

No. 27578

**ISRAEL
and
SPAIN**

**Air Transport Agreement (with annex). Signed at Jerusalem
on 31 July 1989**

Authentic texts: Hebrew, Spanish and English.

Registered by Israel on 3 October 1990.

**ISRAËL
et
ESPAGNE**

**Accord relatif aux transports aériens (avec annexe). Signé à
Jérusalem le 31 juillet 1989**

Textes authentiques : hébreu, espagnol et anglais.

Enregistré par Israël le 3 octobre 1990.

AIR TRANSPORT AGREEMENT¹ BETWEEN THE STATE OF ISRAEL AND THE KINGDOM OF SPAIN

The State of Israel and the Kingdom of Spain

Being parties to the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December, 1944;² and

Desiring to promote the development of air transport between Spain and Israel and to continue to the fullest extent the international cooperation in this field;

Have agreed as follows:

Article I

DEFINITIONS

For the purpose of the interpretation and application of the Agreement, except as otherwise provided herein:

a) the term "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, any amendment of the Annexes or Convention under Articles 90 and 94 thereof so far as those Annexes and amendments have become effective for or have been ratified by both Contracting Parties;

b) the term "aeronautical authorities" means in the case of the State of Israel, the

¹ Came into force provisionally on 31 July 1989, the date of signature, and definitively on 16 August 1990, the date of the last of the notifications (of 10 October 1989 and 16 August 1990) by which the Contracting Parties informed each other of the completion of their respective constitutional requirements, in accordance with article XX.

² United Nations, *Treaty Series*, vol. 15, p. 295. For the texts of the Protocols amending this Convention, see vol. 320, pp. 209 and 217; vol. 418, p. 161; vol. 514, p. 209; vol. 740, p. 21; vol. 893, p. 117; vol. 958, p. 217; vol. 1008, p. 213, and vol. 1175, p. 297.

Minister of Transport, and in the case of the Kingdom of Spain, the Minister of Transport, Tourism and Communications, or in both cases any person or body duly authorised to perform any function exercised by the said authorities;

c) the term "designated airline" means the airline that each Contracting Party has designated to operate the agreed services as specified in the Annex to this Agreement and in accordance with Article III of this Agreement;

d) the terms "territory", "international air services" and "stop for non-traffic purposes" have the meaning specified in Articles 2 and 96 of the Convention;

e) the term "Agreement" means this Agreement, its Annex and any amendments thereto;

f) the term "specified routes" means the routes established or to be established in the Annex to the Agreement;

g) the term "agreed services" means the international air services which can be operated, according to the provisions of the Agreement, on the specified routes;

h) the term "tariff" 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 agency and other auxiliary services, but excluding remuneration or conditions for the carriage of mail.

Article II

OPERATING RIGHTS

Each Contracting Party grants to the other Contracting Party the rights specified in the

Agreement, for the purpose of establishing scheduled international air services on the routes specified in the Annex hereto.

The airline designated by each Contracting Party shall enjoy, while operating an agreed service on a specified route, the following rights:

- 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 for the purpose of taking on or putting down, while operating the routes specified in the Annex, international traffic of passengers, cargo and mail, separately or in combination.
- d) nothing in this Agreement shall be deemed to confer on the designated airline of one Contracting Party the privilege of taking on board in the territory of the other Contracting Party passengers, cargo and mail, carried for hire or reward and destined for another point in the territory of the other Contracting Party.

Article III

DESIGNATION OF AIRLINES

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

3. The aeronautical authorities of one Contracting Party may require the 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 to the operation of international air services by such 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 by the designated airline of the rights specified in Article II of this Agreement in any case when the said Contracting Party is not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or its nationals.
5. When an airline has been so designated and authorized, it may begin at any time to operate the agreed services, provided that a tariff established in accordance with the provisions of Article VI of this Agreement is in force in respect of those services.

Article IV

REVOCATION

1. Each Contracting Party shall have the right to revoke an operating authorization or to suspend the exercise of the rights specified in Article II of this Agreement given to the airline designated by the other Contracting Party, or to impose such conditions as it may deem necessary for the exercise of these rights:
 - a. in any case where it is not satisfied that substantial ownership and effective control of the airline are vested in the Contracting Party designating the airline or in nationals of such Contracting Party; or

- b. in the case of failure by that airline to comply with the laws and regulations of the Contracting Party granting these rights; or
 - c. in any case in which the airline otherwise fails to operate the agreed services in accordance with the conditions prescribed under the Agreement.
2. Unless immediate revocation, suspension or imposition of the conditions mentioned in paragraph 1 of this Article are essential to prevent further infringement of laws or regulations, such right shall be exercised only after consultation with the other Contracting Party.

Article V

EXEMPTION

1. Each Contracting Party shall on a basis of reciprocity exempt the designated airline of the other Contracting Party to the fullest extent possible under its national law from import restrictions, customs duties, excise taxes, inspection fees and other national duties and charges on aircraft, fuel, lubrication oils, consumable technical supplies, spare parts including engines, regular aircraft equipment, aircraft stores (including liquor, tobacco and other products destined for sale to passengers in limited quantities during the flight) and other items intended for use solely in connection with the operation or servicing of aircraft of the designated airline of such other Contracting Party operating the agreed services, as well as printed ticket stock, airway bills, any printed material which bears the insignia of the company printed thereon and usual publicity material distributed without charge by that designated airline.
2. The exemption granted by this Article shall apply to the items referred to in paragraph 1 of this Article:

- a. introduced in the territory of one Contracting Party by or on behalf of the designated airline of the other Contracting Party;
- b. retained on board the aircraft of the designated airline of one Contracting Party upon arriving in or leaving the territory of the other Contracting Party;
- c. taken on board the aircraft of the designated airline of one Contracting Party in the territory of the other Contracting Party and intended for use in operating the agreed services;

Whether or not such items are used or consumed wholly within the territory of the Contracting Party granting the exemption, provided such items are not alienated in the territory of the said Contracting Party.

3. The regular airborne equipment, as well as the materials and supplies normally retained on board the aircraft of the designated airline of either 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 case, they may be placed under the supervision of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with Customs regulations.
4. Passengers in transit across the territory of either Contracting Party shall be subject to no more than a very simplified control. Baggage and cargo in direct transit shall be exempt from customs duties and any other taxes and duties required for import purposes.

Article VI

TARIFFS

1. The tariffs to be charged by the designated airline of one Contracting Party for carriage to or 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 the operation, reasonable profit and the tariffs of other airlines.
2. The tariffs referred to in paragraph 1 of this Article, shall if possible be agreed between the designated airlines of both Contracting Parties, after consultation with other airlines operating over the whole or part of the route, and such agreement shall, whenever possible, be reached by the use of the procedures of the International Air Transport Association for the working out of tariffs.
3. The tariffs so agreed shall be submitted for the approval of the aeronautical authorities of both Contracting Parties at least forty-five (45) days before the proposed date of their introduction. In special cases, this period may be reduced, subject to the agreement of the said authorities.
4. This approval may be given expressly. If neither of the aeronautical authorities has expressed disapproval within thirty (30) days from the date of submission, in accordance with paragraph 3 of this Article, these tariffs shall be considered as approved. In the event of the period for submission being reduced, as provided in paragraph 3, the aeronautical authorities may agree that the period within which any disapproval must be notified shall be less than thirty (30) days.
5. If a tariff cannot be agreed in accordance with the provisions of paragraph 2 of this Article, or if during the period applicable in accordance with paragraph 4 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 2, the aeronautical authorities of the two Contracting 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.

6. If the aeronautical authorities cannot agree on any tariff submitted to them in accordance with paragraph 3 of this Article, or on the determination of any tariff as specified in paragraph 5 of this Article, the dispute shall be settled in accordance with the provisions of Article XVIII of this Agreement.
7. 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 (12) months after the date on which it otherwise would have expired.

Article VII

TECHNICAL AND COMMERCIAL PERSONNEL

1. The designated airline of one Contracting Party shall be allowed, on the basis of reciprocity, to maintain in the territory of the other Contracting Party their representatives and commercial, operational and technical staff as required in connection with the operation of agreed services.
2. These staff requirements may, at the option of the designated airline, be satisfied by its own personnel or by using the services of any other organization, company or airline operating in the territory of the other Contracting Party, and authorized to perform such services in the territory of that Contracting Party.
3. The representatives and staff shall be subject to the laws and regulations in force of the other

Contracting Party, and, consistent with such laws and regulations, each Contracting Party shall, on the basis of reciprocity and with the minimum of delay, grant the necessary work permits, employment visas or other similar documents to the representatives and staff referred to in paragraph 1 of this Article.

Article VIII

LAWS AND REGULATIONS

1. The laws and regulations of each Contracting Party controlling the admission to or departure from its own territory of aircraft engaged in international navigation, or relative to the operation of such aircraft while within its territory, will be applied to the aircraft of the designated airline of the other Contracting Party.
2. The laws and regulations controlling the entry, stay and departure of passengers, crew, baggage, mail and cargo, over the territory of each Contracting Party, and also the regulations relative to the requirements of entry and departure from the country, immigration, customs and sanitary rules, will be applied, in such territory, to the operations of the designated airline of the other Contracting Party.

Article IX

PROHIBITED AREAS

For military reasons or public security, each Contracting Party shall have the right to restrain or forbid the flights of the aircraft belonging to the designated airline of the other Contracting Party above certain zones of its territory provided such restrictions and prohibitions are applied equally to the aircraft of the designated airline of the first Contracting Party or the airlines of the other States which operate on international scheduled air services.

Article X

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 on the specified routes in the Annex to the Agreement, provided that the requirements under which such certificates and licences were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the International Civil Aviation Convention.

Each Contracting Party reserves the right, however, of refusing to recognize the validity of the certificates of competency and the licences granted to its own nationals by the other Contracting Party for the purpose of overflying its own territory.

Article XI

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 this Agreement. Without limiting the generality of their rights and obligations under international law, the Contracting Parties shall in particular act in conformity with the provision of the Convention of Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963,¹ the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at the Hague on 16 December 1970,² and the Convention for the

¹ United Nations, *Treaty Series*, vol. 704, p. 219.

² *Ibid.*, vol. 860, p. 105.

Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971.¹

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 on International Civil Aviation to the extent that such security provisions are applicable to the 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 above 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, and during both operations. Each Contracting Party shall also give sympathetic consideration

¹ United Nations, *Treaty Series*, vol. 974, p. 177 and vol. 1217, p. 404 (corrigendum to vol. 974).

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 XII

TRANSFER OF EXCESS RECEIPTS

1. The airlines of the Contracting Parties shall be free to sell air transport services in the territories of both Contracting Parties either directly or through an agent, in any currency.
2. The airlines of the Contracting Parties shall be free to transfer from the territory of sale to their home territory the excess, in the territory of sale, of receipts over expenditure. Included in such net transfer shall be revenues from sales, made directly or through an agent of air transport services, and ancillary or supplementary services, and normal commercial interest earned on such revenues while on deposit awaiting transfer.
3. The airlines of the Contracting Parties shall receive approval for such transfers within at most thirty days of application, into a freely convertible currency, at the official rate of exchange for conversion of local currency, as at the date of approval.
4. The airlines of the Contracting Parties shall be free to effect the actual transfer on receipt of

approval. In the event that, for technical reasons, such transfer cannot be effected immediately, the airlines of the Contracting Parties shall receive priority of transfer equal to that of the generality of Contracting Parties imports, and the rates of exchange at which the approvals were granted shall be maintained.

5. Each Contracting Party shall grant to the designated airline of the other Contracting Party on a reciprocal basis, the exemption of all taxes and duties on the profit or incomes derived from the operation of the air services.

Article XIII

CAPACITY

1. There shall be fair and equal opportunity for the designated airline of each Contracting Party to operate the agreed services on the routes specified in the Annex to this Agreement.
2. In operating the agreed services, the designated airline of each Contracting Party shall take into account the interests of the designated airline of the other Contracting party so as not to affect unduly the services which the latter provides on the whole or part of the same route.
3. The capacity to be provided on the agreed services by the designated airlines shall bear a close relationship to the estimated requirements of the public for air transport between the territories of the Contracting Parties, and shall be subject to approval by the Aeronautical Authorities of the two Contracting parties.

Article XIV

FACILITATION

1. The charges imposed in the territory of one Contracting Party on the aircraft of the

designated airline of the other Contracting Party for the use of airports and other aviation facilities shall not be higher than those imposed on aircraft of a national airline of the first Contracting Party engaged in similar international air services.

2. Each Contracting Party shall encourage consultations between its competent charging authorities and the designated airlines using the services and facilities; and where practicable, through the airlines representative organizations. Reasonable notice should be given to users of any proposals for changes in user charges to enable them to express their views before changes are made.
3. Neither of the Contracting Parties shall give preference to its own or any other airline over an airline engaged in similar international air services of the other Contracting Party in the application of its customs, immigration, quarantine and similar regulations or in the use of airports, airways, air traffic services and associated facilities under its control.

Article XV

STATISTICS

The aeronautical authorities of either Contracting Party shall supply to the aeronautical authorities of the other Contracting Party, at their request, such statistical information as may be reasonably required for the purpose of determining the amount of traffic carried by the designated airline on the agreed services and of reviewing the capacity provided on those services.

Article XVI

CONSULTATIONS

1. In a spirit of close cooperation, the aeronautical authorities of the Contracting Parties shall consult each other from time to

time with a view to ensuring the implementation of, and satisfactory compliance with, the provisions of this Agreement and of its Annex.

2. Such consultations shall begin within a period of sixty (60) days of the date of receipt of such a request, unless otherwise agreed by the Contracting Parties.

Article XVII

MODIFICATIONS

1. If either Contracting Party considers it desirable to modify any provisions of the Agreement, it may request consultations with the other Contracting Party. Such consultations between aeronautical authorities may be through discussion or by correspondence, and shall begin within a period of sixty (60) days from the date of request. Any modifications so agreed shall come into force when they have been confirmed by an exchange of diplomatic notes.
2. Modifications of the Annex to this Agreement may be made by direct agreement between the competent aeronautical authorities of the Contracting Parties and confirmed by exchange of diplomatic notes.
3. The Agreement will be amended so as to conform with any multilateral Convention which may become binding on both Contracting Parties.

Article XVIII

SETTLEMENT OF DISPUTES

1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall in the first place endeavor to settle it by negotiation.
2. If the Contracting Parties fail to reach a settlement by negotiation each party may refer the dispute for decision to a tribunal of three

arbitrators, unless they agree to refer the dispute to other modes of peaceful settlement. In case of recourse to an arbitral settlement, each party shall nominate an arbitrator within a period of sixty (60) days from the date of receipt by either Contracting Party from the other of a notice through diplomatic channels requesting arbitration of the dispute and the third arbitrator shall be appointed by the two arbitrators within a further period of sixty (60) days. If either of the Contracting Parties fails to nominate an arbitrator within the period specified, or if the third arbitrator is not appointed within the period specified, the President of the Council of the International Civil Aviation Organization may be requested by either Contracting Party to appoint an arbitrator or arbitrators as the case requires. In all cases the third arbitrator shall be a national of a third State, shall act as President of the Tribunal and shall determine the place where arbitration will be held.

3. The Contracting Parties undertake to comply with any decision given under paragraph 2 of this Article.
4. The expenses of the Tribunal shall be shared equally between the Contracting Parties.
5. If and so long as either Contracting Party fails to comply with any decision given under paragraph 2 of this Article, the other Contracting Party may limit, withhold or revoke any rights or privileges which it has granted by virtue of this Agreement to the Contracting Party in default or to the designated airline in default.

Article XIX

REGISTRATION

The Agreement, including any amendments thereto, as well as any exchange of Diplomatic Notes, shall be registered with the International Civil Aviation Organization.

Article XXENTRY INTO FORCE AND TERMINATION

The Agreement shall apply provisionally on the date of signature and will definitely enter into force after the date on which both Contracting Parties give written notification to each other by exchange of Diplomatic Notes that their respective constitutional requirements for definite entry into force have been fulfilled.

Either Contracting Party may at any time give notice to the other Contracting Party of its decision to terminate the Agreement. Such notice shall be simultaneously communicated to the International Civil Aviation Organization. In such case the Agreement shall terminate twelve (12) months after the date of receipt of the notice by the other Contracting Party, unless the notice of termination is withdrawn by mutual agreement before the expiry of this period. In the absence of acknowledgement of receipt by the other Contracting Party, the notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization.

In witness whereof, the undersigned, being duly authorized thereto by their respective Governments have signed the present Agreement.

Done at Jerusalem, this 31 day of July 1989
which corresponds to the 28 day of Tamuz 5749
in two original copies in the English, Spanish and
Hebrew languages, all the texts being equally
authentic. In case of divergence of interpretation,
the English text shall prevail.

For the State of Israel:

[Signed — Signé]¹

For the Kingdom of Spain:

[Signed — Signé]²

¹ Signed by Moshe Arens — Signé par Moshe Arens.

² Signed by Pedro Lopez Aquirrengoa — Signé par Pedro Lopez Aquirrengoa.

ANNEX

to the Bilateral Air Agreement between Spain and Israel on Scheduled Air Transport between their respective territories.

1. ROUTES SCHEDULE

The agreed services on the specified routes referred to in this Air Agreement are as follows:-

a) Route to be operated by the designated airline of Spain:

Points in Spain - Tel Aviv

b) Route to be operated by the designated airline of Israel:

Points in Israel - Madrid.

2. The total capacity offered and the frequencies of the services on the specified routes shall be divided as far as possible equally between the two airlines unless otherwise agreed upon.
3. The frequencies and schedules for the operations of the agreed services shall be established by mutual agreement between the airlines designated by both Contracting Parties, and submitted for approval to the Aeronautical Authorities of both Contracting Parties at least 30 days prior to their entry into force. In case no such agreement can be reached between the designated airlines the matter shall be deferred to the Aeronautical Authorities of both Contracting Parties.
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