No. 3601

LUXEMBOURG and SWITZERLAND

Air Transport Agreement (with annex). Signed at Berne, on 9 April 1951

Official text: French.

Registered by the International Civil Aviation Organization on 1 December 1956.

LUXEMBOURG et

SUISSE

Accord (avec annexe) relatif aux transports aériens. Signé à Berne, le 9 avril 1951

Texte officiel français.

Enregistré par l'Organisation de l'aviation civile internationale le 1er décembre 1956.

[Translation¹ — Traduction²]

No. 3601. AIR TRANSPORT AGREEMENT³ BETWEEN THE GRAND DUCHY OF LUXEMBOURG AND SWITZER-LAND. SIGNED AT BERNE, ON 9 APRIL 1951

The Government of the Grand Duchy of Luxembourg and the Swiss Federal Government considering:

that the possibilities of commercial aviation as a means of transport have considerably increased;

that it is desirable to organize scheduled air communications in a safe and orderly manner and to promote as far as possible international cooperation in this field; and

that it is necessary to conclude an agreement regulating scheduled air communications between and through the territories of Luxembourg and Switzerland,

have appointed representatives for this purpose who, being duly authorized, have agreed as follows:

Article 1

- (a) The Contracting Parties grant to each other the rights specified in the Annex⁴ hereto for the establishment of the international air services set forth in that Annex which pass through or serve their respective territories.
- (b) Each Contracting Party shall designate an airline to operate any services so established and shall decide upon the date of opening of such services.

Article 2

- (a) Each Contracting Party shall, subject to Article 8 hereof, grant the necessary operating permission to the designated airline of the other Contracting Party.
- (b) Nevertheless, before being permitted to operate the air services specified in the Annex hereto, the designated airlines may be required to afford proof of their qualifications in accordance with the laws and regulations normally applied by the aeronautical authorities issuing the operating permit.

¹ Translation by the Secretariat of the International Civil Aviation Organization.

² Traduction du Secrétariat de l'Organisation de l'aviation civile internationale.

⁸ Applied on 9 April 1951 and came into force on 27 February 1953, in accordance with article 11.

⁴ See p. 401 of this volume.

Article 3

- (a) The traffic capacity provided by the designated airlines shall be related to traffic demands.
- (b) In the operation of common routes, the designated airlines shall take into account their mutual interests so as not to affect unduly their respective air services.
- (c) The air services specified in the Annex hereto shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country of the airline and the countries of destination.
- (d) The right to embark or disembark in the territory of either Contracting Party, at the point specified in the Annex hereto, international traffic to or from third countries shall be exercised in accordance with the general principles of orderly development to which the Luxembourg and Swiss Governments subscribe and in such a manner that capacity shall be related to:
- (1) traffic demands between the country of origin and the countries of destination;
- (2) the requirements of economic operation of the air services specified in the Annex;
- (3) the traffic demands in the regions traversed, after taking account of local and regional services.
- (e) The designated airlines shall enjoy, within the territory of the Contracting Parties, fair and equal opportunity to operate the services specified in the Annex.

Article 4

Rates shall be fixed at reasonable levels, particular regard being paid to economy of operation, reasonable profit and the characteristics of each service such as speed and comfort. In fixing the rates, regard shall also be paid to the recommendations of the International Air Transport Association (IATA). In the absence of any such recommendations, the designated airlines shall consult the airlines of third countries operating over the same routes. Their agreements shall be submitted for approval to the aeronautical authorities of the Contracting Parties.

If the designated airlines are unable to reach agreement, the said authorities shall endeavour to find a solution. In the last resort the procedure provided in Article 9 shall be applied.

Article 5

(a) Each Contracting Party agrees that the charges imposed for the use of airports and other facilities by their respective designated airlines shall not be

higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

- (b) Fuel, spare parts and normal equipment introduced into or taken on board aircraft in the territory of one Contracting Party by or on behalf of any designated airline of the other Contracting Party and intended solely for use by the aircraft of such airline shall be accorded most-favoured-nation treatment or, subject to reciprocity, national treatment, with respect to customs duties, inspection fees and other national duties and charges.
- (c) Aircraft used by the designated airline of one Contracting Party on the air services specified in the Annex, and the fuel, lubricating oil, spare parts, normal equipment and aircraft stores retained on board such aircraft, shall be exempt, within the territory of the other Contracting Party, from customs duties, inspection fees or other duties or charges even though such supplies be used or consumed during flights above such territory.

Article 6

Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one Contracting Party and still valid shall be recognized by the other Contracting Party for the operation of the air services specified in the Annex. Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licenses granted to its own nationals by another State.

Article 7

- (a) The laws and regulations of one Contracting Party relating to the entry and departure from its own territory of aircraft engaged in international air navigation or to the operation and navigation of such aircraft above such territory shall apply to the aircraft of the designated airline of the other Contracting Party.
- (b) The laws and regulations in force in the territory of one Contracting Party respecting the entry, stay and departure of passengers, crews, mail or cargo, such as those relating to entry, clearance, immigration, passports, customs and quarantine, shall apply to passengers, crews, mail or cargo carried by the aircraft of the designated airline of the other Contracting Party while within that territory.
- (c) Simplified procedures shall be used in the case of passengers in transit through the territory of either Contracting Party. Baggage and cargo in direct transit shall be exempt from customs duties, inspection fees and similar charges.

Article 8

Each Contracting Party reserves the right to withhold or withdraw an operating permit from the designated airline of the other Contracting Party whenever it is not satisfied that substantial ownership and effective control of that airline are vested in nationals of either Contracting Party or whenever that airline fails to comply with the laws and regulations referred to in Article 7 hereof, or to fulfil its obligations under this Agreement.

Article 9

- (a) The Contracting Parties agree to submit to arbitration any dispute relating to the interpretation or application of the present Agreement or of the Annex thereto which cannot be settled by direct negotiation.
- (b) Any such dispute shall be referred to any competent tribunal established by the International Civil Aviation Organization set up by the Convention on International Civil Aviation signed at Chicago on 7 December 1944¹ or, in the absence of such tribunal, to the Council of that Organization.
- (c) Nevertheless, the Contracting Parties may, by mutual agreement, settle the dispute by referring it either to an arbitrary tribunal or to any person or body designated by them.
 - (d) The Contracting Parties undertake to comply with the award.

Article 10

The present Agreement and all contracts connected therewith shall be registered with the Council of the International Civil Aviation Organization.

Article 11

- (a) The present Agreement shall be applied as from date of signature. It shall come into force on the date of the exchange of the notifications of ratification.
- (b) The aeronautical authorities of the Contracting Parties shall consult from time to time in a spirit of close collaboration, with a view to ensuring observance of the principles and satisfactory implementation of the provisions outlined in the present Agreement and its Annex.
- (c) The present Agreement and its Annex shall be brought into harmony with any multilateral agreement which comes into force in respect of both Contracting Parties.
- (d) If either Contracting Party wishes to modify the terms of the present Agreement or its Annex, it may request consultation between the aeronautical

¹ See footnote 2, p. 265 of this volume.

authorities of the Contracting Parties, such consultation to begin within sixty days from the date of the request. Any modification of the Annex agreed to by the said aeronautical authorities shall come into force as soon as it has been confirmed by an exchange of diplomatic notes.

(e) Either Contracting Party may at any time give notice to the other of its desire to terminate the present Agreement. Such notice shall be sent simultaneously to the International Civil Aviation Organization. If such notice is given, the present Agreement shall terminate six months after the date of receipt of the notice by the other Contracting Party, unless the notice is withdrawn by agreement before expiry of this period. In the absence of acknowledgment of receipt by the other Contracting Party, notice shall be deemed to have been received fourteen days after the receipt of the notice by the International Civil Aviation Organization.

Article 12

For the purposes of the present Agreement and its Annex and unless otherwise provided:

(a) the term "aeronautical authority" shall mean: in the case of Luxembourg,

the "Ministère des transports, Aéronautique civile" or any person or agency authorized to perform the functions presently exercised by the said ministry;

in the case of Switzerland,

- the "Département fédéral des postes et des chemins de fer, Office de l'air " or any person or agency authorized to perform the functions presently exercised by the said department;
- (b) the term "designated airline" shall mean the air transport enterprise which the aeronautical authority of one of the Contracting Parties has notified in writing to the aeronautical authority of the other Contracting Party as the airline designated by it, in accordance with Articles 1 and 2 of the present Agreement, to operate the air services specified in such notification;
- (c) the term "territory" shall have the meaning assigned to it by Article 2 of the Convention on International Civil Aviation signed at Chicago on 7 December 1944;
- (d) the definitions given in paragraphs (a), (b) and (d) of Article 96 of the Convention on International Civil Aviation signed at Chicago on 7 December 1944 shall apply to the present Agreement.

Done at Bern on 9 April 1951 in two copies in the French language.

For the Government of the Grand Duchy of Luxembourg:
(Signed) Jean Sturm

For the Swiss Federal Council: (Signed) Max Petitpierre

ANNEX

- (a) The designated Swiss airline shall be Swissair (Société anonyme suisse pour la navigation aérienne) or any other airline duly notified by the Swiss aeronautical authority to the Luxembourg aeronautical authority.
- (b) The designated Luxembourg airline shall be "Luxembourg Airlines" (Société Luxembourgeoise de navigation aérienne) or any other airline duly notified by the Luxembourg aeronautical authority to the Swiss aeronautical authority.
- (c) For the purpose of operating the air services specified in the schedules hereunder, the designated airline of each Contracting Party shall be accorded within the territory of the other Contracting Party rights of transit and non-traffic stops as well as the use of airports and ancillary facilities designated for international traffic.
- (d) For the purpose of operating the air services specified in the schedules hereunder, the designated airline of each Contracting Party shall also be accorded within the territory of the other Contracting Party the right to pick up international traffic in passengers, cargo and mail in accordance with the provisions of the Agreement.
 - (e) The designated airlines may eliminate stops on certain or all flights.

SCHEDULE I

Air services which may be operated by the designated Swiss airline

SCHEDULE II

AIR SERVICES WHICH MAY BE OPERATED BY THE DESIGNATED LUXEMBOURG AIRLINE

1) Luxembourg-Frankfort on Main and/or Strasbourg-Zurich-Milan and points beyond.

The designated Luxembourg airline shall be accorded traffic rights between Frankfort on Main and Zurich only if Frankfort on Main is not served by the designated Swiss airline.

It shall be accorded commercial rights between Zurich and points beyond Milan only if such points are not served by the designated Swiss airline at the time of signature of the Agreement.

2) Luxembourg-Geneva-Nice and points beyond.

Points in Switzerland-Luxembourg and points beyond.

The designated Luxembourg airline shall be accorded traffic rights between Geneva and Nice and points beyond, only if such points are not served by the designated Swiss airline at the time of signature of the Agreement.