AGREEMENT RELATING TO AIR SERVICES BETWEEN THE REPUBLIC OF THE PHILIPPINES AND SWITZERLAND

Note: The Agreement was concurred in by the Senate, S.R. No. 136, May 21, 1953. The Philippine Instrument of ratification was signed by the President, October 5, 1953. The Agreement entered into force, November 25, 1953 upon exchange of ratification between the Parties. Reference: This Agreement Is also published in II DFA TS, No. 2, p. 43 and 241 UNTS, p. 301.

The Government of the Republic of the Philippines and the Swiss Federal Council

CONSIDERING

that the possibilities of commercial aviation for the purposes of transport have notably increased;

that it is desirable to organize regular air travel in a safe and orderly manner and to foster as much as possible international co-operation in this field;

that therefore it is necessary to conclude between the Republic of the Philippines and Switzerland an agreement for the operation of air services;

have appointed representatives who duly authorized to that effect, agree as follows:

ARTICLE 1

(a) The Contracting Parties grant each other in time of peace the rights specified in the annex for the purpose of establishing the international scheduled air services therein described to or through their respective territories.

(b) Each Contracting Party shall designate an airline for the operation of the agreed services and shall decide on the date of inauguration of these services.

ARTICLE 2

(a) The necessary operating permission shall be given, subject to the provisions of Article 8 hereafter, to the designated airline of each Contracting Party.

(b) These airlines may, however, before being authorized to inaugurate the agreed services, be required to satisfy the aeronautical authority granting the operating permit that they are qualified to fulfill the conditions prescribed under the laws and regulations normally applied by this authority.

ARTICLE 3

(a) The capacity offered by the designated airlines shall be adapted to traffic requirements.

(b) On routes operated in common the designated airlines shall take into consideration their mutual interests so as not to affect unduly their respective services.

(c) The agreed services shall have as their essential purpose the provision of capacity corresponding to the traffic requirements between the country of which the airline is a national and the countries of destination.

(d) The right to take up and the right to set down on the territory of one Contracting Party, on the points specified in the schedules hereafter, international traffic destined for or coming from third countries shall be exercised in conformity with the general principles of orderly development to which the Philippine and Swiss Governments subscribe and subject to the condition that capacity should be related:

(1) to the requirements of traffic between the country of origin and the countries of destination;

(2) to the requirements of the economic operation of the agreed services;

(3) to traffic requirements of the areas through which the airlines pass, local and regional services being taken into account.

(e) As much in the Philippines as in Switzerland there shall be a fair and equal opportunity for the designated airlines to operate the agreed services.

ARTICLE 4

Tariffs shall be fixed at reasonable rates due regard being paid to economy of operation, normal profit and the characteristics of each service, such as speed and comfort. The recommendations of the International Air Transport Association (IATA) shall also be taken into account. In the absence of such recommendation the designated airlines shall consult the airlines of third countries operating the same routes. The arrangements made by them shall be subject to the approval of the aeronautical authorities of the Contracting Parties.

If the designated airlines fail to agree these authorities shall endeavour to find a solution. In the last resort recourse shall be had to the procedure set out in Article 9 hereafter.

ARTICLE 5

(a) For the use of airports and other facilities offered by one Contracting Party the designated airlines of the other Contracting Party shall not be liable to pay charges exceeding those payable by national aircraft or by the most favoured foreign airline engaged in similar international services.

(b) Fuel and spare parts introduced into or taken on board in the territory of one Contracting Party by or on behalf of the designated airlines and intended solely for use by or in the aircraft of that airline shall be reciprocally exempt of entrance fees according to the national legislation. In respect of customs duties, inspection fees and other similar national duties and charges they shall be subject to the same treatment as if they were introduced on national aircraft operating international services.

(c) Aircraft of the designated airline of one Contracting Party operating on the agreed services and fuel, lubricating oils, spare parts, normal equipment and aircraft stores retained on board such aircraft shall be exempt in the territory of the other

Contracting Party from customs duties, inspection fees and other duties and charges, even though such supplies be used or consumed on flights in that country.

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 agreed services. 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 nationals by the other Contracting Party or any other state.

ARTICLE 7

(a) The laws and regulations of one Contracting Party governing entry into and departure from its territory of aircraft engaged in international air navigation or flights of such aircraft above its territory shall apply to aircraft of the designated airlines of the other Contracting Party.

(b) The laws and regulations of one Contracting Party governing entry into, sojourn in, or departure from its territory of passengers, crew, mail or cargo such as those relating to formalities, immigration, passports, customs and quarantine, shall apply to passengers, crew, mail or cargo carried by the aircraft of the designated airlines of the other Contracting Party while these aircraft are in the said territory.

(c) Notwithstanding that a visa is normally required for the admission of foreigners into the territory of either Contracting Party, crew registered in the log-book of any aircraft operating an agreed service under this agreement shall be exempted from the requirements of a visa provided they are in possession of a valid passport and an identity document issued by the competent authority of the country to which the aircraft belongs; and provided further that if international regulations on the matter, ratified by both countries enter into effect, they shall be applicable.

(d) Passengers in transit across the territory of one Contracting party shall be subject to a simplified control. Baggage and cargo shall be exempt from customs duties, inspection fees and similar charges when the transit is direct.

ARTICLE 8

Each Contracting Party reserves the right to withhold or revoke the grant of an operating permission from a designated airline of the other Contracting Party when it is not satisfied that substantial ownership and effective control of that airline are vested in nationals of either Contracting Party or in case of failure by the airline to comply with laws and regulations referred to in article 7 hereabove or to fulfill the obligations under the present agreement.

ARTICLE 9

(a) The Contracting Parties shall submit to arbitration any dispute relating to the interpretation and 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 tribunal competent to decide it which may hereafter be established within the International Civil Aviation Organization set up by the convention on international civil aviation signed at Chicago on the 7th