

10/22/85

Argentina
(permanent)
10/12/85

AVIATION

Transport Services

Agreement Between the
UNITED STATES OF AMERICA
and ARGENTINA

Signed at Buenos Aires October 22, 1985

and

Amending Agreement
Effectuated by Exchange of Notes
Signed at Buenos Aires
January 11 and February 16, 1989



NOTE BY THE DEPARTMENT OF STATE

Pursuant to Public Law 89-497, approved July 8, 1966 (80 Stat. 271; 1 U.S.C. 113)—

“... the Treaties and Other International Acts Series issued under the authority of the Secretary of State shall be competent evidence . . . of the treaties, international agreements other than treaties, and proclamations by the President of such treaties and international agreements other than treaties, as the case may be, therein contained, in all the courts of law and equity and of maritime jurisdiction, and in all the tribunals and public offices of the United States, and of the several States, without any further proof or authentication thereof.”

ARGENTINA

Aviation: Transport Services

*Agreement signed at Buenos Aires October 22, 1985;
Entered into force provisionally, October 22, 1985; definitively,
December 29, 1986.
And amending agreement effected by exchange of notes
Signed at Buenos Aires January 11 and February 16, 1989;
Entered into force February 16, 1989.*

AIR TRANSPORT SERVICES AGREEMENT BETWEEN THE
GOVERNMENTS OF THE UNITED STATES OF AMERICA AND
THE REPUBLIC OF ARGENTINA

PREAMBLE

The Government of the United States of America and the Government of the Republic of Argentina, which are parties to the Convention on International Civil Aviation opened for signature at Chicago on December 7, 1944,¹

- Desiring to promote an international air transport system based on fair and constructive competition among airlines; to facilitate the expansion of international air transport opportunities; and to ensure the highest degree of safety and security in international air transport and reaffirming their grave concern about acts or threats against the security of aircraft, which jeopardize the safety of persons or property, adversely affect the operation of air transportation, and undermine public confidence in the safety of civil aviation;

- Have agreed to the following:

ARTICLE I. *Operating Authority for Airlines*

(1) Each Party shall have the right to designate an airline or airlines to conduct international air transportation over the routes established in Annex I, which forms a part of the present Agreement, and in accordance with this Agreement to withdraw or alter such designations. Such designations or withdrawals shall be transmitted to the other Party in writing through diplomatic channels.

(2) On receipt of such designation from one of the Parties and of applications from the designated airline in the form and manner prescribed for operating authorizations and technical permissions, the other Party shall grant appropriate authorizations and permissions with minimum procedural delay provided:

- (a) substantial ownership and effective control of that airline are vested in the Party designating the airline, nationals of that Party, or both;
- (b) the designated airline is qualified to meet the conditions prescribed under the laws and regulations normally applied to the operation of international air transportation by the Party considering the application or applications; and

¹TIAS 1591; 61 Stat. 1180.

- (c) the Party designating the airline is maintaining and administering the standards set forth in Article IV.

(3) Each Party will issue a single comprehensive operating permit to each designated airline, which permit will authorize each designated airline of the other Party to operate the services provided for in Annexes I and II, which form a part of the present Agreement.

ARTICLE II. *Grant of Rights*

(1) Each Party grants to the other Party the following rights for the conduct of international air transportation by the airlines of the other Party:

- (a) the right to fly across its territory without landing;
- (b) the right to make stops in its territory for non-traffic purposes;
- (c) the rights otherwise specified in this Agreement.

(2) Nothing in paragraph (1) of this Article shall be deemed to grant the right for one Party's airlines to take on at one point in the territory of the other Party local traffic destined for another point in the territory of such other Party.

ARTICLE III. *Application of Laws and Regulations*

(1) While entering, within or leaving the territory of one Party, its laws and regulations relating to the operation and navigation of aircraft shall be complied with by the other Party's airlines.

(2) While entering, within or leaving the territory of one Party, its laws and regulations relating to the admission to or departure from its territory of passengers, crew or cargo on aircraft (including regulations relating to entry, clearance, aviation security, immigration, passports, customs and quarantine or, in the case of mail, postal regulations) shall be complied with by or on behalf of such passengers, crew or cargo of the other Party's airlines.

ARTICLE IV. *Safety, Security and Recognition of Certificates and Licenses*

(1) Each Party shall recognize as valid, for the purpose of operating the air transportation provided for in this Agreement, certificates of airworthiness, certificates of competency and licenses issued or validated by the other Party and still in force, provided that the requirements for such certificates or licenses at least equal the minimum standards which may be established pursuant to the Convention on International Civil Aviation, opened for signature at Chicago on December 7, 1944 (the Convention). Each Party may, however, refuse to recognize as valid for the purpose of flight above its own territory, certificates of

competency and licenses granted to or validated for its own nationals by the other Party.

(2) Each Party may request consultations concerning the safety and security standards maintained by the other Party relating to aeronautical facilities, aircrew, aircraft and operation of the designated airlines. If, following such consultations, one Party finds that the other Party does not effectively maintain and administer safety and security standards and requirements in these areas that at least equal the minimum standards which may be established pursuant to the Convention, the other Party shall be notified of such findings and the steps considered necessary to conform with these minimum standards, and the other Party shall take appropriate corrective action. Each Party reserves the right to withhold, revoke or limit the operating authorization or technical permission of an airline or airlines designated by the other Party in the event the other Party does not take such appropriate action within a reasonable time.

(3) Each Party reaffirms its commitment to act consistently with the provisions of the Convention on Offenses and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on September 14, 1963; the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at the Hague on December 16, 1970; and the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation signed at Montreal on September 23, 1971;¹

(4) Each Party shall require that operators of aircraft of its registry act consistently with applicable aviation security provisions established by the International Civil Aviation Organization; and

(5) Each Party shall provide maximum aid to the other Party with a view to preventing unlawful seizure of aircraft, sabotage to aircraft, airports and air navigation facilities and threats to aviation security; give sympathetic consideration to any request from the other Party for special security measures for its aircraft or passengers to meet a particular threat; and, when incidents or threats of hijacking or sabotage against aircraft, airports or air navigation facilities occur, assist the other Party by facilitating communications intended to terminate such incidents rapidly and safely.

ARTICLE V. *Customs Duties and Taxes*

(1) On arriving in the territory of one Party, aircraft operated in international air transportation by the designated airlines of the other Party, their regular equipment, ground equipment, fuel, lubricants, consumable technical supplies, spare parts including engines, aircraft stores (including but not limited to

such items as food, beverages and liquor, tobacco and other products destined for sale to or use by passengers in limited quantities during the flight), and other items intended for or used solely in connection with the operation or servicing of aircraft engaged in international air transportation shall be exempt, on the basis of reciprocity, from all import restrictions, property taxes and capital levies, customs duties, excise taxes, and similar fees and charges imposed by the national authorities, and not based on the cost of services provided, provided such equipment and supplies remain on board the aircraft.

(2) There shall also be exempt, on the basis of reciprocity, from the taxes, duties, fees and charges referred to in paragraph (1) of this Article, with the exception of charges based on the cost of the service provided:

- (a) aircraft stores introduced into or supplied in the territory of a Party and taken on board, within reasonable limits, for use on outbound aircraft of a designated airline of the other Party engaged in international air transportation, even when these stores are to be used on a part of the journey performed over the territory of the Party in which they are taken on board;
- (b) ground equipment and spare parts including engines introduced into the territory of a Party for the servicing, maintenance or repair of aircraft of a designated airline of the other Party used in international air transportation; and
- (c) fuel, lubricants and consumable technical supplies introduced into or supplied in the territory of a Party for use in an aircraft of a designated airline of the other Party engaged in international air transportation, even when these supplies are to be used on a part of the journey performed over the territory of the Party in which they are taken on board.

(3) Equipment and supplies referred to in paragraphs (1) and (2) of this Article may be required to be kept under the supervision or control of the appropriate authorities.

(4) The exemptions provided for by this Article shall also be available where the designated airlines of one Party have contracted with another airline, which similarly enjoys such exemptions from the other Party, for the loan or transfer in the territory of the other Party of the items specified in paragraphs (1) and (2) of this Article.

(5) Each Party shall use its best efforts to secure for the designated airlines of the other Party, on the basis of reciprocity, an exemption from taxes, duties,

¹ TIAS 6768, 7192, 7570; 20 UST 2941; 22 UST 1641; 24 UST 564.

charges and fees imposed by state, regional and local authorities on the items specified in paragraphs (1) and (2) of this Article, as well as from fuel throughput charges, in the circumstances described in this Article, except to the extent that the charges are based on the actual cost of providing the service.

ARTICLE VI. *Commercial Opportunities*

(1) The designated airlines of one Party shall have the right to establish offices in the territory of the other Party for the promotion and sale of air transportation. Other airlines of one Party may establish such offices in accordance with the laws and regulations of the other Party. Promotional materials, such as advertisements, printed catalogs, price lists, trade notices, or tourist and other literature (including posters) shall be admitted duty free.

(2) The designated airlines of each Party shall have the right, in accordance with the laws and regulations of the other Party relating to entry, residence and employment, to bring in and maintain in the territory of the other Party managerial, sales, technical, operational and other specialist staff required for the provision of air transportation.

(3) Each airline of one Party shall have the right to engage in the unrestricted advertisement and sale of air transportation in the territory of the other Party directly and, at the airline's discretion, through its agents. Each airline may sell such transportation, and any person shall be free to purchase such transportation, in the currency of that territory or in freely convertible currencies.

(4) In cases where there is only one supplier of fuel and/or fueling services, each Party shall insure that on international flights the prices paid for fuel and fueling services by the airline or airlines of the other Party are no higher than the prices paid for fuel and/or fueling services by its own airline(s). The airlines of both countries may purchase fuel in local currency or in freely convertible currencies at the option of the airline without additional fees or charges for processing these payments.

(5) Until such time as each designated airline of the United States shall have the right to perform its own ground handling in Argentina and shall have the right to perform such services on behalf of other airlines or, at its option, select among competing agents for such services, the United States reserves the right to require the Argentine carrier or carriers to enter into a contract with a specified agent or agents for groundhandling service in the United States.

(6) Each airline of one Party shall have the right to convert and remit to its country, on demand, local revenues in excess of sums locally disbursed. Conversion and remittance shall be permitted promptly without impediment or tax-

ation in respect thereof at the rate of exchange in effect for current transactions and remittances on the date the carrier makes application for remittance.

ARTICLE VII. *User Charges*

User charges, imposed by the competent charging authorities on the airlines of the other Party shall be just, reasonable, and non-discriminatory. Airlines shall not be required to pay charges higher than those paid by the airlines of the charging Party.

ARTICLE VIII. *Fair Competition*

(1) Each Party shall allow a fair and equal opportunity for the designated airlines of both Parties to compete in the international air transportation covered by this Agreement.

(2) Each Party shall take all appropriate action within its jurisdiction to eliminate all forms of discrimination or unfair competition practices adversely affecting the competitive position of the airlines of the other Party.

(3) Except as mutually agreed, neither Party shall limit the volume of traffic, frequency or regularity of service, or the aircraft type or types operated by the designated airline or airlines of the other Party, except as may be required for customs, technical, operational or environmental reasons under uniform conditions consistent with the Convention.

(4) Neither Party shall impose on the other Party's designated airlines any requirement with respect to the capacity, frequency or traffic inconsistent with this Agreement and its Annexes, which form a part of the present Agreement.

(5) Each Party agrees that it will not implement or enforce any cargo preference laws or regulations on any of the services except insofar as such laws or regulations apply to cargo transported for the account of the national government itself or pursuant to the terms of any contract, agreement, or other special arrangement under which the national government makes payment for those transportation services. The national government in exercising the cargo preference laws or regulations mentioned in this article and in order to avoid a prejudicial effect on the transportation of non-preferential cargo will contract directly with the airline or airlines for air transportation.

ARTICLE IX. *Consultations*

Either Party may, at any time, request consultations relating to this Agreement. Such consultations shall begin at the earliest possible date, but not later than 60 days from the date the other Party receives the request unless otherwise

agreed. Each Party shall prepare and present during such consultation relevant evidence in support of its position in order to facilitate informed, rational and economic decisions. If there are any revisions of this Agreement and/or its Annexes, which form a part of the present Agreement, as a result of such consultations, they shall be confirmed by an exchange of diplomatic notes.

ARTICLE X. *Termination*

Either Party may, at any given time, give notice in writing to the other Party of its decision to terminate this Agreement. Such notice shall be sent simultaneously to the International Civil Aviation Organization. This Agreement shall terminate at midnight (at the place of receipt of notice to the other Party) immediately before the first anniversary (one year) of the date of receipt of the notice by the other Party, unless the notice is withdrawn by agreement before the end of this period.

ARTICLE XI. *Registration With ICAO*

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

ARTICLE XII. *Entry Into Force*

This Agreement will have provisional application from the date it is signed and will enter into force upon an exchange of diplomatic notes confirming that each Party has concluded its internal procedures for entry into force of this Agreement.¹

Done in the City of Buenos Aires, Capital of the Republic of Argentina, the 22nd day of October, 1985, in the languages English and Spanish, both texts being equally valid.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA	FOR THE GOVERNMENT OF THE REPUBLIC OF ARGENTINA
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Frank V. Ortiz
Ambassador

Dante M. Caputo
Minister of Foreign
Affairs and Worship

ANNEX I

I. Routes for the designated airlines of each Party:

A. Routes for the airline or airlines designated by the Government of United States:

1. Between the United States and the terminal point Buenos Aires via Cuba, Mexico, Panama, Colombia, Quito, Guayaquil, Lima, Santiago (1), La Paz, Santa Cruz, Asuncion, and Rio de Janeiro.

2. Between the United States and the terminal point Buenos Aires via Mexico, points in Central America and the Caribbean, Panama, Caracas, Brazil, Santiago (1), and Montevideo (1).

(1) This point may be served either as an intermediate point or as a point beyond.

B. Routes for the airline or airlines designated by the Government of Argentina:

1. Between the Republic of Argentina and the coterminal points Miami and New York via the intermediate points Sao Paulo and Rio de Janeiro and beyond Miami and/or New York to Montreal.

2. Between the Republic of Argentina and the coterminal points Miami and New York via the intermediate points (1) Santiago, La Paz, Lima, Guayaquil or Quito, and Bogota.

3. Between the Republic of Argentina and the terminal point Los Angeles via the intermediate points (1) La Paz, Lima, Guayaquil or Quito, Bogota and Mexico.

4. Between the Republic of Argentina and the coterminal points Miami and New York via the intermediate point (1) Caracas.

(1) In addition to the intermediate point or points specified on this route, the Argentine airlines may select two additional points in the area comprised of Panama, Central America and the Caribbean. Both new points may be added to one route or one point may be added to each of two routes.

II. Each designated airline may, on any or all flights and at its option, operate flights in either or both directions and without directional or geographic limitations, serve points on each authorized route in any order, and omit stops at any point or points outside the territory of the Party which has designated that airline, without loss of any right to carry traffic otherwise permissible under this Annex.

¹ Dec. 29, 1986.

III. On any international segment or segments of the routes described in Section I above, a designated airline may perform international air transport without any limitation as to change, at any point on the route, in type or number of aircraft operated, provided that in the outbound direction the transportation beyond such point is a continuation of the transportation from the territory of the Party which has designated the airline and, in the inbound direction, the transportation to the territory of the Party which has designated the airline is a continuation of the transportation beyond such point.

IV. Unless otherwise agreed, this Annex will expire on April 30, 1988.

ANNEX II

(1) From the date of entry into force of this Agreement, through April 30, 1987, the designated airlines of each Party may operate a maximum of 28 round trip combination frequencies and 6 round trip all-cargo frequencies per week with narrow-body aircraft or their wide-body equivalents.

(2) From May 1, 1987 until the expiration of this Annex, the designated airlines of each Party may operate a maximum of 30 roundtrip combination frequencies and 8 roundtrip all-cargo frequencies per week with narrow-body aircraft or their wide-body equivalents.

(3) Narrow body aircraft may be substituted, at the exclusive discretion of the designated airline, by wide-body aircraft at the following rates of conversion: One wide-body aircraft (L-1011, DC-10, A-300, B-747SP, B-767 or similar aircraft) shall be equivalent to 1.5 narrow-body aircraft (DC-8, B-707, B-727, B-737, B-757, MD-80 or similar aircraft), except that one B-747-100 or similar aircraft will be equivalent to two narrow-body aircraft, and one B-747 Combi (with main deck cargo) shall be equivalent to 1.5 narrow-body passenger aircraft and one narrow body all-cargo aircraft.

(4) The aeronautical authorities of each Party shall have the right to distribute these frequencies among its designated airlines.

(5) A total of any twelve months of unused frequencies may be accumulated by the airlines of either Party and used, at the discretion of the aeronautical authorities of that Party, as additional flights during the term of this Annex. If all frequencies are utilized, and no accumulated frequencies are available, a reasonable number of extra sections for the designated airlines of each Party shall be authorized by the aeronautical authorities of the other Party.

(6) Each airline will file schedules with the aeronautical authorities of the other country, if necessary through diplomatic channels, at least thirty days in advance of the effective date of the schedule, and such schedules will become effective on the proposed date of effectiveness, provided they conform with the terms of this Annex. Schedules may be filed in less than thirty days, with special permission, particularly if they involve changes such as changes in the day or hour of operations.

(7) If either party decides to designate a carrier additional to those in the market, it will notify the other party who may, if it wants, call for consultations. Following such consultations, unless mutually agreed otherwise, the newly designated carrier will commence service.

(8) All-cargo charters of either country will not be affected by the above frequency levels but will be freely admitted by the other Party in accordance with country of origin rules. The aeronautical authorities of both Parties agree to give sympathetic consideration to applications by airlines of the other Party for passenger charters.

(9) Unless otherwise agreed, this Annex will expire on April 30, 1988.

ACUERDO SOBRE SERVICIOS DE TRANSPORTE AEREO ENTRE LOS GOBIERNOS DE LOS ESTADOS UNIDOS DE AMERICA

Y DE LA REPUBLICA ARGENTINA

PREAMBULO

El Gobierno de los Estados Unidos de América y el Gobierno de la República Argentina, que son parte del Convenio sobre Aviación Civil Internacional abierto a la firma en Chicago el 7 de diciembre de 1944,

Con el deseo de promover un sistema de transporte aéreo internacional basado en una competencia justa y constructiva entre las aerolíneas, de facilitar la expansión de las oportunidades de transporte aéreo internacional; y de asegurar el más alto grado de protección y seguridad en el transporte aéreo internacional y reafirmando su gran preocupación acerca de los actos o amenazas contra la seguridad de las aeronaves, que compromete la seguridad de las personas o bienes, afectando adversamente la operación del transporte aéreo, y que socava la confianza pública en la seguridad de la aviación civil;

Han convenido lo siguiente:

ARTICULO I. *Permisos de operación para las líneas aéreas.*

(1) Cada una de las Partes tendrá derecho a designar a una o varias líneas aéreas para llevar a cabo el transporte aéreo internacional sobre las rutas establecidas en el Anexo I, que forma parte del presente Acuerdo, y de conformidad con este Acuerdo, a revocar o alterar dichas designaciones. Dichas designaciones o revocaciones serán comunicadas a la otra Parte por escrito por vía diplomática.

(2) Al recibir tal designación de una de las Partes y las solicitudes de la línea aérea designada, en la forma y de la manera prescripta, para autorizaciones de operación y permisos técnicos, la otra Parte concederá las autorizaciones y los permisos apropiados con un mínimo de demora por concepto de procedimiento, siempre que:

- a) una parte substancial de la propiedad y el control efectivo de dicha línea aérea estén en poder de la Parte que designa a la línea aérea, los nacionales de esa Parte, o ambos;
- b) la línea aérea designada esté capacitada para satisfacer las condiciones prescriptas bajo las leyes y los reglamentos que normalmente son aplicados a las operaciones de transporte

Annex II

(1A) From February 1 of each of the years specified below, the designated airlines of each Party may operate a maximum number of round trip combination frequencies per week over the routes specified in Annex I of this Agreement using any type or types of aircraft.

	Feb. 1, 1988– Aug. 31, 1989	Sept. 1, 1989– Jan. 31, 1990
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For the low season:¹

Aerolineas Argentinas	14	16
Eastern Airlines	5	7
Pan American World Airways	9	9

For the high season:²

Aerolineas Argentinas	18	22
Eastern Airlines	7	9
Pan American World Airways	11	13

¹For the purposes of this Annex, low season shall be defined as the period February 1 through June 15 and the period September 1 through November 30.

²For the purposes of this Annex, high season shall be defined as the period June 16 through August 31 and the period December 1 through January 31 of the following year.

(1B) Both delegations agreed that the approval of 22 rather than 20 frequencies for the high season of 1989 will not constitute a precedent for future negotiations on capacity.

(2) From February 1, 1988 until the expiration of this Annex, the designated airlines of each Party may operate a maximum of 8 round trip all-cargo frequencies per week with narrow-body equipment or their wide-body equivalents. A designated airline may accumulate unused frequencies authorized under this paragraph for use in the following calendar year.

(3) For the purpose of frequencies specified in paragraph 2 above, narrow body aircraft may be substituted, at the exclusive discretion of the designated airline, by wide-body aircraft at the following rates of conversion: One wide-body aircraft (L-1011, DC-10, A-300, B-747SP, B-767 or similar aircraft) shall be equivalent to 1.5 narrow-body aircraft (DC-8, B-707, B-727, B-737, B-757,

MD-80 or similar aircraft), except that one B-747-100 or similar aircraft will be equivalent to two narrow-body aircraft, and one B-747 Combi (with main deck cargo) shall be equivalent to 1.5 narrow-body passenger aircraft and one narrow body all-cargo aircraft.

(4) If an airline operating combination services operates fewer frequencies in a low or high season, as defined in paragraph 1 of this Annex, than the maximum number allowed in this Annex, it shall accumulate such unused frequencies for future use in low or high seasons, respectively. Such accumulated frequencies may be used, at the discretion of the airlines, subject to the condition that the frequencies accumulated in a low or high season may be used only during the next two corresponding seasons.

(5) A reasonable number of extra sections for the designated airlines of each Party shall be authorized by the aeronautical authorities of the other Party.

(6) Each airline will file schedules with the aeronautical authorities of the other country, if necessary through diplomatic channels, at least thirty days in advance of the effective date of the schedule, and such schedules will become effective on the proposed date of effectiveness, provided they conform with the terms of this Annex. Schedules may be filed in less than thirty days, with special permission, particularly if they involve changes such as changes in the day or hour of operations.

(7) Either party may substitute a carrier for each individual carrier named in paragraph (1). If either party decides to designate a carrier additional to those in the market, it will notify the other party who may, if it wants, call for consultations. Following such consultations, unless mutually agreed otherwise, the newly designated carrier will commence service.

(8) All-cargo charters of either country will not be affected by the above frequency levels but will be freely admitted by the other Party in accordance with the rules of the country of origin of the traffic. The aeronautical authorities of both Parties agree to give sympathetic consideration to applications by airlines of the other Party for passenger charters.

(9) Unless otherwise agreed, this Annex will expire on January 31, 1990.

EMBASSY OF THE
UNITED STATES OF AMERICA

Buenos Aires, February 16, 1989

No. 062

Mr. Minister:

I have the honor to address Your Excellency regarding the "Memorandum of Consultation" between the Aeronautic Authorities of the Argentine Republic and the United States of America, signed in the city of Washington, D.C. on October 30, 1987.¹ In virtue of the same it was decided to extend Annex I (Route schedules) until January 31, 1990, and to amend Annex II (Capacity) of the Air Transport Agreement between the Governments of the Argentine Republic and the United States of America, signed in the city of Buenos Aires on October 22, 1985, in accordance with what is foreseen in Article IX.

In that respect, I have the pleasure of responding to your note of January 11, 1989 proposing the extension of Annex I (Route schedules) to January 31, 1990. Your note also confirmed, in the name of your Government, the terms of the new annex II (Capacity) of the mentioned agreement.

The above being acceptable to the Government of the United States, I have the honor of confirming to Your Excellency that this note of acceptance, together with your note of January 11, 1989, constitute an Agreement between our two Governments, which shall enter into force on the date of this note.

I take this opportunity to renew to you the assurance of my highest consideration.

[Signature]

Mr. Dante Caputo,
Minister of Foreign Affairs and Worship,
Buenos Aires.

¹ Not printed.