

A G R E E M E N T
BETWEEN
THE REPUBLIC OF LATVIA
AND
THE SWISS CONFEDERATION

RELATING TO SCHEDULED AIR SERVICES

Considering that Latvia and Switzerland

are Parties to the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December, 1944,

desiring to develop international co-operation in the field of air transport, and

desiring to establish the necessary basis for the operation of scheduled air services,

the Government of the Republic of Latvia and the Swiss Federal Council

have appointed plenipotentiaries who, duly authorized to that effect, have agreed as follows:

Article 1 Definitions

1. For the purpose of the present Agreement and its Annex:
 - a. 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 articles 90 and 94 thereof so far as those annexes and amendments are applicable for both Contracting Parties;
 - b. The term "aeronautical authorities" means, in the case of the Republic of Latvia, the Ministry of Transportation and in the case of Switzerland, the Federal Office for Civil Aviation or in both cases any person or body, authorized to exercise the functions presently assigned to the said authorities;
 - c. The term "designated airline" means an airline which one Contracting Party has designated, in accordance with Article 6 of the present Agreement, for the operation of the agreed air services;
 - d. The term "tariff" means the prices to be paid for the carriage of passengers, baggage and cargo and the conditions under which these prices apply, including commission charges and other additional remuneration for agency or sale of transportation documents but excluding remuneration and conditions for the carriage of mail.
2. The Annex forms an integral part of the present Agreement. All references to the Agreement shall include the Annex unless explicitly agreed otherwise.

Article 2 Grant of Rights

1. Each Contracting Party grants to the other Contracting Party the rights specified in the present Agreement for the purpose of operating air services on the routes specified in the schedules of the Annex. Such services and routes are hereafter called "agreed services" and "specified routes" respectively.
2. Subject to the provisions of the present Agreement the airline designated by each Contracting Party shall enjoy, while operating international air services:
 - a. the right to fly without landing across the territory of the other Contracting Party;
 - b. the right to make stops in the said territory for non-traffic purposes;
 - c. the right to embark and disembark in the said territory at the points specified in the Annex of the present Agreement passengers, baggage, cargo and mail destined for or coming from points in the territory of the other Contracting Party;
 - d. the right to embark and disembark in the territory of third countries at the points specified in the Annex of the present Agreement passengers, baggage, cargo and mail destined for or coming from points in the territory of the other Contracting Party, specified in the Annex of the present Agreement.
3. Nothing in this Article shall be deemed to confer on the designated airline of one Contracting Party the privilege of embarking, in the territory of the other Contracting Party, passengers, baggage, cargo and mail carried for remuneration or

hire and destined for another point in the territory of that Contracting Party.

4. If because of armed conflict, political disturbances or developments, or special and unusual circumstances, the designated airline of one Contracting Party is unable to operate a service on its normal routing, the other Contracting Party shall use its best efforts to facilitate the continued operation of such service through appropriate rearrangements of such routes, including the grant of rights for such time as may be necessary to facilitate viable operations.

Article 3 Exercise of Rights

1. The designated airlines shall enjoy fair and equal opportunities to operate the agreed services between the territories of the Contracting Parties.

2. The designated airline of each Contracting Party shall take into consideration the interests of the designated airline of the other Contracting Party so as not to affect unduly the agreed services of the latter airline.

3. The main objective of the agreed services shall be to provide capacity corresponding to traffic demand between the territory of the Contracting Party which has designated the airline and the points served on the specified routes.

4. The right of each of the designated airlines to carry international traffic between the territory of the other Contracting Party and the territories of third countries, shall be exercised in conformity with the general principles of normal development to which both Contracting Parties subscribe and subject to the condition that the capacity shall be adapted:

- a. to traffic demand to and from the territory of the Contracting Party which has designated the airline;
- b. to traffic demand of the areas through which the service passes, local and regional services being taken into account;
- c. to the requirements of an economical operation of the agreed services.

5. Neither Contracting Party shall unilaterally restrict the operations of the designated airline of the other except according to the terms of the present Agreement or by such uniform conditions as may be contemplated by the Convention.

Article 4 Application of Laws and Regulations

1. 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 over that territory shall apply to the designated airline of the other Contracting Party.
2. The laws and regulations of one Contracting Party governing entry into, sojourn in, and departure from its territory of passengers, crew, baggage, cargo or mail, such as formalities regarding entry, exit, emigration and immigration, as well as customs and sanitary measures shall apply to passengers, crew, baggage, cargo or mail carried by the aircraft of the designated airline of the other Contracting Party while they are within the said territory.
3. Neither Contracting Party may grant any preference to its own airline with regard to the designated airline of the other

Contracting Party in the application of the laws and regulations provided for in this Article.

Article 5 Aviation Security

1. Consistent with their rights and obligations under international law, the Contracting Parties reaffirm that their obligation to each other to protect the security of civil aviation against acts of unlawful interference forms an integral part of the present Agreement. Without limiting the generality of their rights and obligations under international law, the Contracting Parties shall in particular act in conformity with the provisions of the Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16 December 1970 and the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971, and its Supplementary Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, signed at Montreal on 24 February 1988.

2. The Contracting Parties shall provide upon request all necessary assistance to each other to prevent acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, their passengers and crew, airports and air navigation facilities, and any other threat to the security of civil aviation.

3. The Contracting Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by the International Civil Aviation Organization and designated as Annexes to the Convention to the extent that such security provisions are applicable to the Contracting Parties; they shall require that operators of aircraft of their registry

or operators of aircraft who have their principal place of business or permanent residence in their territory and the operators of airports in their territory act in conformity with such aviation security provisions.

4. Each Contracting Party agrees that such operators of aircraft may be required to observe the aviation security provisions referred to in paragraph 3 of this Article required by the other Contracting Party for entry into, departure from, or while within, the territory of that other Contracting Party. Each Contracting Party shall ensure that adequate measures are effectively applied within its territory to protect the aircraft and to inspect passengers, crew, carry-on items, baggage, cargo and aircraft stores prior to and during boarding or loading. Each Contracting Party shall also give sympathetic consideration to any request from the other Contracting Party for reasonable special security measures to meet a particular threat.

5. When an incident or threat of an incident of unlawful seizure of civil aircraft or other unlawful acts against the safety of such aircraft, their passengers and crew, airports or air navigation facilities occurs, the Contracting Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.

Article 6 Designation and Operating Authorization

1. Each Contracting Party shall have the right to designate one airline for the purpose of operating the agreed services. Such designation shall be effected by virtue of a written notification between the aeronautical authorities of both Contracting Parties.

2. The aeronautical authorities which have received the notification of designation shall, subject to the provisions of paragraphs 3 and 4 of this Article, grant without delay to the designated airline of the other Contracting Party the necessary operating authorization.

3. The aeronautical authorities of one Contracting Party may require the airline designated by the other Contracting Party to prove that it is qualified to fulfil the conditions prescribed under the laws and regulations normally applied to the operation of international air services by the said authorities in conformity with the provisions of the Convention.

4. Each Contracting Party shall have the right to refuse to grant the operating authorization referred to in paragraph 2 of this Article, or to impose such conditions as it may deem necessary on the exercise of the rights specified in Article 2 of the present Agreement, whenever the said Contracting Party has no proof that a preponderant part of the ownership and effective control of that airline are vested in the Contracting Party designating the airline or in its nationals.

5. Having received the operating authorization, provided for under paragraph 2 of this Article, the designated airline may at any time operate the agreed services, provided that tariffs established in accordance with the provisions of Article 13 of the present Agreement are in force.

Article 7 Revocation and Suspension of Operating Authorization

1. Each Contracting Party shall have the right to revoke or suspend an operating authorization for the exercise of the rights specified in Article 2 of the present Agreement by the designated airline of the other Contracting Party or to impose such

conditions as it may deem necessary on the exercise of such rights, if:

- a. the said airline can not prove that a preponderant part of its ownership and effective control are vested in the Contracting Party designating the airline or in its nationals, or
 - b. the said airline fails to comply with or has seriously infringed the laws or regulations of the Contracting Party granting these rights, or
 - c. the said airline fails to operate the agreed services in accordance with the conditions prescribed under the present Agreement.
2. Such a right shall be exercised only after consultation with the other Contracting Party, unless immediate revocation, suspension or imposition of the conditions provided for under paragraph 1 of this Article is essential to prevent further infringements of laws and regulations.

Article 8 Recognition of Certificates and Licences

1. Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one of the Contracting Parties shall, during the period of their validity, be recognized as valid by the other Contracting Party.
2. Each Contracting Party reserves the right, however, to refuse to recognize as valid, for the purpose of flights over its own territory, certificates of competency and licences granted to or rendered valid for its own nationals by the other Contracting Party or by any other State.

Article 9 Exemption of Duties and Taxes

1. Aircraft operated on international services by the designated airline of one Contracting Party, as well as their normal equipment, supplies of fuel and lubricants, aircraft stores including food, beverages and tobacco carried on board such aircraft, shall on entering into the territory of the other Contracting Party, be exempt from all duties or taxes, provided such equipment, supplies and stores remain on board the aircraft until they are re-exported.
2. Shall also be exempt from the same duties and taxes, with exception of charges corresponding to the services rendered:
 - a. aircraft stores taken on board in the territory of one Contracting Party, within the limits fixed by the authorities of the said Contracting Party, and intended for use on board the aircraft operated on an international service by the designated airline of the other Contracting Party;
 - b. spare parts and normal board equipment imported into the territory of one Contracting Party for the maintenance or repair of aircraft operated on international services;
 - c. fuel and lubricants destined for the designated airline of one Contracting Party to supply aircraft operated on international services, even when these supplies are to be used on any part of a journey performed over the territory of the Contracting Party in which they have been taken on board.
 - d. the necessary documents used by the designated airline of one Contracting Party including transportation documents, airway bills and advertising material, as well as motor vehicles, material and equipment which may be used by the designated airline for commercial and operational purposes

within the airport area provided such material and equipment serve the transportation of passengers and freight.

The normal board equipment, as well as the materials and supplies retained on board the aircraft operated by the designated airline of one Contracting Party may be unloaded in the territory of the other Contracting Party only with the approval of the customs authorities of that territory. In such a case, they may be placed under the supervision of the said authorities until they are re-exported or otherwise disposed of in accordance with customs regulations.

Article 10 User Charges

1. Each Contracting Party shall use its best efforts to ensure that user charges imposed or permitted to be imposed by its competent authorities on the designated airline of the other Contracting Party are just and reasonable. They shall be based on sound economic principles.

2. Charges for the use of airport and air navigation facilities and services offered by one Contracting Party to the designated airline of the other Contracting Party shall not be higher than those which have to be paid by national aircraft operating on scheduled international services.

Article 11 Commercial Activities

1. The designated airline of one Contracting Party shall be permitted to maintain adequate representations in the territory of the other Contracting Party. These representations may include commercial, operational and technical staff, which may consist of transferred or locally engaged personnel.

For the commercial activities the principle of reciprocity shall apply. The competent authorities of each Contracting Party shall take all necessary steps to ensure that the representations of the airline designated by the other Contracting Party may exercise its activities in an orderly manner.

In particular, each Contracting Party grants to the designated airline of the other Contracting Party the right to engage in the sale of air transportation in its territory directly and, at the airline's discretion, through its agents. Each airline shall have the right to sell such transportation, and any person shall be free to purchase such transportation, in the currency of that territory or in freely convertible currencies of other countries.

Article 12 Conversion and Transfer of Revenues

Each designated airline shall have the right to convert and remit to its country, at the official rate of exchange, receipts in excess of sums locally disbursed in due proportion to the carriage of passengers, baggage, cargo and mail. Such transfers shall be effected immediately, at the latest within sixty days after the date of request. If payments between the Contracting Parties are regulated by a special agreement, this special agreement shall apply.

Article 13 Tariffs

1. The tariffs to be applied by each designated airline in connexion with any transportation to and from the territory of the other Contracting Party shall be established at reasonable levels, due regard being paid to all relevant factors, including cost of operation, reasonable profit, the characteristics of each service and the tariffs charged by other airlines.

1. The tariffs referred to in paragraph 1 of this Article shall, if possible, be established by mutual agreement by the designated airlines of both Contracting Parties and after consultation with the other airlines operating over the whole or part of the same route. The designated airlines shall, wherever possible, reach such agreement through the rate-fixing procedure established by the international body which formulates proposals in this matter.

2. The tariffs so agreed shall be submitted for approval to the aeronautical authorities of the Contracting Parties at least sixty days before the proposed date of their introduction. In special cases, this time limit may be reduced, subject to the agreement of the said authorities. If within thirty days after the submission of the tariffs neither of the aeronautical authorities notifies to the other aeronautical authorities its disapproval, these tariffs shall be considered approved.

3. If the designated airlines cannot agree, or if a tariff is not approved by the aeronautical authorities of one Contracting Party, the aeronautical authorities of both Contracting Parties shall endeavour to determine the tariff by mutual agreement. Such negotiations shall begin within thirty days from the date when it becomes obvious that the designated airlines cannot agree upon a tariff or the aeronautical authorities of one Contracting Party have notified to the aeronautical authorities of the other Contracting Party their disapproval of a tariff.

4. In default of agreement the dispute shall be submitted to the procedure provided for in Article 17 hereafter.

5. A tariff already established shall remain in force until a new tariff has been established in accordance with the provisions of this Article or Article 17 of the present Agreement but not longer than twelve months from the day of disapproval by the aeronautical authorities of one of the Contracting Parties.

7. The aeronautical authorities of each Contracting Party shall exercise their best efforts to ensure that the designated airlines conform to the agreed tariffs filed with the aeronautical authorities of the Contracting Parties, and that no airline illegally rebates any portion of such tariffs by any means, directly or indirectly.

Article 14 Time-table Submission

1. Not later than thirty days prior to the operation of the agreed services the designated airline shall submit the envisaged time-table for approval to the aeronautical authorities of the other Contracting Party. The same procedure shall apply to any modification thereof.

2. For supplementary flights which the designated airline of one Contracting Party wishes to operate on the agreed services outside the approved time-table it has to request prior permission from the aeronautical authorities of the other Contracting Party. Such request shall usually be submitted at least two working-days before operating such flights.

Article 15 Provision of Statistics

The aeronautical authorities of both Contracting Parties shall supply each other, on request, with periodic statistics or other similar information relating to the traffic carried on the agreed services.

Article 16 Consultations

Either Contracting Party may at any time request consultations on the implementation, interpretation, application or amendment of

the present Agreement. Such consultations, which may be between the aeronautical authorities, shall begin within a period of sixty days from the date the other Contracting Party receives the written request, unless otherwise agreed by the Contracting Parties.

Article 17 Settlement of Disputes

1. Any dispute arising under the present Agreement, which cannot be settled by direct negotiations or through diplomatic channels, shall, at the request of either Contracting Party, be submitted to an arbitral tribunal.
2. In such a case, each Contracting Party shall nominate an arbitrator and the two arbitrators shall appoint a president, national of a third State. If within two months after one of the Contracting Parties has nominated its arbitrator, the other Contracting Party has not nominated its own, or, if within the month following the nomination of the second arbitrator, both arbitrators have not agreed on the appointment of the president, each Contracting Party may request the President of the Council of the International Civil Aviation Organization to proceed with the necessary nominations.
3. The arbitral tribunal shall determine its own procedure and decide on the distribution of the cost of the procedure.
4. The Contracting Parties shall comply with any decision delivered in application of this Article.

Article 18 Modifications

1. If either of the Contracting Parties considers it desirable to modify any provision of the present Agreement, such

modification, if agreed between the Contracting Parties, shall be applied provisionally from the date of its signature and enter into force when the Contracting Parties will have notified to each other the fulfilment of their constitutional procedures.

2. Modifications to the Annex of the present Agreement may be agreed directly between the aeronautical authorities of the Contracting Parties. They shall be applied provisionally from the date they have been agreed upon and enter into force when confirmed by an exchange of diplomatic notes.

3. In the event of the conclusion of any general multilateral convention concerning air transport by which both Contracting Parties become bound, the present Agreement shall be modified so as to conform with the provisions of such convention.

Article 19 Termination

1. Each Contracting Party may at any time give notice in writing to the other Contracting Party of its decision to terminate the present Agreement. Such notice shall simultaneously be communicated to the International Civil Aviation Organization.

2. The Agreement shall terminate at the end of a time-table period during which twelve months after the date of receipt of the notice will have elapsed, unless the notice is withdrawn by mutual agreement before the expiry of this period.

3. In default of acknowledgement of receipt by the other Contracting Party, the notice shall be deemed to have been received fourteen days after the date on which the International Civil Aviation Organization will have received communication thereof.

Article 20 Registration with International Civil Aviation
Organization

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

Article 21 Entry into Force

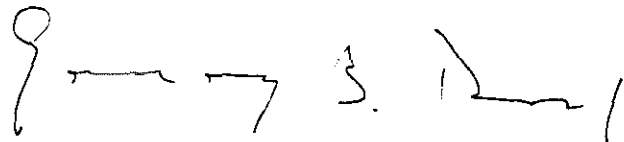
The present Agreement shall be applied provisionally from the date of its signature; it shall enter into force when the Contracting Parties will have notified to each other the fulfilment of their constitutional formalities with regard to the conclusion and the entering into force of international agreements.

In witness whereof the plenipotentiaries of the two Contracting Parties have signed the present Agreement.

Done in duplicate at Riga this 21 day of May 1993 in the English, German and Latvian languages, all three texts being equally authentic. In case of any divergence of implementation, interpretation or application, the English text shall prevail.

For the Government of
the Republic of Latvia

For the Swiss Federal Council



A N N E X

ROUTE SCHEDULES

Route Schedule I

Routes on which air services may be operated by the designated airline of Switzerland:

Points of departure	Intermediate points	Points in Latvia	Points beyond Latvia
Points in Switzerland	One point	One point	One point in Europe

Route Schedule II

Routes on which air services may be operated by the designated airline of Latvia:

Points of departure	Intermediate points	Points in Switzerland	Points beyond Switzerland
Points in Latvia	One point	One point	One point in Europe

NOTES

1. Intermediate points and points beyond on any of the specified routes may, at the option of the designated airlines, be omitted on any or all flights.
2. Each designated airline may terminate any of its agreed services in the territory of the other Contracting Party.
3. Each designated airline may serve intermediate points and points beyond not specified in the Annex of the present Agreement on condition that no traffic rights are exercised between these points and the territory of the other Contracting Party.