

No. 9971

INTERNATIONAL CIVIL AVIATION ORGANIZATION

**International Agreement on the procedure for the
establishment of tariffs for scheduled air services.
Signed at Paris on 10 July 1967**

Authentic texts: English, French and Spanish.

Registered by the International Civil Aviation Organization on 21 October 1969.

ORGANISATION DE L'AVIATION CIVILE INTERNATIONALE

**Accord international sur la procédure applicable à
l'établissement des tarifs des services aériens réguliers.
Signé à Paris le 10 juillet 1967**

Textes authentiques : anglais, français et espagnol.

*Enregistré par l'Organisation de l'aviation civile internationale le 21 octobre
1969.*

INTERNATIONAL AGREEMENT¹ ON THE PROCEDURE FOR THE ESTABLISHMENT OF TARIFFS FOR SCHEDULED AIR SERVICES

The Governments signatory hereto,

Considering that the establishment of tariffs for scheduled international air services is governed in different ways by numerous bilateral air transport agreements, or is not provided for at all between States,

Desiring that the principles and procedures for establishing such tariffs should be uniform and that wherever possible use should be made of the procedures of the International Air Transport Association,

Have agreed as follows:

Article 1

The present Agreement:

(a) shall establish the tariff provisions applicable to scheduled international air services between two States Parties to the present Agreement:

- (i) when such States have no bilateral agreement between them to cover such services,
- (ii) when such a bilateral agreement exists but contains no tariff clause;

(b) shall replace the tariff clauses in any bilateral agreement already concluded between two States Parties to the present Agreement for so long as the latter remains in force between the two States.

Article 2

(1) In the following paragraphs, the term "tariff" means the prices to be paid for the carriage of passengers, baggage and freight and the conditions under which those prices apply, including prices and conditions

¹ Came into force on 30 May 1968, i.e. the thirtieth day after the deposit with the International Civil Aviation Organization of the instruments of ratification or notifications of approval (4) of the following five States members of the European Civil Aviation Conference, in accordance with article 7 (1).

<i>State</i>	<i>Date of deposit</i>
France	4 August 1967 A
Portugal	8 March 1968
Ireland	15 March 1968
United Kingdom of Great Britain and Northern Ireland ..	4 April 1968
Finland	30 April 1968

Subsequently the Agreement came into force in respect of Spain on 16 March 1969, i.e. the thirtieth day after the deposit of its instrument of ratification, in accordance with article 7(2).

for agency and other auxiliary services, but excluding remuneration or conditions for the carriage of mail.

(2) The tariffs to be charged by the airlines of one Party for carriage to or from the territory of the other Party shall be established at reasonable levels, due regard being paid to all relevant factors, including cost of operation, reasonable profit, and the tariffs of other airlines.

(3) The tariffs referred to in paragraph 2 of this Article shall, if possible, be agreed by the airlines concerned of both Parties, after consultation with the other airlines operating over the whole or part of the route, and such agreement shall, wherever possible, be reached by the use of the procedures of the International Air Transport Association for the working out of tariffs.

(4) The tariffs so agreed shall be submitted for the approval of the aeronautical authorities of both Parties at least ninety days before the proposed date of their introduction. In special cases, this period may be reduced, subject to the agreement of the said authorities.

(5) This approval may be given expressly. If neither of the aeronautical authorities has expressed disapproval within thirty days from the date of submission, in accordance with paragraph 4 of this Article, these tariffs shall be considered as approved. In the event of the period for submission being reduced, as provided for in paragraph 4, the aeronautical authorities may agree that the period within which any disapproval must be notified shall be less than thirty days.

(6) If a tariff cannot be agreed in accordance with paragraph 3 of this Article, or if, during the period applicable in accordance with paragraph 5 of this Article, one aeronautical authority gives the other aeronautical authority notice of its disapproval of any tariff agreed in accordance with the provisions of paragraph 3, the aeronautical authorities of the two Parties shall, after consultation with the aeronautical authorities of any other State whose advice they consider useful, endeavour to determine the tariff by mutual agreement.

(7) If the aeronautical authorities cannot agree on any tariff submitted to them under paragraph 4 of this Article, or on the determination of any tariff under paragraph 6 of this Article, the dispute shall be settled in accordance with the provisions in the relevant bilateral air transport agreement for the settlement of disputes.

(8) A tariff established in accordance with the provisions of this Article shall remain in force until a new tariff has been established. Nevertheless,

a tariff shall not be prolonged by virtue of this paragraph for more than twelve months after the date on which it otherwise would have expired.

Article 3

(1) If there is no bilateral air transport agreement between the two Parties, or if there is a bilateral agreement which does not include provisions for the settlement of disputes, and a dispute arises of the kind referred to in paragraph 7 of Article 2, the two Parties may agree to refer the dispute for settlement to some person or body, or, at the request of either of them, they may agree to refer the matter to a tribunal of three arbitrators.

(2) To constitute such a tribunal, each of the Parties shall nominate an arbitrator within a period of sixty days from the date of the agreement of the other Party to the request for arbitration, and the third arbitrator shall be appointed by the two so nominated within a further period of sixty days from the nomination of the second arbitrator.

(3) If within the respective periods, either of the Parties fails to nominate an arbitrator, or the third arbitrator is not appointed, the President of the Council of the International Civil Aviation Organization may be requested by either Party to complete the tribunal. In such case, the third arbitrator shall be a national of a third State and act as president of the tribunal.

(4) Unless the Parties have otherwise agreed, the tribunal shall determine its own procedure. All its decisions shall be reached by a majority of votes and shall be final.

Article 4

Without prejudice to paragraph 7 of Article 2 and to Article 3, any dispute between two or more Parties concerning the interpretation or application of the present Agreement which cannot be settled through negotiation shall, at the request of one of them, be submitted to arbitration. If, within six months from the date of the request for arbitration, the Parties are unable to agree on the organization of the arbitration, any one of those Parties may refer the dispute to the International Court of Justice by request in conformity with the Statute of the Court.

Article 5

The present Agreement shall be open for signature on behalf of any State Member of the European Civil Aviation Conference.

Article 6

(1) The present Agreement shall be subject to ratification or approval by the signatory States.