## No. 6732

# NETHERLANDS and MEXICO

Air Transport Agreement (with route schedule). Signed at Mexico, on 24 August 1961

Official texts: Dutch, Spanish and English.

Registered by the International Civil Aviation Organization on 15 May 1963.

# PAYS-BAS et MEXIQUE

Accord relatif aux transports aériens (avec tableau de routes). Signé à Mexico, le 24 août 1961

Textes officiels néerlandais, espagnol et anglais.

Enregistré par l'Organisation de l'aviation civile internationale le 15 mai 1963.

No. 6732. AIR TRANSPORT AGREEMENT BETWEEN THE GOVERNMENT OF THE KINGDOM OF THE NETHER-LANDS AND THE GOVERNMENT OF THE UNITED MEXICAN STATES. SIGNED AT MEXICO, ON 24 AUGUST 1961

The Government of the Kingdom of the Netherlands and the Government of the United Mexican States,

Considering that the possibilities of commercial aviation as a means of transport and of promoting friendly understanding and goodwill among peoples are increasing from day to day;

Desiring to strengthen even more the cultural and economic bonds which link their peoples and the understanding and goodwill which exist between them;

Considering that it is desirable to organize, on equitable bases of equality and reciprocity, regular air services between the two countries, in order to obtain greater cooperation in the field of international air transportation;

Desiring to conclude an Agreement which will facilitate the attainment of the aforementioned objectives;

Have accordingly appointed duly authorized plenipotentiaries for this purpose, who have agreed as follows:

#### Article 1

For the purpose of the present Agreement:

- a) The word "Agreement" shall mean the Agreement and the Route Schedule annexed thereto.
- b) The term "aeronautical authorities" shall mean, in the case of the Kingdom of the Netherlands, any person or agency designated as such by the Government of the Kingdom of the Netherlands; and, in the case of the United Mexican States, the Ministry of Communications and Transport or any person or entity authorized to perform the functions exercised at present by the Ministry of Communications and Transport.
- c) The term "airline" shall mean any airtransport enterprise offering or operating an international air service.

<sup>&</sup>lt;sup>1</sup> Applied provisionally from 24 August 1961, the date of signature, in accordance with article 17.

- d) The term "designated airline" shall mean the airline or airlines that the aeronautical authorities of one Contracting Party have notified the aeronautical authorities of the other Contracting Party to be the airline or airlines that will operate a route or routes specified in the Route Schedule annexed to the Agreement. Such notification must have been communicated in writing, through diplomatic channels.
- e) The term "territory" shall mean the land areas and territorial waters adjacent thereto under the sovereignty, suzerainty, protection, or mandate of the State concerned.
- f) The term "air service" shall mean any scheduled air service performed by aircraft for the public transport of passengers, cargo or mail.
- g) The term "international air service" shall mean an air service which passes through the air space over the territory of more than one State.
- h) The term "stop for non-traffic purposes" (technical stop) shall mean a landing for any purpose other than taking on or discharging passengers, cargo or mail.
- i) The term "services offered" shall mean the capacity of an aircraft used on such service, multiplied by the frequency operated by such aircraft over a given period and route.
- j) The term "air route" shall mean the scheduled route followed by an aircraft that is in regular service for public transport of passengers, cargo or mail.
- k) The term "terminal" or "coterminal" shall mean the point or points, as the case may be, in which a scheduled flight starts or ends.

#### Article 2

Each Contracting Party grants to the other Contracting Party rights necessary for the conduct of air services by the designated airlines, as follows: the rights of transit, of stops for non-traffic purposes, and of commercial entry and departure for international traffic in passengers, cargo, and mail at the points in its territory pared on each of the routes specified in the appropriate paragraph of the annexed Route Schedule. The fact that such rights may not be exercised immediately shall not preclude the subsequent inauguration of air services by the airlines of the Contracting Party to whom such rights are granted over the routes specified in the said Route Schedule.

#### Article 3

The air services on a specified route may be inaugurated immediately or at a later date at the option of the Party to whom the rights are granted by an airline or airlines of such party at any time after that Party has designated such airline or airlines for that route and the other Party has given the appropriate operating permission.

Such other Party shall, subject to Article 4, be bound to give this permission without undue delay provided that the designated airline or airlines may be required to qualify before the competent aeronautical authorities of that Party, under the laws and regulations normally applied by these authorities to the operation of commercial airlines, before being permitted to engage in the operations contemplated in this Agreement.

## Article 4

Each Contracting Party reserves the right to withhold or revoke the operating permission provided for in article 3 of this Agreement from an airline designated by the other Contracting Party in the event that it is not satisfied that substantial ownership and effective control of such airline are vested in nationals of the other Contracting Party or in case of failure by such airline to comply with the laws and regulations referred to in article 5 of this Agreement, or in case of failure of the airline or the Government designating it to fulfil the conditions under which the rights are granted in accordance with the Agreement.

## Article 5

- A. The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of the airline or airlines designated by the other Contracting Party and shall be complied with by such aircraft upon entering or departing from, and while within the territory of the first Contracting Party.
- B. The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of passengers, crew, or cargo of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs, and quarantine shall be complied with by or on behalf of such passengers, crew or cargo of the aircraft of the airline or airlines designated by the other Contracting Party upon entrance into or departure from, and while within the territory of the first Contracting Party.

#### Article 6

Certificates of airworthiness, certificates of competency and licenses 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 routes and services described in this Agreement, provided that the requirements under which such certificates or licenses were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Convention on International Civil

Aviation. <sup>1</sup> Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flights above its own territory, certificates of competency and licenses granted to its own nationals by another state.

#### Article 7

In order to prevent discriminatory practices and to assure equality of treatment, both Contracting Parties agree that:

- a) Each of the Contracting Parties may impose or permit to be imposed fair and reasonable charges for the use of public airports and other facilities under its control. Both Contracting Parties agree, however, that these charges 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, lubricating oils and spare parts introduced into or taken on board aircraft in the territory of one Contracting Party by the other Contracting Party or its nationals, and intended solely for use by aircraft of the airlines of the latter Contracting Party shall, with respect to the imposition of customs duties, inspection fees and other national duties or charges by the former Contracting Party whose territory is entered, be accorded the same treatment as that applying to national airlines and to airlines of the most favoured nation.
- c) The fuel, lubricating oils, spare parts, regular equipment and aircraft stores retained on board aircraft of the airlines of one Contracting Party authorized to operate the routes and services described in the Route Schedule shall, upon arriving in or leaving and while within the territory of the other Contracting Party, be exempt from customs, inspection fees or similar duties or charges, even though such supplies be used by such aircraft on flights in that territory.

## Article 8

There shall be a fair and equal opportunity for the airlines of the Contracting Parties to operate on any route between their respective territories covered by this Agreement.

## Article 9

In the operation by the airlines of either Contracting Party of the trunk services described in the present Agreement, the interest of the airlines of the other Contracting Party shall be taken into consideration so as not to affect unduly the services which the latter provide on all or parts of the same routes.

<sup>&</sup>lt;sup>1</sup> See footnote 2, p. 22 of this volume.

#### Article 10

It is agreed between the two Contracting Parties that the services provided by the airline(s) designated under this Agreement and its Route Schedule shall retain as principal objective the provision of capacity adequate to the traffic demands between the country of which the airline is a carrier and the countries of destination.

The two Contracting Parties agree to recognize that fifth freedom traffic is complementary to the traffic needs between the terminal points of the routes connecting the territories of the Contracting Parties and is also accessory as regards the needs of third and fourth freedom traffic between the territory of one of the Contracting Parties and that of an intermediary country.

The traffic capacity shall be fixed in accordance with the requirements of the region traversed by the airline, duly taking into consideration the regional and local services. It shall also be fixed in accordance with the traffic needs between the terminal points.

With reference to the foregoing, the two Contracting Parties recognize that the operation of local and regional services constitutes a legitimate right of the respective countries.

Consequently they agree to consult each other periodically on the way in which the rules indicated above are to be applied by the airlines concerned in order to assure that their interests in the local and regional services will not be prejudiced. They also agree that in case objections are raised by an intermediary country, they will enter into immediate consultation in order to apply the preceding rules concretely and practically in any particular case.

#### Article 11

- 1. All rates to be charged by an airline of one Contracting Party to or from points in the territory of the other Contracting Party taking into consideration that the service will be performed with the same aircraft of that airline, shall be established at reasonable levels, due regard being paid to all relevant factors, such as costs of operation, reasonable profit, and the rates charged by any other carriers, as well as the characteristics of each service. Such rates shall be subject to the approval of the aeronautical authorities of the Contracting Parties which shall act in accordance with their obligations under this Agreement, within the limits of their legal powers.
- 2. Any rate proposed to be charged by an airline of either Contracting Party for carriage to or from the territory of the other Contracting Party, taking into consideration that the service will be performed with the same aircraft of that airline shall, if so required, be filed by such airline with the aeronautical authorities of the other Contracting Party at least forty five (45) days before the proposed date of introduction unless the Contracting Party with whom the filing is to be made permits filing on

shorter notice. The aeronautical authorities of each Contracting Party shall use their best efforts to ensure that the rates charged and collected conform to the rates filed with either Contracting Party, and that no carrier rebates any portion of such rates, by any means, directly or indirectly, including the payment of excessive sales commissions to agents or the use of unrealistic currency conversion rates.

- 3. It is recognized by both Contracting Parties that during any period for which either Contracting Party has approved the traffic conference procedures of the International Air Transport Association, or other associations of international air carriers, any rate agreement concluded through these procedures and involving airlines of that Contracting Party will be subject to the approval of that Contracting Party.
- 4. If a Contracting Party, on receipt of the notification referred to in paragraph 2 above, is dissatisfied with the rate proposed, it shall so inform the other Contracting Party at least thirty (30) days prior to the date that such rate would otherwise become effective, and the Contracting Parties shall endeavor to reach agreement on the appropriate rate.
- 5. If a Contracting Party upon review of an existing rate charged for carriage to or from its territory by an airline of the other Contracting Party taking into consideration that the service will be performed with the same aircraft of that airline is dissatisfied with that rate, it shall so notify the other Contracting Party and the Contracting Parties shall endeavour to reach an agreement on the appropriate rate, within a period of sixty (60) days from the day of notification.
- 6. In the event that an agreement is reached pursuant to the provisions of paragraph 4 or 5, each Contracting Party will exercise its best efforts to put such rate into effect.
- 7. a) If under the circumstances set forth in paragraph 4 no agreement can be reached prior to the date that such rate would otherwise become effective, or
- b) If under the circumstances set forth in paragraph 5 no agreement can be reached prior to the expiry of sixty (60) days from the date of notification: then the Contracting Party raising the objection to the rate may take such steps as it may consider necessary to prevent the inauguration or the continuation of the service in question at the rate complained of, provided, however, that the Contracting Party raising the objection shall not require the charging of a rate higher than the lowest rate charged by its own airline or airlines for comparable services between the same pair of points.

It is understood that the procedure provided for in the paragraphs 4, 5 and the present paragraph shall be applicable only in cases of extreme conflict between the airlines designated by the Contracting Parties, or between the designated airline and the aeronautical authorities concerned. Normal cases in which approval of rates is

withheld due to failure to comply with certain requirements on the part of the airline, seeking the approval, or due to certain modifications in the rules which apply domestically, can always be solved directly between the designated airline and the aeronautical authorities concerned.

- 8. When in any case under paragraphs 4 and 5 of this article the aeronautical authorities of the two Contracting Parties cannot agree within a period of six months upon the appropriate rate after consultation initiated by the complaint of one Contracting Party concerning the proposed rate or an existing rate of the airline or airlines of the other Contracting Party, upon the request of either Contracting Party, the terms of Article 13 of this Agreement shall apply.
- 9. Unless otherwise agreed between the parties, each Contracting Party undertakes to use its best efforts to ensure that any rate specified in terms of the national currency of one of the parties will be established in an amount which reflects the effective exchange rate (including all exchange fees or other charges) at which the airlines of both Parties can convert and remit the revenue from their transport operations into the national currency of the other Contracting Party.

#### Article 12

In the event either of the Contracting Parties consider it desirable to modify the Agreement, or the Route Schedule, that Contracting Party may request consultation between the competent authorities of both Contracting Parties, such consultations to begin within a period of sixty (60) days from the date of the request. When these authorities mutually agree on new or revised stipulations affecting the Agreement or the Route Schedule, such stipulations will come into effect after they have been confirmed by an exchange of Notes through the diplomatic channels which shall in the case of modification of the present Agreement state that the approval constitutionally required by each of the Contracting Parties has been obtained.

### Article 13

Except as otherwise provided in this Agreement or its Route Schedule any dispute between the Contracting Parties relative to the interpretation or application of this Agreement or its Route Schedule which cannot be settled through consultation, shall be submitted to a tribunal of three arbitrators, one to be named by each Contracting Party, and the third to be agreed upon by the two arbitrators so chosen, provided that such third arbitrator shall not be a national of either Contracting Party. Each of the Contracting Parties shall designate an arbitrator within sixty (60) days of the date of delivery by either Party to the other Party of a diplomatic note requesting arbitration of a dispute; and the third arbitrator shall be agreed upon within thirty (30) days after such period of sixty (60) days. If the third arbitrator is not agreed upon, within the time limitation indicated, the vacancy thereby created shall be filled

by the appointment of a person, designated by the President of the Council of ICAO, from a panel of arbitral personnel maintained in accordance with the practice of ICAO. The Contracting Parties undertake to comply with any decision given under this article; a moiety of the expenses of the arbitral tribunal shall be borne by each Contracting Party.

#### Article 14

This Agreement and all contracts connected therewith shall be registered with the International Civil Aviation Organization.

### Article 15

In case both Contracting Parties accept a general multilateral air transport convention, the present Agreement shall be amended so as to conform with the provisions of the multilateral convention.

#### Article 16

Either of the Parties may at any time notify the other Contracting Party of its desire to terminate the present Agreement. Such a notice shall be sent simultaneously to the International Civil Aviation Organization. In the event of denunciation by either Party, this Agreement shall terminate 6 months after the date of receipt of the notice to terminate unless by agreement between the Contracting Parties the notice is withdrawn before the expiration of that time. If the other Contracting Party fails to acknowledge receipt, notice shall be deemed as having been received fourteen days after its receipt by the International Civil Aviation Organization.

#### Article 17

The present Agreement will become applicable provisionally from the date of its signature and enter into force definitively, from the date laid down in an exchange of diplomatic notes, stating that the approval constitutionally required by each of the Contracting Parties has been obtained.

### Article 18

The Air Transport Agreement concluded between the Government of the Kingdom of the Netherlands and the Government of the United Mexican States on October 13, 1952 will provisionally cease to be applied on the date of signature of the present Agreement and will expire on the date on which the present Agreement will enter into force.

<sup>&</sup>lt;sup>1</sup> United Nations, *Treaty Series*, Vol. 163, p. 341; Vol. 200, p. 321, and Vol. 335, p. 298. No. 6732

#### Article 19

The present Agreement will remain effective for a period of three (3) years from the date of its signature, unless terminated earlier by action pursuant to Article 16 of this Agreement. Prior to its expiration the Contracting Parties may initiate talks to reach agreement concerning a system to regulate air transport between the two countries subsequent to the expiration of the present Agreement.

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

Done at Mexico, D.F., on the twenty-fourth of August nineteen sixty one, in duplicate, in the Netherlands, Spanish and English languages, all three texts being equally authentic.

(Signed) R. FLAES

(Signed) Manuel Tello

#### ROUTE SCHEDULE

#### SECTION I

1. An airline designated by the Government of the Kingdom of the Netherlands shall be entitled to operate air services on the air route specified, via intermediate points, in both directions, and to make scheduled landings in the territory of the United Mexican States at the points specified in this paragraph:

Amsterdam — Montreal — Houston — Mexico, D.F.

- 2. The airline designated by the Government of the Kingdom of the Netherlands can operate three weekly frequencies on the route mentioned in the preceding paragraph and afterwards any change in capacity will be subject to the provisions of article 10.
- 3. The airline designated by the Government of the Kingdom of the Netherlands shall not enjoy commercial rights between Houston and Mexico, D.F., and vice versa.

#### SECTION II

1. An airline designated by the Government of the United Mexican States shall be entitled to operate air services on the route specified, via intermediate points, in both directions, and to make scheduled landings in the territory of the Kingdom of the Netherlands at the points specified in this paragraph:

Mexico, D.F., via intermediate points, to Aruba and/or Curação and beyond.

2. The airline designated by the Government of the United Mexican States shall operate, at least two weekly frequencies on the route mentioned in the preceding paragraph.

- 3. The airline designated by the Government of the Kingdom of the Netherlands can operate services on the route mentioned under section II, paragraph 1; until the moment that the airline designated by the Government of the United Mexican States starts operating on this route.
- 4. The Government of the United Mexican States shall notify the Government of the Kingdom of the Netherlands two months in advance the date on which the airline designated by the Government of the United Mexican States will start its services on the route mentioned in section II, paragraph 1.
- 5. The airline designated by the United Mexican States shall operate the route mentioned in section II, paragraph I for a period no less than three years.
- 6. The airline designated by the United Mexican States shall start its services on the route mentioned in section II, paragraph 1 serving initially intermediate points that are being served at the present time: that is to say, Guatemala, San Jose and Panama.
- 7. In case the airline designated by the Government of the United Mexican States suspends its operations to the Netherlands Antilles for a period of four months without interruption, the airline designated by the Government of the Kingdom of the Netherlands can start its operation to Mexico, D.F. via intermediate points with two weekly frequencies and, afterwards, any change in capacity will be subject to the provisions of article 10.
- 8. The Government of the United Mexican States shall recommend the designated Mexican airlines to hold discussions with the Netherlands airline in order to coordinate time tables in the Netherlands Antilles and, also, the conclusion of an interline agreement in order to connect air services between the Netherlands Antilles and Central America.
- 9. In case an airline of the Netherlands Antilles wishes to operate the route Netherlands Antilles—Mexico, the Government of the United Mexican States is quite prepared to discuss the matter with the authorities of the Kingdom of the Netherlands and to give sympathetic consideration to the possibility of the operation of this route by this airline.
- 10. In case the Mexican airline operating the route mentioned in Section II, paragraph 1, wishes to exercise commercial rights between Curação and Aruba and vice versa, the Government of the Kingdom of the Netherlands is quite prepared to discuss the matter with the authorities of the United Mexican States and to give sympathetic consideration to the possibility that these rights be exercised by this airline.