

March 06, 1996

AIR SERVICES AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN

The Government of the Republic of the Philippines, and the Government of the Hashemite Kingdom of Jordan (hereinafter described as the "Contracting Parties").

Being parties to the Convention on International Civil Aviation and the International Air Services Transit Agreement both opened for signature at Chicago on the 7th day of December 1944, and

Desiring to conclude an agreement for the purpose of establishing and operating air services between territories of the Philippines, and the Hashemite Kingdom of Jordan

Agree as follows:

ARTICLE I DEFINITIONS

For the purpose of this Agreement unless the context otherwise requires: -

a)

the term "aeronautical authorities " means 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 authority or similar functions, and in the case of the Hashemite Kingdom of Jordan, Civil Aviation Authority/ Ministry of Transport and /or any other Authority legally empowered to perform the functions exercised now by the said Authorities and , ;

b)

the term "designated airlines" means an airline which one Contracting Party shall have designated, by written notification to the other Contracting Party, in accordance with Article III of the present Agreement, for operation of air services on the routes specified in the Annex thereto;

c)

the term " territory of the Contracting Part}" in the case of the Republic of the Philippines, means the territory of the Philippines as defined in its Constitution and in the case of the Hashemite Kingdom of Jordan means the land area and territorial waters adjacent thereto under its sovereignty;

d)

the term "the 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 Convention under Article 90 and 94 thereof so far as those Annexes and amendments have been adopted by both Contracting Parties:

e)

the term " air service" , "international air service " , " airlines " and " stop for non-traffic purposes " have the meanings respectively assigned to them in article 96 of the Convention;

f)

the term " agreed services " means scheduled air services on the routes specified in the Annex to this Agreement for the transport of passengers, cargo and mail;

g)

the term " specified route " means a route specified in the Annex to this Agreement;

h)

the term " aircraft equipment " , " aircraft stores " and "spare parts " have the meanings respectively assigned to them in Annex 9 of the Convention;

i)

the term "capacity" in relation to " an aircraft " means the payload of that aircraft available on a route or section of a route;

j)

the term "capacity" in relation to "agreed service", means the capacity of the aircraft used on such service multiplied by the frequency operated by such aircraft over a given period and route or section of a route;

k)

the term "Annex" means the Annex to this Agreement or as amended in accordance with the provisions of Article XIV of this Agreement. The Annex forms an integral part of this Agreement and all references to the Agreement shall include the Annex except where explicitly agreed otherwise;

ARTICLE II GRANT OF RIGHTS

1)

Each Contracting Party grants to the other Contracting Party the rights specified in the present Agreement for the purpose of establishing and operating air services specified in the Annex to this Agreement.

2)

Subject to the provisions of the present Agreement, the airline designated by each Contracting Party shall enjoy the following privileges;

a)

to fly without landing across the territory of the other

Contracting Party;

b)

to make stops in the said territory for non-traffic purposes;
and

c)

to make stops in the said territory at the points specified for that route in the Annex for the purpose of putting down and taking on international traffic in passengers, cargo and mail coming from or destined for other points as specified.

3)

Nothing in paragraph (2) of this Article shall be deemed to confer on the airline of one Contracting Party the privilege of taking on in the territory of the other Contracting Party, passengers, cargo and mail carried for remuneration or hire and destined for another point in the territory of that other Contracting Party.

ARTICLE III
PRINCIPLES GOVERNING THE DESIGNATION OF AIRLINES AND
THE REVOCATION OR SUSPENSION OF OPERATING
AUTHORIZATION

1) Each Contracting Party shall have the right to designate in writing to the other Contracting Party one airline for the purpose of operating the agreed services on the specified routes;

2)

On receipt of the designation, the other Contracting Party shall, subject to the provisions of paragraphs (3) and (4) of this Article, without unnecessary delay, grant to the airline designated the appropriate operating authorization.

3)

The Aeronautical Authorities of one Contracting Party may require an airline designated by the Other Contracting Party to satisfy them that it is qualified 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.

4)

Each Contracting Party shall have the right to refuse to accept the designation of an airline and withhold or revoke the grant to an airline of the operating authorization specified in paragraphs (2) of this Article or to impose such conditions as it may deem necessary in the exercise by an airline of the operating authorization in any case where it is not satisfied that substantial ownership and effective control of that airline

are vested in the Contracting Party designating the airline or in nationals of the Contracting Party designating the airline.

5)

Subject to the provisions of Article VII of the present Agreement, and to the statutory power of the Aeronautical Authorities of the Contracting Parties, at any time after the provisions of paragraphs (1), (2) and (3) of this Article have been complied with, an airline so designated and authorized may begin to operate the agreed services, provided that a tariff established in accordance with the provisions of Article IX of the present Agreement is in force in respect of that service.

6)

Each Contracting Party shall have the right to suspend the exercise by an airline of the operating authorization specified in paragraph (2) of this Article or to impose such conditions as it may deem necessary on the exercise by an airline of the operating authorization in any case where the airline fails to comply with the laws and regulations of the Contracting Party granting the operating authorization or otherwise fails to operate in accordance with the conditions prescribed in the present Agreement, provided that, unless immediate suspension or imposition of conditions is essential to prevent further infringements of laws or regulations, this right shall be exercised only after consultations with the other Contracting Party.

ARTICLE IV EXEMPTION FROM CUSTOMS DUTIES AND OTHER CHARGES

1) Aircraft operated on international services by the designated airlines of either Contracting Party, as well as their regular equipment, supplies of fuels and lubricants, and aircraft stores (including food beverages and tobacco), on board such aircraft shall be exempt from all customs duties, inspection fees and other duties or taxes on arriving in the territory of the other Contracting Party, provided such equipment and supplies remain on board the aircraft up to such time as they are re-exported.

2)

There shall also be exempt from the same duties, and taxes, with exception of charges corresponding to the service performed :-

a)

aircraft stores taken on board in that territory of either Contracting Party, and for use on board aircraft engaged in an international air service of the other Contracting Party;

b)
spare parts entered into the territory of either Contracting Party for the maintenance or repair of aircraft used on international air services by the designated airline of the other Contracting Party;

c)
fuel and lubricants destined to supply aircraft operated on international air services by the designated airline of the other Contracting Party, even when these supplies are to be used on the part of journey-performed over the territory of the Contracting Party in which they are taken on board.
Materials referred to in sub-paragraphs (a), (b) and (c) may be required to be kept under customs supervision or control

3)
The exemptions provided in paragraph (2) of this Article shall also be available where the airline of one Contracting Party has contracted with another airline, which similarly enjoys such exemptions from the other Contracting Party, for loan or transfer in the territory of the other Contracting Party of the items specified in paragraph (2) of this Article

ARTICLE V MAINTENANCE OF TECHNICAL AND ADMINISTRATIVE PERSONNEL

Each designated airline is authorized to maintain in the territory of the other Contracting Party its own technical and administrative personnel, without prejudice to the national regulations of the respective Contracting Parties

ARTICLE VI REMITTANCE OF EARNINGS

Each Contracting Party undertakes to grant the other Party free transfer, in any freely convertible currency at the official rate of exchange at the time of transfer or remittance, of the excess of receipts over expenditure achieved on its territory in connection with the carriage of passengers, baggage, mail shipments and freight by the designated airline of the other Contracting Party. Wherever the payment system between Contracting Parties is governed by a special agreement, said Agreement shall apply.

ARTICLE VII APPLICABILITY OF LAWS AND REGULATIONS

1) The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of aircraft engaged in international air services, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of the airline designated by the other