No. 32478

BRAZIL and RUSSIAN FEDERATION

Air Services Agreement (with annex). Signed at Moscow on 22 January 1993

Authentic texts: Portuguese, Russian and English. Registered by Brazil on 31 January 1996.

BRÉSIL et FÉDÉRATION DE RUSSIE

Accord relatif aux services aériens (avec annexe). Signé à Moscou le 22 janvier 1993

Textes authentiques : portugais, russe et anglais. Enregistré par le Brésil le 31 janvier 1996.

AIR SERVICES AGREEMENT¹ BETWEEN GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL AND THE GOVERNMENT OF THE RUSSIAN FEDERATION

The Government of the Federative Republic of Brazil and the Government of Russian Federation hereinafter referred to as "Contracting Parties":

being parties to the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944;²

desiring to contribute to the progress of international civil aviation;

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

have agreed as follows:

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¹ Came into force on 7 December 1995, the date specified in an exchange of notes by which the Contracting Parties informed each other that all necessary internal procedures had been completed, in accordance with article 21.

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,

Definitions |

For the purposes of this Agreement, unless the context otherwise requires:

- (a) the term "aeronautical authorities" means, in the case of the Brazil the Ministry of Aeronautics and in the case of the Russian Federation the Ministry of Transport represented by the Department of Air Transport or in both cases, any person or body authorized to perform any function presently exercised by the above-mentioned authorities;
- (b) the term "Agreement" means this Agreement, the Annex thereto, and any amendments to the Agreement or to the Annex;
- (c) the term "agreed services" means air services on the specified routes for the carriage of passengers, cargo and mail, separately or in combination;
- (d) the terms "air services", "international air services", "airline" and "stop for non-traffic purposes" have the meanings respectively assigned to them in Article 96 of the Convention;
- means (e) the term "Convention" the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944 and includes anv adopted under Article 90 of that Convention and any amendment of the Annexes or of the Convention under Articles 90 and 94 as those Annexes and amendments have become thereof, insofar effective for both Contracting Parties;
- (f) the term "designated airline" means an airline or airlines which has been designated and authorized in accordance with Article 3 of this Agreement;

- (g) the term "specified route" means one of the routes specified in the Annex to this Agreement;
- (h) the term "tariff" means one or more of the following:
- (i) the fare charged by any airline for the carriage of passengers and their baggage on air services and the charges and conditions for services ancillary to such carriage;
 - (ii) the rate charged by an airline for the carriage of cargo (excluding mail) on air services;
 - (iii) the conditions governing the availability or applicability of any such fare or rate including any benefits attaching to it; and
 - (iv) the rate of commission paid by an airline to an agent in respect—of tickets—sold or airwaybills completed by that agent for carriage on air services;
- (i) the term "territory" in relation to a State means land areas, territorial—and internal waters and air space above them under the sovereignty of that State;
- (j) the term "user charge" means a charge made to airlines for the provision of airport, air navigation or aviation security facilities and services.

Grant of Rights

(1) Each Contracting Party grants to the other Contracting Party the rights hereinafter specified in this Agreement for the purpose of operating international air services on a specified routes.

While operating an agreed services on a specified routes the designated airline(s) of each Contracting Party shall enjoy:

- (a) the right to fly without landing across the territory of the other Contracting Party;
- (b) the right to make stops in the said territory for nontraffic purposes;
- (c) the right to embark and disembark in the said territory at the points on the specified routes passengers, baggage, cargo and mail, separately or in combination, destined for or coming from points in the territory of the other Contracting Party;
- (d) the right to embark and disembark in the territories of third countries $\mathbf{a}\mathbf{t}$ the points on the specified routes and passengers, baggage. cargo mail. separately orin combination, destined for or coming from points in the territory of the other Contracting Party.
- (2) Nothing in paragraph (1) of this Article shall be deemed to confer on the designated airline of one Contracting Party the privilege of embarking, in the territory of the other Contracting Party, passengers, baggage, cargo and mail carried for remuneration or hire and destined for another point in the territory of that Contracting Party.

ARTICLE 3

Designation and Authorization

(1) Each Contracting Party shall have the right, by written notification through diplomatic channels to the other Contracting Party to designate an airline or airlines to operate the agreed services.

- (2) On receipt of such notification each Contracting Party shall without delay, grant to the airline so designated by the other Contracting Party the appropriate operating authorization subject to the provisions of this Article.
- (3) Each Contracting Party shall have the right to refuse to grant the operating authorization referred to in paragraph (2) of this Article or to grant this authorization under conditions that may be deemed necessary on the exercise by the designated airline of the rights specified in Article 2 of this Agreement, if it is not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party designating it or its nationals or in both.
- (4) The aeronautical authorities of one Contracting Party may require an airline designated by other Contracting Party to satisfy them that it is qualified to fulfil the conditions prescribed under the laws and regulations normally and reasonably applied to the operation of international air services by such authorities.
- (5) When an airline has been so designated and authorized it may begin to operate the agreed services, provided that airline complies with the applicable provisions of this Agreement.

Revocation or Suspension of Authorization

(1) The aeronautical authorities of each Contracting Party shall have the right to revoke or suspend an operating authorization for the exercise of the rights specified in Article 2 of this Agreement by an airline designated by the other Contracting Party, or to impose such conditions as it may deem necessary on the exercise of those rights:

- (a) in the event of failure by such airline to comply with the laws and regulations of that Contracting Party;
- (b) 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 the its nationals or in both; and
- (c) in case the airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement.
- (2) Unless immediate revocation or suspension of the operating authorization mentioned in paragraph (1) of this Article or imposition of the conditions therein is essential to prevent further infringements of laws or regulations, such right shall be exercised only after consultation with the other Contracting Party.

Application of Laws and Regulations

- (1) The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of aircraft engaged in international air services or to operation and navigation of such aircraft while within its territory, shall be applied to aircraft of the airline(s) designated by the other Contracting Party without distinction as to nationality, and shall be complied with by such aircraft upon entry into, departure from, or while within the territory of the first Contracting Party.
- (2) The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of passengers, crew, cargo or mail of aircraft, such as regulations relating to entry, clearance, imigration,

passports, customs and quarantine, shall be complied with by or on behalf of such passengers, crew, cargo or mail of the airline designated—by the other Contracting Party upon entry into, departure—from or while within—the—territory—of—the first Contracting Party.

(3) In the application to the designated airline of the other Contracting Party of the laws and regulations referred to in this Article, a Contracting Party shall not grant more favourable treatment to its own airline.

ARTICLE 6

Recognition of Certificates and Licences

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 specified routes provided that such certificates or licences were issued or rendered valid in conformity with standards established under the the Convention, Each Contracting Party, however, reserves the right to refuse to recognize, for flights above its own territory, certificates of competency and licences granted to its own nationals by the other Contracting Party.

Aviation Security

- (1) Consistent with their rights and obligations international law, the Contracting Parties reaffirm that their obligation to each other to protect the security of civil aviation against acts of unlawful interference forms integral part of the present Agreement. Without limiting generality of their rights and obligations under international law, the Contracting Parties shall in particular act conformity with the provisions of the Convention on Offences and Certain Other Acts Committed on Board Aircraft signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at the Hague on 16 December 1970,² the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971.3
- (2) The Contracting Parties shall provide upon request all necessary assistance to each other to prevent acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, their passengers and crew, airports and air navigation facilities, and any other threat to the security of civil aviation.
- (3) The Contracting Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by the International Civil Aviation Organization and designated as Annexes to the extent that such security provisions are applicable to the Contracting Parties; they shall require that operators of aircraft of their registry or operators of aircraft who have their principal place of

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 volume 974).

business or permanent residence in their territory and the operators of airports in their territory act in conformity with such aviation security provisions.

- (4) Each Contracting Party agree that such operators of aircraft may be required to observe the aviation security provisions referred to in paragraph (3) above required by the other Contracting Party for entry into, departure from, while within the territory of that other Contracting Party. Each Contracting Party shall ensure that adequate measures are effectively applied within its territory to protect the aircraft and to inspect passengers. crew. carry-on items, baggage, cargo and aircraft stores prior to and during boarding or loading. Each Contracting Party shall also give sympathetic consideration to any request from the other Contracting Party for reasonable special security measures meet a particular threat.
- (5) When an incident or threat of an incident of unlawful seizure of civil aircraft or other unlawful acts against the safety of such aircraft, their passengers and crew, airports or air navigation facilities occurs, the Contracting Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.

ARTICLE 8

Exemption of Duties and Taxes

(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, inspection fees and other similar national duties and charges on aircraft, fuel, lubricating oils, consumable technical supplies, spare parts

including engines, regular aircraft 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. airwaybills, insignia of the company printed material which bears the and usual publicity material printed thereon distributed without charge by the designated airline, and other equipment related to the activities of the designated airlines's representations (communications, video and audio publicity, reservation, accounting, security, automobiles and it's spare parts).

- (2) The exemptions granted by this Article shall apply to the items referred to in paragraph (1) of this Article:
- (a) introduced into the territory of one Contracting Party by or on behalf of the designated airline of the other Contracting Party;
- (b) retained on board aircraft of the designated airline of one Contracting Party upon arriving in or leaving the territory of the 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; whether or not such items are used or consumed wholly within the territory of the Contracting Party granting the exemption, provided such items are not alienated and/or sold in the territory of the said Contracting Party.
- (3) The regular airborne 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.

ARTICLE 9

Direct Transit

Passengers, baggage and cargo in direct transit across the territory of one Contracting Party and not leaving the area of the airport reserved for such purpose shall at the utmost be subject to a very simplified control. Baggage and cargo in direct transit shall be exempt from duties and taxes, customs duties included.

ARTICLE 10

Operation of Agreed Services

- (1) There shall have fair and equal opportunity for the designated airlines of the Contracting Parties to operate the agreed services on the specified routes.
- (2) In operating the agreed services the designated airline of each Contracting—Party shall take into account the interests 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 any part of the same routes.

- (3) The agreed services provided by the designated airlines of the Contracting Parties shall bear a close relationship to the requirements of the public for transportation on the specified shall have as their primary objective the routes, and provision at a reasonable load factor of capacity adequate to current and reasonably anticipated requirements for passengers and cargo. including the carriage of or. destined for the territory of the originating in Contracting Party which has designated the airline. Provision for the carriage of passengers and cargo, including mail, both taken on board and discharged at points on the specified than points in the territory of the Contracting routes other Party which designated the airline shall be made in accordance with the general principles 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 region through which the agreed service passes, taking account of local and regional air services; and
- (c) the requirements of through airline operation.
- (4) The capacity to be provided on the specified routes shall be jointly determined by the aeronautical authorities.

Tariffs

(1) The tariffs for carriage on agreed service between the territories of the Contracting Parties shall be established at reasonable levels due regard being paid to all relevant factors including—the interest of users, cost of operation,

reasonable profit, characteristics of services, and, where it is deemed suitable, the tariffs of other airlines operating on all or part of the same route.

- (2) The tariffs referred to in paragraph (1) of this Article shall be agreed upon, if possible, between the designated airlines of the Contracting Parties. Unless otherwise determined in the application of paragraph (4) of this Article, each designated airline shall be responsible only to its aeronautical authorities for iustification and reasonableness of the tariffs so agreed.
- (3) The tariffs so agreed shall be submitted for approval the aeronautical authorities of the Contracting Parties at least sixty (60) days before the proposed date of their introduction. In this time limit may be special cases. reduced, subject to the agreement of said authorities. receipt of the submission of the tariffs, the aeronautical authorities shall concede such tariffs without undue delay. No come into force if the aeronautical authorities tariff shall of either Contracting Party are dissatisfied with it. aeronautical authorities may notify the other aeronautical authorities of an extension of the proposed date of tariff introduction.
- (4) If a tariff cannot be established in accordance with the provisions of paragraph (2) of this Article, or, if during the period applicable—in accordance with paragraph (3) of this Article a notice of dissatisfaction has been given, the aeronautical authorities—of the Contracting Parties shall endeavour to—determine the tariff by agreement—between themselves. Consultations between the aeronautical authorities will be held with Article 15 of this Agreement.

- (5) If the aeronautical authorities can not agree on any tariff submitted to them 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 18 of this Agreement.
- (6) (a) No tariff shall come into force if the aeronautical authorities of either Contracting Party are dissatisfied with it, except under the provisions of paragraph (4) of Article 18 of this Agreement.
 - (b) 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 18 of this Agreement.
- (7) 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 day of receipt of such notification, a new tariff can not 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.
- (8) The aeronautical authorities of both Contracting Parties shall endeavour to ensure that
- (a) The tariffs charged and collected conform to the tariffs accepted by both aeronautical authorities, and
- (b) No airline rebates portion of such tariffs by any means.

Commercial Activities

- (1) The designated airline of one Contracting Party shall have the right, in accordance with the laws and regulations of the other Contracting Party relating to entry, residence and employment, to bring in and maintain in the territory of other Contracting Party managerial, sales, technical, operational and other specialist staff required for the operation of the agreed services. The number of the above mentioned personnel shall be agreed between the aeronautical authorities of both Contracting Parties and shall consist preferably of nationals of the Contracting Party.
- (2) In particular, each Contracting Party shall grant to the designated airline of the other Contracting Party the right to engage in the sale of air transportation in its territory directly and, at the airline's discretion, through its agents in accordance with the national laws and regulations of each Contracting Party. As soon as the Russian Federation implements the convertibility of the country's currency the designated airline(s) of Brazilian Party shall have the right to sell air transportation documents in this country's currency.

ARTICLE 13

Conversion and Remittance of Revenues

(1) The airline(s) of one Contracting Party shall have the right to convert and remit to its country, on its demand, local revenues in excess of sums locally disbursed.

(2) The conversion and remittance of such revenues shall be permitted without restrictions at the rate of exchange applicable to current transactions which is in effect at the time such revenues are presented for conversion and remittance, and shall not be subject to any charges except those normally made by banks for carrying out such conversion and remittance.

ARTICLE 14

User Charges

- (1) A Contracting Party shall not impose or permit to be imposed on the designated airline of the other Contracting Party user charges higher than those imposed on its own airlines operating similar international air services.
- (2) Each Contracting Party shall encourage consultations on user charges between its competent charging authorities and the services and facilities provided by those airlines using charging authorities, where practicable through airline's representative organizations. Reasonable notice of any proposals for changes in user charges should be given to to enable them to express their views before such users Each Contracting Party shall further made. changes are encourage its competent charging authorities and such users to exchange appropriate information concerning user charges.

Consultations

- (1) In a spirit of close cooperation, the aeronautical authorities of the Contracting Parties shall consult each other periodically with a view to ensuring the implementation of, and satisfactory compliance with, the provisions of this Agreement or to discussing on any problem related thereto.
- (2) Such consultations shall begin within a period of sixty (60) days from the date of the receipt of such request, unless otherwise agreed by the Contracting Parties.

ARTICLE 16

Amendments

- (1) Any amendment or modifications of this Agreement agreed by the Contracting Parties shall come into effect on the date to be determined in an exchange of diplomatic notes, indicating that all necessary internal procedures have been completed by both Contracting Parties.
- (2) Any amendment or modifications of the Annex to this Agreement shall be agreed upon between the aeronautical authorities, and shall take effect upon confirmation by an exchange of diplomatic notes.

Multilateral Convention

If a general multilateral air convention come into force in respect of both Contracting Parties, the provisions of such convention shall prevail. Consultations in accordance with Article 15 of this Agreement may be held with a view to determining the extent to which this Agreement is affected by the provisions of the multilateral convention.

ARTICLE 18

Settlements of Disputes

Any dispute relating to the interpretation or application of the present Agreement or the Annex thereto shall be settled by direct negotiations between the aeronautical authorities of both Contracting Parties. If the said aeronautical authorities fail to reach an agreement the dispute shall be settled through diplomatic channels.

ARTICLE 19

Termination

Either Contracting Party may at any time after the entry into force of this Agreement 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. 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 receipt of the notice by the International Civil Aviation Organization.

ARTICLE 20

Registration in ICAO

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

ARTICLE 21

Entry into Force

The competent authorities of Federative Republic of Brazil and the Russian Federation will permit operations in accordance with the terms of this Agreement upon signature. This Agreement will enter into force on a date to be determined in an exchange of diplomatic notes indicating that all necessary internal procedures have been completed by both Contracting Parties.

In witness whereof the undersigned, being duly authorized by their respective Governments, have signed the present Agreement. Done at <u>Moscow</u> this 22^{12} day of <u>family</u>, 193 in three languages, Russian, Portuguese and English each of which shall be of equal authenticity. in case a different interpretation should arise, the English text shall prevail.

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For the Government of the Federative Republic of Brazil:

Sebastião do Rego Barros

For the Government of the Russian Federation:

VITALI BORISOVITCH

Annex

ROUTE SCHEDULE

1. Routes which shall be operated by the designated airline of BRAZH: in both directions:

POINTS	INTERMEDIATE	POINTS	POINTS
IN BRAZII.	POINTS	IN RUSSIA	BEYOND
any points	Uhree (3) points in Europe	Moscow, St.Petersburg and two (2) more points to be named later	four (4) points in Asia

2. Routes which shall be operated by the designated airline of the Russian Federation in both directions:

POINTS	INTERMEDIATE	POINTS	POINTS
IN RUSSIA	POINTS	IN BRAZIL	BEYOND
aliy	three (3) points	Rio De Janeiro,	points in
	in the Midle East	San Paulo,	Argentina,
points	or/and	Porto Alegre,	Chili, Peru,
	in Africa.	Sal vador	Uruguay.

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(a) Each designated airline may on any or all flights omit stops at any points on the routes specified above, and may serve them in any order provided that the agreed services on these routes begin at points in their respective Countries.

The designated airline of one Contracting Party shall—have—the right—to—operate flights between the two countries through any

other intermediate points in a reasonable direct route, but without traffic rights between these intermediate points and agreed pointes in the territory of the other Contracting Party.

- (b) With regard to the routes specified above the designated airlines of both Contracting Parties shall enjoy full traffic rights on all sectors of these routes.
- (c) The designated airlines of both Contracting Parties shall have the right to commence services initially with two (2) frequencies per week. A third frequency per week can be operated according to the traffic demand between both countries.
- (d) The designated airlines of both Contracting Parties shall have the right to utilize subsonic aircraft of the type similar to Boing-747/Antonov-124 or inferior aircraft, including freighters, as well as dry leased aircraft, when operating flights along the routes specified above.
- (e) Each airline will file schedules for approval with the aeronautical authorities of the other Contracting Party at least Forty five (45) days in advance of the proposed effective date, provided they conform with the terms of this Agreement.
- (f) extra section flights are subject to preliminary application of the designated airline; this application to be submitted at least forty eight (48) hours before departure, except weekends and holydays.
- (g) The designated airline of Brazil shall have the right to operate services to points in Asia along the Transsibirian route subject to a separate agreement between the aeronautical authorities of the two Contracting Parties.