

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF CANADA ON AIR TRANSPORT

The Government of the Republic of the Philippines and the Government of Canada, hereinafter referred to as the Contracting Parties,

Being parties to the Convention on International Civil Aviation opened for signature at Chicago, on the 7th day of December, 1944,

Desiring to conclude an agreement on air transport, supplementary to the said Convention, Have agreed as follows:

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ARTICLE I (DEFINITIONS)

For the purpose of this Agreement, unless otherwise stated:

(a)

"Aeronautical Authorities" means, in the case of Canada, the Minister of Transport and the Canadian Transportation Agency and, in the case of the Republic of the Philippines, the Civil Aeronautics Board and/or any person or body authorized to perform any functions exercised at present by the said Civil Aeronautics Board or similar functions, or, in both cases, any other authority or person empowered to perform the functions exercised by the said authorities;

(b) "Agreed services" means scheduled air services on the routes specified in this Agreement for the transport of passengers and cargo, including mail, separately or in combination;

(c) "Agreement" means this Agreement, any Annex attached thereto, and any amendments to the Agreement or to any Annex;

(d) "Convention" means the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944 and includes any Annex adopted under Article 90 of that Convention and any amendment of the Annexes or of the Convention under Articles 90 and 94 thereof so far as those Annexes and amendments have been adopted by both Contracting Parties;

(e) "Designated airline" means an airline which has been designated and authorized in accordance with Articles IV and V of this Agreement;

(f) "Specified route" means a route specified in the Annex to this Agreement;

(g) "Tariffs" means the prices to be paid for the carriage of passengers, baggage and cargo and the conditions under which those prices apply, including prices and conditions for other services performed by the carrier in connection with air transportation, but excluding remuneration and conditions for the carriage of mail;

(h) "Territory", "Air services", "International Air Service", ".Airline" and "Stop for non-traffic purposes" have the meaning respectively assigned to them in Articles 2 and 96 of the Convention.

ARTICLE II (GRANT OF RIGHTS)

Each Contracting Party grants to the other Contracting Party the following rights for the conduct of international air services by the airline or airlines designated by that other Contracting Party:

(a) the right to fly without landing across its territory;

(b) the right to land in its territory for non-traffic purposes; and

(c) to the extent permitted in this Agreement, the right to make stops in its territory on the routes specified in this Agreement for the purpose of taking up and discharging international traffic in passengers and cargo, including mail, separately or in combination.

The airlines of each Contracting Party, other than those designated under Article IV (Designation) of this Agreement shall also enjoy the rights specified in paragraph 1(a) and (b) of this Article.

Nothing in paragraph 1 of this Article shall be deemed to confer on a designated airline of one Contracting Party the right of taking up, in the territory of the other Contracting Party, passengers and cargo, including mail, carried for remuneration or hire and destined for another point in the territory of that other Contracting Party.

ARTICLE III (CHANGE OF AIRCRAFT)

A designated airline of one Contracting Party may make a change of aircraft in the territory of the other Contracting Party or at an intermediate point in third countries on the routes specified in this Agreement under the following conditions:

- a) that the change of aircraft is justified by reason of economy of operation;
- b) that the capacity offered by the designated airline on the aircraft used on the sector of the route more distant from the territory of the Contracting Party designating the airline is not larger than that used on the nearer sector;
- c) that the aircraft used on the sector of the route more distant from the territory of the Contracting Party designating the airline shall operate in connection with the agreed service provided with the aircraft used on the nearer sector and shall be scheduled so to do;
- d) that there is an adequate volume of through traffic;
- e) that the airline shall not hold itself out, directly or indirectly and whether in timetables, computer reservation systems, fare quote systems or advertisements, or by other like means, as providing any service other than the agreed service on the relevant specified routes;
- f) that where an agreed service includes a change of aircraft this fact is shown in all timetables, computer reservation systems, fare quote systems, advertisements and other like means of holding out the service;
- g) that, where a change of aircraft is made in the territory of the other contracting party, the number of incoming flights shall not exceed the number of outgoing flights, unless otherwise authorised by the aeronautical authorities of the other Contracting Party; and
- h) that all operations involving change of aircraft shall be conducted in conformity with capacity provisions set forth in this Agreement.

The provisions of paragraph 1 of this Article shall not affect the right of an airline to change aircraft in the territory of the Contracting Party designating that airline.

The provisions of this Article shall not limit the ability of an airline to provide services through code-sharing as provided for in the Route Schedule of this Agreement.

Aircraft may be changed at intermediate points only for the purpose of code-sharing.

ARTICLE IV (DESIGNATION)

Each Contracting Party shall have the right to designate, by diplomatic note, an airline or airlines to operate the agreed services for such a Contracting Party and to withdraw the designation of any airline or to substitute another airline for one previously designated.

ARTICLE V (AUTHORIZATION)

Following receipt of a notice of designation or of substitution pursuant to Article IV (Designation) of this Agreement, the aeronautical authorities of the other Contracting Party shall, consistent with the laws and regulations of that Contracting Party, grant without delay to the airline or airlines so designated the appropriate authorizations to operate the agreed services for which that airline has been designated.

Upon receipt of such authorizations the designated airline may begin at any time to operate the agreed services, in whole or in part, provided that the airline complies with the applicable provision of this Agreement, in particular, that tariffs are established in accordance with the provisions of Article XIV (Tariffs) of this Agreement.

ARTICLE VI (REVOCATION AND LIMITATION OF AUTHORIZATION)

The aeronautical authorities of each Contracting Party shall have the right to withhold the authorizations referred to in Article V (Authorization) of this Agreement with respect to an airline designated by the other Contracting Party, to revoke or suspend or impose conditions on such authorizations, temporarily or permanently:

(a) in the event of failure by such airline to qualify to fulfill the conditions prescribed under the laws and regulations normally and reasonably applied by them in a manner not inconsistent with the provisions of the Convention to the operation of international commercial air services;

(b) in the event of failure by such airline to comply with the laws and regulations of the Contracting Party granting the rights;

(c) 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 its nationals; and

(d) in case the airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement.

Unless immediate action is essential to prevent infringement of the laws and regulations referred to above or unless safety or security requires immediate action under Article VIII (Recognition of Certificates and Licences) or Article IX (Aviation Security), the rights enumerated in paragraph 1 of this Article shall be exercised only after consultations with the aeronautical authorities of the other Contracting Party in conformity with Article XX (Consultations) of this Agreement.

ARTICLE VII (APPLICATION OF LAWS)

The laws, regulations and procedures of one Contracting Party relating to the admission to, remaining in, or departure from its territory of aircraft engaged in international air navigation or to the operation and navigation of such aircraft shall be complied with by the designated airline or airlines of the other Contracting Party upon entrance into, departure from and while within the said territory.

The laws and regulations of one Contracting Party respecting entry, clearance, transit, immigration, passports, customs and quarantine shall be complied with by the designated airline or airlines of the other Contracting Party and by or on behalf of its crews, passengers and cargo, including mail, upon transit of, admission to, departure from and while within the territory of such a Contracting Party.

In the application of its customs, immigration, quarantine and similar regulations, neither Contracting Party shall give preference to its own or any other airline over an airline of the other Contracting Party engaged in similar international air services.

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

If the privileges or conditions of the licences or certificates referred to in paragraph 1 above, issued by the aeronautical authorities of one Contracting Party to any person or designated airline or in respect of an aircraft operating the agreed services, should permit a difference from the standards established under the Convention, and which difference has been filed with the International Civil Aviation Organization, the aeronautical authorities of the other Contracting Party may request consultations in accordance with Article XX (Consultations) of this Agreement with the aeronautical authorities of that Contracting Party with a view to clarifying the practice in question.