft engaged in international air traffic, or the operation and piloting of those aircraft, shall be applied to aircraft of the designated airline or airlines of the other Contracting Party and shall be complied with by such aircraft upon their arrival, departure or stay in the territory of the first Contracting Party.
- 2. The laws and regulations of one Contracting Party relating to the formalities for entry, clearance, transit, immigration, customs and quarantine shall apply to passengers, crew, cargo and mail carried by the aircraft of the designated airline or airlines of the other Contracting Party while it remains in the territory of the first Contracting Party.
- 3. The above-mentioned laws and regulations shall be the same as those applied to national aircraft providing similar international services.

Article 7. RECOGNITION OF CERTIFICATES AND LICENCES

1. Certificates of airworthiness, certificates of competency and licences issued or validated by the State of registration of the aircraft used by each Con-

tracting Party shall be recognized as valid by the other Contracting Party during their period of validity.

2. Each Contracting Party reserves the right not to recognize as valid for purposes of flight in or over its own territory, certificates of airworthiness, certificates of competency and licences issued or conferred on its own nationals by the other Contracting Party or by another State.

Article 8. Principles governing the operation of agreed services

- 1. The designated airlines of the Contracting Parties shall enjoy fair treatment and equal access opportunities in operating the agreed services on the specified routes between their respective territories.
- 2. In operating the agreed services, the airline or airlines designated by each Contracting Party shall take into account the interests of the airline or airlines of the other Contracting Party so as not to affect unduly the services which the latter provides or provide on all or some of the same routes.
- 3. The agreed services provided by the airlines designated by the Contracting Parties shall be geared to consumer demand for transportation on the specified routes and shall have as their primary objective the provision, at a reasonable load factor, of sufficient capacity to satisfy current and foreseeable requirements for the carriage of passengers, cargo and mail from or to the territory of the Contracting Party which has designated the airline or airlines. With regard to the carriage of passengers, cargo or mail to be loaded or unloaded at points on the specified routes in the territories of States other than those which have designated the airlines, arrangements shall be made in accordance with the following general criteria governing capacity:
- Traffic requirements to and from the territory of the Contracting Party which has designated the airline or airlines,
- Traffic requirements of the regional area covered by the agreed services, bearing in mind any other air transport services provided by airlines of the States comprising the regional area, and
- The requirements for operating through service.
- 4. Additional capacity if necessary may be supplied by the airline or airlines designated by one Contracting Party over and above that referred to in paragraph 3 of this article whenever the traffic requirements between the countries served by the airlines on the specified routes so warrant, and shall be submitted for the approval of the aeronautical authorities of the other Contracting Party.

Article 9. FARES

- 1. The fares to be charged by the designated airline or airlines of one Contracting Party for the carriage of passengers, cargo and mail to or from the territory of the other Contracting Party shall be established at reasonable levels, with due regard to all relevant factors including operating costs and reasonable profit, as well as the fares charged by other airlines.
- 2. Each Contracting Party may require that the establishment of fares be regulated as follows:
- (a) The fares referred to in paragraph 1 of this article shall, if possible, be agreed by the airlines of both Contracting Parties after consultation with other

airlines operating over all or some of the same routes. Such agreement shall, where possible, be reached by applying the rate-fixing procedures of the International Air Transport Association.

- (b) The fares so agreed, as well as any other fares, shall be submitted for the approval of the aeronautical authorities of both Contracting Parties at least ninety (90) days before the proposed date on which they go into effect. In special cases, this period may be shortened by agreement of those authorities.
- (c) This approval may be given expressly or, if the aeronautical authorities of neither Contracting Party have expressed their disapproval within thirty (30) days from the date of submission in accordance with paragraph 2 (b) of this article, these fares shall be regarded as approved. In the event that the period for submission was shortened, as provided for in paragraph 2 (b), the aeronautical authorities may agree to set a period of less than thirty (30) days within which disapproval must be notified.
- 3. If fares cannot be agreed upon in accordance with paragraph 2 (a) of this article, or if during the period applicable under paragraph 2 (c) of this article the aeronautical authorities of either Contracting Party notify the aeronautical authorities of the other Contracting Party their disapproval of the fares agreed upon under paragraph 2 of this article, the aeronautical authorities of the two Contracting Parties shall endeavour to determine the fares by mutual agreement.
- 4. If the aeronautical authorities of the two Contracting Parties cannot agree to approve the fares submitted to them under paragraph 2 (c) of this article, or to determine the fares in accordance with paragraph 3 of this article, the dispute shall be settled in accordance with the provisions of article 15 of this Agreement.
- 5. The fares established in accordance with the provisions of this Article shall remain in effect until new fares have been established. However, nothing in this paragraph shall authorize that they remain in effect more than twelve (12) months after the date on which they were to have expired.

Article 10. Exemption from charges on equipment, fuel, lubricants, stores, etc.

- 1. Aircraft used in international traffic by the designated airlines of one Contracting Party, together with their regular equipment, supplies of fuel and lubricants, and stores (including food, beverages and tobacco), shall be exempt from all customs duties, inspection fees and other duties or charges on arriving in the territory of the other Contracting Party, provided such equipment and supplies remain on board the aircraft until such time as they are re-exported or used on the part of the flight path that lies over that territory.
- 2. The following shall also be exempt from those duties and charges, except for taxes or charges for services rendered:
- (a) Aircraft stores taken on board in the territory of either Contracting Party within the limits fixed by that Party's customs authorities for use on board outbound aircraft of the other Contracting Party providing international service;
- (b) Spare parts imported into the territory of either Contracting Party for the maintenance or repair of aircraft used in international air navigation by the designated airlines of the other Contracting Party;

(c) Fuel and lubricants provided to an aircraft of the designated airline of either Contracting Party engaged in international air transport over the territory of the other Contracting Party and used for a return flight up to the time that the flight is completed and for an outbound flight from the time the flight begins, or for a transit flight, notwithstanding that during those flights the aircraft may make intermediate landings on that territory.

The materials and supplies referred to in paragraphs (a), (b) and (c) above may be placed in the care or custody of the customs authorities.

3. Regular aircraft equipment and materials and supplies on board aircraft of one Contracting Party may not be unloaded in the territory of the other Contracting Party save with the consent of the customs authorities of that territory. In that event, they may be placed in the custody of those authorities until they are re-exported or otherwise disposed of in accordance with customs regulations.

Article 11. Transfer of revenue

Each Contracting Party shall grant to the designated airline or airlines of the other Contracting Party the right to free transfer to its head office of the unspent balances of revenue over expenditure earned by that airline in the territory of the first Contracting Party.

However, such transfers shall be effected in accordance with the laws regulating international exchange transactions and the regulations of the Contracting Party in whose territory the revenue was earned.

Article 12. APPROVAL OF OPERATING PROGRAMMES

- 1. The operating programmes of each Contracting Party's designated airlines must be submitted for approval to the aeronautical authorities of the other Contracting Party.
- 2. These programmes shall be issued at least thirty (30) days before the start of operations and shall include the schedules, frequency of service, types of aircraft used and their configuration as well as the fares and restrictions that apply.
- 3. Any subsequent amendment shall be submitted for approval to the aeronautical authorities of the other Contracting Party.
- 4. Approval of operating programmes may in no case restrict the operating conditions laid down in this Agreement and its annex for the designated airlines.

Article 13. AIRLINE REPRESENTATION

- 1. Each Contracting Party shall grant the right of the airline or airlines of the other Contracting Party on a basis of reciprocity, to maintain on its territory the technical, administrative and commercial services necessary for its operation.
- 2. In order to operate its services, said airline or airlines shall have the right to use its own nationals as technical, administrative and commercial personnel in conformity with the laws and regulations in force in the country in which they are employed.

Article 14. TRANSIT TRAFFIC

Passengers in transit across the territory of either Contracting Party shall be subject to very simplified control in keeping with national rules and regulations.

Baggage and goods in direct transit shall be exempt from customs duties and similar charges.

Article 15. Consultation and amendment of the Agreement

- 1. In a spirit of close cooperation, the aeronautical authorities of the Contracting Parties shall consult as necessary with a view to ensuring that the provisions of this Agreement and its annexes are applied and satisfactorily carried out. They shall also consult when necessary with a view to amending those provisions.
- 2. Each Contracting Party may request a consultation, either in person or by an exchange of letters, to begin within sixty (60) days from the date of the request, unless both Contracting Parties agree to an extension of this period.
- 3. Amendments to this Agreement accepted by both Contracting Parties shall enter into force in conformity with the procedure set forth in article 20 of this Agreement. Amendments to the annexes of this Agreement agreed to by the aeronautical authorities of both Contracting Parties shall enter into force once they have been confirmed through an exchange of diplomatic notes.

Article 16. SETTLEMENT OF DISPUTES

- 1. In the event of dispute between the Contracting Parties concerning the interpretation or application of this Agreement, the Contracting Parties shall first endeavour to settle it by direct negotiations.
- 2. If the Contracting Parties fail to reach a settlement by negotiation, they may refer the dispute for decision to some person or body. If no agreement can be reached, the dispute shall be submitted for decision at the request of either Contracting Party, to a tribunal of three arbitrators, one appointed by each Contracting Party and the third to be selected by the two who have been appointed. Each Contracting Party shall nominate an arbitrator within sixty (60) days from the date of receipt by either Contracting Party from the other of notification through diplomatic channels requesting arbitration of a 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 appoint an arbitrator within the period specified, or if the third arbitrator is not selected within the period specified, the President of the Council of the International Civil Aviation Organization may, at the request of either Contracting Party, appoint an arbitrator or arbitrators as may be required. In that case the third arbitrator shall be a national of a third State and shall act as president of the arbitral tribunal.
- 3. The Contracting Parties agree to comply with any decision rendered under paragraph 2 of this article.
- 4. In cases where either Contracting Party fails to comply with the decision rendered under paragraph 2 and as long as such non-compliance continues, the other Contracting Party may limit, suspend or revoke the exercise of the rights or privileges granted by this Agreement to the Contracting Party in default.

Article 17. COMPATIBILITY OF THE AGREEMENT WITH A MULTILATERAL CONVENTION

This Agreement and its annex shall be rendered compatible with any multilateral convention by which the two Contracting Parties may be bound.

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Article 18. TERMINATION

Each Contracting Party may at any time give notice to the other of its desire to terminate this Agreement. Such notification shall simultaneously be transmitted to the International Civil Aviation Organization. If such notice is given, this Agreement shall terminate twelve (12) months following the date of receipt of the notification by the other Contracting Party unless the notice is withdrawn by mutual agreement before the expiry of that period. 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 19. REGISTRATION OF THE AGREEMENT

This Agreement shall be transmitted to the International Civil Aviation Organization for registration.

Article 20. ENTRY INTO FORCE

- 1. Each Contracting Party shall notify the other of having complied with the constitutional procedures required for the entry into force of this Agreement, which shall take effect on the date of receipt of the last notification.
- 2. Pending completion of their respective procedures for the entry into force of the Agreement, the Contracting Parties agree to apply its provisions as of the date of signature in accordance with their respective administrative rules.

IN WITNESS WHEREOF the representatives of the Contracting Parties have signed this Agreement in duplicate, in the French and Spanish languages, at Paris on this sixth day of December 1979.

For the Government of the French Republic:

[Signed]
JEAN CLAUDE PAYE

For the Government of the Republic of Chile:

[Signed]

LEONIDAS IRARRAZAVAL

ROUTES SCHEDULE

I. French routes

- 1. South Atlantic route: Metropolitan France Dakar Rio de Janeiro Sao Paulo Montevideo or Asunción Buenos Aires Santiago de Chile and vice versa;
- 2. Central Atlantic route: Metropolitan France French Antilles Santiago de Chile via two intermediate points in South America and vice versa.
- 3. Pacific route: French Polynesia Easter Island Santiago de Chile via an intermediate point in South America and vice versa.

II. Chilean routes

- 1. South Atlantic route: Santiago de Chile three intermediate points in South America, to be selected from Buenos Aires, Asunción, Montevideo, Sao Paulo and Rio de Janeiro Madrid or Lisbon, Paris, and a further point in Western Europe, with the exception of points in Scandinavia and Italy, and vice versa.
- 2. Mid-Atlantic route: Santiago de Chile three intermediate points in Latin America, selected from La Paz, Lima, Quito or Guayaquil Bogotá, Caracas, a point in Central America with the exception of Mexico, or in the Caribbean with the exception of the French West Indies. Puerto Rico and Cuba Madrid Paris a further point in Western Europe with the exception of points in Scandinavia and Italy, and vice versa.
 - 3. Pacific route: Santiago de Chile, Easter Island, Papeete, Nandi.

Notes

- 1. The designated airline or airlines of either Contracting Party shall have the right not to serve one or more points on the route or routes specified on all or part of its or their services.
- 2. The designated airline or airlines of a Contracting Party shall have the right to terminate services to the territory of the other Contracting Party on the specified route or routes of its or their choice over that territory or over each of the points situated beyond it.
- 3. The designated airline or airlines of either Contracting Party shall have the right, with respect to all or part of the agreed services, to modify the order in which the points are served.