

**Air Services Agreement**  
**between**  
**The Government of the Republic of India**  
**and**  
**The Government of the Republic of the Philippines**

The Government of the Republic of India and the Government of the Republic of the Philippines (hereinafter referred to as the "Contracting Parties");

Being Parties to the Convention on International Civil Aviation opened for signature at Chicago on 7 December, 1944;

Desiring to promote international air services between their respective territories;

Desiring to promote an international aviation system based on competition among airlines;  
and

Desiring to ensure the highest degree of safety and security in international air services and reaffirming their grave concern about acts or threats against the security of aircraft, which jeopardize the safety of persons or property, adversely affect the operation of air services and undermine public confidence in safety of civil aviation;

Have agreed as follows:

*ke*

## Article 1

### *Definitions*

For the purpose of this Agreement, unless the context otherwise states, the term:

- 1) "aeronautical authorities" means for each Contracting Party the authority or authorities empowered to perform functions under this Agreement as notified in writing from time to time by one Contracting Party to the other Contracting Party;
- 2) "agreement" means this Agreement, its Annex and any amendments thereto;
- 3) "air service", "international air service", "airline" and stop for non-traffic purposes" shall have the same meaning as assigned to them in Article 96 of the Convention;
- 4) "capacity" is the amount(s) of services provided under the agreement usually measured in the number of flights (frequencies) or seats or tons of cargo offered in a market (city pair or country to country) or on a route during a specific period, such as daily, weekly, seasonally or annually;
- 5) "convention" means the Convention on International Civil Aviation, opened for signature at Chicago on 7 December, 1944 and includes any amendment that has entered into force under Article 94(a) of the Convention and has been ratified by both Contracting Parties and any Annex or any amendment thereto adopted under Article 90 of the Convention insofar as such Annexes or amendments are at any given time effective for both Contracting Parties;
- 6) "designated airline" means an airline designated and authorised in accordance with Article 3 (Designation and Authorisation of Airlines) of this Agreement;
- 7) "full cost" means the cost of providing service plus a reasonable charge for administrative overhead.
- 8) "intermodal air transportation" means the public carriage by aircraft and by one or more surface modes of transportation of passengers, baggage, cargo and mail, separately or in combination, for remuneration or hire;
- 9) "tariff" means any fare, rate or charge for the carriage of passengers (and their baggage) and/or cargo (excluding mail) in air service charged by airline(s) including their agents and the conditions governing the availability of such fare, rate or charge;
- 10) "territory" shall have the same meaning as assigned to it in Article 2 of the Convention and international law;
- 11) "user charges" means a charge imposed on airline(s) for the provision of airport, air navigation or aviation security facilities or services, including related services and facilities for aircraft, their crews, passengers, baggage and cargo.



## Article 2

### *Grant of Rights*

1. Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement for the purpose of establishing scheduled international air services on the routes specified in the appropriate section or part of the Annex to this Agreement. Such services and routes shall hereinafter be called "the agreed services" and "the specified routes" respectively.
2. Subject to the provisions of this Agreement, the airline(s) designated by each Contracting Party shall enjoy the following rights:
  - a) to fly without landing across the territory of the other Contracting Party;
  - b) to make stops in the territory of the other Contracting Party for non-traffic purposes;
  - c) while operating an agreed service at the points specified for that route in the Annex to this Agreement, the airline(s) designated by each Contracting Party shall also enjoy the right to embark and disembark, in the territory of the other Contracting Party, international traffic in passengers and cargo including mail, separately or in combination; and
  - d) other rights specified under this Agreement.
3. The airline(s) of each Contracting Party other than those designated under Article 3 of this Agreement, shall also enjoy the rights specified in clauses (a) and (b) of paragraph (2) of this Article.
4. Nothing in paragraph (2) of this Article shall be deemed to confer on the designated airline(s) of one Contracting Party the privilege of taking on board, in the territory of the other Contracting Party, passengers and cargo including mail destined for another point in the territory of that other Contracting Party.
5. If because of special or extraordinary circumstances, a 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 temporary rearrangement of routes as is mutually decided by the Contracting Parties.
6. The designated airlines of one Contracting Party shall have the right to use airways, airports and other facilities provided by the other Contracting Party on non-discriminatory basis.

*lu*

### Article 3

#### *Designation and Authorisation of Airlines*

1. Each Contracting Party shall have the right to designate an airline or airlines for the purpose of operating the agreed services on the specified routes and to withdraw or alter such designations. Such designations shall be made in writing and transmitted to the other Contracting Party through diplomatic channels and shall identify whether the airline is authorised to conduct the type of air services specified in the Annex.
2. Upon receipt of such designation and application from the designated airline(s) of either Contracting Party, in the form and manner prescribed for the purpose, the aeronautical authorities of the other Contracting Party shall grant the appropriate operating authorisation with minimum procedural delay provided that:
  - a) substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or its nationals;
  - b) the designated airline is qualified to meet the conditions prescribed under the laws and regulations normally applied to operation of international air services by the Contracting Party considering the application;
  - c) the Contracting Party designating the airline is maintaining and administering the standards set forth in Article 9 (Safety) and Article 10 (Aviation Security); and
  - d) the Contracting Party designating the airline exercises and maintains effective regulatory control over such airline.

### Article 4

#### *Withholding, Revocation or Suspension of Operating Authorisation*

1. Either Contracting Party shall have the right to withhold the authorisations referred to in Article 3 (Designation and Authorisation of Airlines) of this Agreement with respect to an airline designated by the other Contracting Party, and to revoke or suspend the operating authorisation granted to an airline designated by the other Contracting Party or impose such conditions as it may deem necessary in any case where:
  - a) substantial ownership and effective control of the airline are not vested in the other Contracting Party or its nationals;
  - b) that the airline has failed to comply with the laws and regulations referred to in Article 6 (Applications of Laws) of this Agreement; or
  - c) the other Contracting Party is not maintaining and administering the standards set out in Article 9 (Safety); and

*h*

- d) the Contracting Party designating the airline fails to exercise and maintain effective regulatory control over such airline.
2. Unless immediate action is essential to prevent further non-compliance with clauses (b) and (c) of paragraph 1 of this Article, the rights established by this Article shall be exercised only after consultation with the other Contracting Party. Such consultations shall take place within forty-five (45) days upon receipt of the request by one Contracting Party.
3. This Article does not limit the rights of either Contracting Party to withhold, revoke, limit or impose conditions on the operating authorisation of an airline of the other Contracting Party in accordance with the provisions of Article 10 (Aviation Security).

## **Article 5**

### *Principles governing operation of Agreed Services*

1. There shall be fair and equal opportunity for the designated airlines of both Contracting Parties to operate the agreed services on the specified routes between their respective territories.
2. The capacity to be provided and the frequency of services to be operated by the designated airline(s) of each Contracting Party shall be agreed between both Contracting Parties.
3. Any increase in the capacity to be provided and the frequency of services to be operated by the designated airlines of each Contracting Party shall be subject to agreement between both Contracting Parties. Pending such an agreement or settlement, the capacity and frequency entitlements already in force shall prevail.

## **Article 6**

### *Application of Laws*

1. While entering, within, or leaving the territory of one Contracting Party, its laws, regulations and procedures relating to the operation and navigation of aircraft shall be complied with by the designated airlines of the other Contracting Party.
2. While entering within, or leaving the territory of one Contracting Party, its laws, regulations and procedures relating to the admission into or departure from its territory of passengers, baggage, crew or cargo on aircraft (including regulations relating to entry, clearance, aviation security, immigration, passports, customs, currency, health, sanitary and quarantine or, in case of mail, postal regulations) shall be complied with by, or on behalf of such passengers, crew or shippers of cargo of the designated airlines of the other Contracting Party.

h /

3. Neither Contracting Party shall give preference to its own or to any other airline over a designated airline of the other Contracting Party engaged in similar international air services in the application of the laws and regulations and procedures provided for in this Article.
4. Passengers, baggage and cargo in direct transit across the territory of either Contracting Party and not leaving areas of the airport reserved for such purpose shall be subject to no more than a simplified control, except in respect of security measures against violence, air piracy, narcotics control, prohibited items, etc.

*W*

## Article 7

### *User Charges*

1. User charges that may be imposed by the competent charging authorities of each Contracting Party on the designated airline(s) of the other Contracting Party shall be just, reasonable, non-discriminatory and equitably apportioned among all categories of users. Such user charges shall be assessed on the designated airline(s) of the other Contracting Party on terms not less favourable than the terms available to any other airline at the time the charges are assessed.
2. User charges imposed on the designated airline(s) of the other Contracting Party may reflect but shall not exceed, the full cost to the competent charging authorities of providing the appropriate airport, environmental, air navigation and aviation security facilities and services at the airport or within the airport system. Such full cost may include a reasonable return on assets after depreciation. Facilities and services for which charges are made shall be provided on an efficient and economic basis.
3. Each Contracting Party shall encourage consultations between the competent charging authorities in its territory and the designated airline(s) using the services and facilities. Each Contracting Party shall encourage the competent charging authorities and the airlines to exchange such information as may be necessary to permit an accurate and transparent review of the reasonableness of the charges in accordance with the principles stated in paragraphs (1) and (2) of this Article. Each Contracting Party shall encourage the competent charging authorities to provide users with reasonable notice of any proposal for changes in the user charges to enable the users to express their views before changes are implemented.
4. Neither Contracting Party shall be held in dispute resolution procedures pursuant to Article 20 (Settlement of Disputes), to be in breach of a provision of this Article, if:
  - a) it has undertaken a review of the charge or practice that is the subject of complaint by the other Contracting Party within a reasonable time; and
  - b) following such a review, it has taken all steps within its power to remedy any charge or practice that is inconsistent with this Article.

*W*



## Article 8

### *Customs Duties and Charges*

1. Each Contracting Party shall, on the principle of reciprocity, exempt the designated airline(s) of the other Contracting Party to the fullest extent possible under its national law from customs duties, excise taxes, inspection fees and other national duties and charges on aircraft, fuel, lubricating oils, consumable technical supplies, spare parts including engines, regular aircraft equipment, aircraft stores (including but not limited to such items of food, beverages and liquor, tobacco and other products destined for sale or to be used solely in connection with the operation or servicing of aircraft) and other items such as printed ticket stock, air waybills, any printed material which bears the insignia of the company printed thereon and usual publicity material distributed free of charge by the designated airline(s).
2. The exemptions under this Article shall be granted only if the items referred to in paragraph-1 are:
  - a) introduced into the territory of one Contracting Party by or on behalf of the designated airline(s) of the other Contracting Party;
  - b) retained on board aircraft of the designated airline(s) of one Contracting Party upon arrival in or leaving the territory of the other Contracting Party; or
  - c) taken on board aircraft of the designated airline(s) of one Contracting Party in the territory of the other Contracting Party for use in operating the agreed services.
3. The exemptions under this Article shall apply regardless of the fact whether or not such items are used or consumed wholly within the territory of the Contracting Party granting the exemption provided the ownership of such items is not transferred in the territory of the said Contracting Party.
4. The regular airborne equipment, as well as the materials and supplies normally retained on board the aircraft of the designated airline(s) 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 Contracting Party. In such a case, they may be placed under supervision of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with the customs regulations.

h/

## Article 9

### *Safety*

1. Either Contracting Party may request consultations concerning the safety standards maintained in respect of an airline designated by the other Contracting Party relating to aeronautical facilities, aircrews, aircraft and operation of the designated airline(s). Such consultations shall take place within 30 days of the request or any longer period as may be agreed between the Contracting Parties.
2. If following such consultations, one Contracting Party finds that safety standards in the areas referred to in paragraph (1) that meet the standards established at the time in accordance with the Convention are not effectively maintained and administered in respect of airline(s) designated by the other Contracting Party, the other Contracting Party shall be notified of such findings and the steps considered necessary to conform with these minimum standards, and the other Contracting Party shall take appropriate corrective action within 30 days.
3. Each Contracting Party reserves the right to suspend or limit the operating authorization of an airline(s) designated by the other Contracting Party in the event the other Contracting Party does not take appropriate corrective action within 30 days.
4. It is agreed that any aircraft operated by an airline of one Contracting Party on services to or from the territory of the other Contracting Party may, while within the territory of the other Contracting Party, be made the subject of an examination by the authorized representatives of the other Contracting Party, on board and around the aircraft to check both the validity of the aircraft documents and those of its crew and the apparent condition of the aircraft and its equipment (in this Article called "ramp inspection") provided this does not lead to unreasonable delay.
5. If any such ramp inspection or series of ramp inspections gives rise to:
  - serious concerns that an aircraft or the operation of an aircraft does not comply with the minimum standards established at that time pursuant to the Convention;  
or
  - serious concerns that there is a lack of effective maintenance and administration of safety standards established at that time pursuant to the Convention;

the Contracting Party carrying out the inspection shall, for the purposes of Article 33 of the Convention, be free to conclude that the requirements under which the certificate or licenses in respect of that aircraft or in respect of the crew of that aircraft had been issued or rendered valid or that the requirements under which that aircraft is operated are not equal to or above the minimum standards established pursuant to the Convention.

6. In the event that access for the purpose of undertaking a ramp inspection of an aircraft operated by an airline of one Contracting Party in accordance with paragraph (4) of this Article is denied by a representative of that airline, the other Contracting Party shall be

*W*

free to infer that serious concerns of the type referred to in paragraph (5) of this Article arise and draw the conclusions referred to in that paragraph.

7. Each Contracting Party reserves the right to suspend or vary the operating authorization of an airline or airlines of the other Contracting Party immediately in the event the first Contracting Party concludes, whether as a result of a ramp inspection, a series of ramp inspections, a denial of access for ramp inspection, consultation or otherwise that immediate action is essential to the safety of an airline operation.
8. Any action by one Contracting Party in accordance with paragraphs (3) or (7) of this Article shall be discontinued once the basis for taking that action ceases to exist.

## Article 10

### *Aviation Security*

1. In accordance with their rights and obligations under international law, both 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 provisions of the Convention on Offences and Certain other Acts Committed on Board Aircraft, done at Tokyo on September 14, 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, done at The Hague on December 16, 1970, the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, done at Montreal on September 23, 1971 and its Protocol done at Montreal on February 24, 1988, the Convention on the Marking of Plastic Explosives for the Purpose of Detection, signed at Montreal on 1 March 1991, and any other Convention on aviation security to which both Contracting Parties are signatories.
2. Upon request, both Contracting Parties shall provide each other with all necessary assistance to prevent acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, of their passengers and crew, of airports and air navigation facilities and address any other threat to the security of civil air navigation.
3. Both Contracting Parties shall, in their mutual relations, act in conformity with all aviation security standards and appropriate recommended practices established by the International Civil Aviation Organization and designated as Annexes to the Convention; they shall require that operators of aircraft of their registry, 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 to observe the security provisions required by the other Contracting Party for entry into and departure from the territory of that other Contracting Party and to take adequate measures to protect aircraft and to inspect passengers, crew and their baggage and carry-on items, as well as cargo and aircraft stores prior to and during boarding or loading. Each Contracting Party shall also give



positive consideration to any request from the other Contracting Party for special security measures to meet a particular threat.

5. When an incident or threat of an incident of unlawful seizure of aircraft or other unlawful acts against the safety of passengers, crew, aircraft, airports or air navigation facilities occurs, both Contracting Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat.
6. When a Contracting Party has reasonable grounds to believe that the other Contracting Party has departed from the aviation security provisions of this Article, the aeronautical authorities of that Contracting Party may request immediate consultations with the aeronautical authorities of the other Contracting Party, which shall be held within 15 days from receipt of such request. Failure to reach a satisfactory agreement within 15 days from the start of such consultations shall constitute grounds to withhold, revoke, limit, or impose conditions on the operating authorisation of the designated airline(s) of that Contracting Party. When required by an emergency, either Contracting Party may take interim action prior to the expiry of 15 days.
7. Any action taken in accordance with paragraph (6) shall be discontinued upon compliance by the other Contracting Party with the provisions of this Article.



## Article 11

### *Commercial Opportunities*

1. The airline(s) of each Contracting Party shall have the right to establish offices in the territory of the other Contracting Party for promotion and sale of air services and other ancillary products and facilities required for the provision of air services.
2. The airline(s) of each Contracting Party shall be entitled in accordance with the laws and regulations of the other Contracting Party relating to entry, residence and employment, to bring in and maintain in the territory of the other Contracting Party managerial, sales, technical, operational and other specialist staff required for the provision of air services and other ancillary products and facilities. Such staff requirements may, at the option of the airline, be satisfied by its own personnel of any nationality or by using the services of any other airline, organisation or company operating in the territory of the other Contracting Party and authorised to perform such services in the territory of such other Contracting Party.
3. Any airline of each Contracting Party may engage in the sale of air services and its ancillary products, services and facilities in the territory of the other Contracting Party directly and, at the airline's discretion, through its agents. For this purpose, the airline shall have the right to use its own transportation documents and any person shall be free to purchase such transportation and its ancillary products, services and facilities in the currency of that territory or in freely convertible currencies.
4. Subject to the provisions of para 6 below, the airline(s) of each Contracting Party shall have the right to convert and transfer freely in any convertible currency, on demand, local revenues in excess of sums locally disbursed earned by such airlines in connection with the sale of air transportation and other ancillary products, services and facilities as well as interest earned on such revenues (including interest earned on deposits awaiting transfer). Conversion and remittance shall be permitted promptly at the rate of exchange applicable to current transactions and remittance on the date the airline makes the initial application for remittance.
5. The airline(s) of each Contracting Party shall be permitted to pay for local expenses, including purchase of fuel, in the territory of the other Contracting Party in local currency. At their discretion, the airline(s) of each Contracting Party may pay for such expenses in the territory of the other Contracting Party in freely convertible currencies in accordance with the national regulations of the other Contracting Party.
6. Notwithstanding anything contained in this Article, the exercise of rights under this Article shall be in accordance with the applicable domestic rules and regulations as well as domestic tax laws or applicable Double Taxation Avoidance Agreement.
7. If one Contracting Party imposes any restrictions on the rights of designated airlines of the other Contracting Party, similar restrictions may be imposed by the other Contracting Party on the designated airlines of the first Contracting Party.

## Article 12

### *Co-operative Marketing Arrangements*

1. The designated airline (s) of each Contracting Party may enter into co-operative marketing arrangements, such as code-share, block space or any other joint venture arrangement, with-
  - a) the designated airline(s) of the same Contracting Party;
  - b) the designated airline(s) of the other Contracting Party; and
  - c) the designated airline(s) of any third country.
2. The designated airlines of either Contracting Party may also enter into domestic code share arrangements with the designated airline(s) of the other Contracting Party, between the points of call as well as between a point of call and any other point(s) additionally agreed for this purpose for the designated airlines of the first Contracting Party within the territory of the other Contracting Party, for the carriage of through international traffic, without exercising cabotage rights.
3. The operating airline(s) involved in the co-operative marketing arrangements shall hold the underlying traffic rights including the route rights and the capacity entitlements and meet the requirements normally applied to such arrangements.
4. All marketing airline(s) involved in the co-operative arrangements shall hold the underlying route rights and meet the requirements normally applied to such arrangements.
5. For code sharing with designated airline(s) of a third country, the respective Air Services Agreements of the Contracting Parties with the concerned third country shall have a provision allowing third country code share.
6. The total capacity operated by the air services performed under such arrangements shall be counted only against the capacity entitlement of the Contracting Party designating the operating airline(s). The capacity offered by the marketing airline(s) on such services shall not be counted against the capacity entitlement of the Contracting Party designating that airline.
7. The designated airline(s) of either side shall be allowed to transfer traffic i.e. starburst between aircraft involved in the code-share operations without restriction as to number, size and type of aircraft.
8. In addition to the operating airline(s), the aeronautical authorities of each side may require the marketing airline(s) to file schedules for approval and also provide any other documents before commencement of air services under the co-operative marketing arrangements.

W

9. When holding out services for sale under such arrangements, the concerned airline or its agent shall make it clear to the purchaser at the point of sale as to which airline shall be the operating airline on each sector of the service and with which airline(s) the purchaser is entering into a contractual relationship.
10. Before providing code sharing services, the code sharing partners shall agree as to which partner shall be responsible for security, safety, facilitation, liability and other consumer related matters. Such an agreement shall be filed with the aeronautical authorities of both Contracting Parties before implementation of the code-share arrangements.

### **Article 13**

#### *Intermodal Services*

The designated airline(s) of each Contracting Party shall be permitted to employ, in connection with air transport of passengers and cargo, any intermodal transport to or from any point in the territory of the other Contracting Party or to third countries. Such airline(s) may elect to perform their own intermodal transport or to provide it through arrangements, including code share, with other carriers. The intermodal services may be offered as a through service and at a single price for the air and intermodal transport combined, provided that passengers and shippers are informed as to the providers of such transportation.

### **Article 14**

#### *Approval of Schedules*

1. The aeronautical authorities of each Contracting Party may require the designated airline(s) of the other Contracting Party to file for their consideration and approval, at least 30 days prior to the inauguration of the agreed services, flight schedules containing the information pertaining to the type of service and its frequency, the type of aircraft to be used and the flight timings at each point. Similar information shall also be provided at least 30 days in advance for each IATA traffic season. The same procedure shall also apply to any changes to be introduced regarding operation of the agreed services.
2. The designated airline(s) of each Contracting Party shall also furnish any other information as may be required to satisfy the aeronautical authorities of the other Contracting Party that the requirements of this Agreement are being duly observed.



## Article 15

### *Provision of Statistics*

1. The aeronautical authorities of each Contracting Party shall provide or cause its designated airline(s) to provide to the aeronautical authorities of the other Contracting Party statistics relating to the traffic carried during each month on the agreed services to and from the territory of that other Contracting Party, showing the points of embarkation and disembarkation of such traffic. Such statistics shall be furnished as soon as possible after the end of each month, but not later than 30 days following the month to which they relate.
2. The aeronautical authorities of each Contracting Party shall, on request, provide or cause its designated airline(s) to provide to the aeronautical authorities of the other Contracting Party statistics relating to true origin and destination of traffic carried to and from the territory of that other Contracting Party.

## Article 16

### *Tariff*

1. The tariffs in respect of the agreed services operated by the designated airline(s) of each Contracting Party shall be established by each designated airline based upon its commercial considerations in the market place at reasonable levels, due regard being paid to all relevant factors, including the cost of operation and reasonable profit.
2. Each Contracting Party may require notification or filing with the authorities by the designated airline(s) of tariffs for transportation originating from its territory. In cases where prior approval is required, the aeronautical authorities of the Contracting Party concerned shall act on applications for approval of such tariffs with a minimum procedural delay. However, if approval of the filed tariffs is not received by the designated airline(s) within seven (7) days from the date of submission, the tariffs so filed shall be deemed approved. A Contracting Party may disapprove the tariffs filed by the designated airline(s) of the other Contracting Party only after consultations with the other Contracting Party. Such consultations shall be held within thirty (30) days of date of such request by that Contracting Party. In the absence of such an agreement, the previously existing tariff shall continue to be in effect.
3. Notwithstanding the foregoing, each Contracting Party shall have the right to intervene so as to:

*lu/*



- a) prevent tariffs whose application constitutes anti-competitive behavior which has or is likely to or intended to have the effect of crippling a competitor or excluding a competitor from a route;
  - b) protect consumers from tariffs that are excessive or restrictive due to the abuse of dominant position; and
  - c) protect airlines from tariffs that are predatory or artificially low.
4. For the purposes set out in paragraph (3) of this Article, the aeronautical authorities of one Contracting Party may require the designated airlines of the other Contracting Party to provide information relating to the establishment of the tariffs.
  5. If one Contracting Party believes that the tariff charged by designated airline(s) of the other Contracting Party is inconsistent with the considerations set forth in the paragraph (3) of this Article, it shall notify the other Contracting Party of the reasons for its dissatisfaction as soon as possible and request consultations which shall be held not later than 30 days after receipt of the request. If the Contracting Parties reach an agreement with respect to the tariff for which a notice of dissatisfaction has been given, each Contracting Party shall use its best efforts to put that agreement into effect. In the absence of such an agreement, the previously existing tariff shall continue to be in effect.

#### **Article 17**

##### ***Multilateral Agreements***

1. In implementing this Agreement, the Contracting Parties shall act in conformity with the provisions of the Convention in-so-far as those are applicable to international air services.
2. If after entry into force of this Agreement, both Contracting Parties become Contracting Party to a multilateral agreement that addresses matters covered by this Agreement, either Contracting Party may request consultations, in accordance with Article 18, to determine whether this Agreement should be revised to take into account the multilateral agreement.

#### **Article 18**

##### ***Consultations***

1. Either Contracting Party may, at any time, make a request in writing for consultation on the interpretation, application, implementation or amendment of this Agreement or compliance with this Agreement.
2. Unless otherwise agreed by the Contracting Parties, such consultations shall begin within a period of 60 days from the date on which the other Contracting Party receives the request.

*6*

## **Article 19**

### ***Amendment***

1. Any amendment shall be in writing and shall enter into force in accordance with the provisions of Article 23 of this Agreement.
2. Notwithstanding paragraph (1), the Contracting Parties may agree to give immediate effect to an amendment to the Annex to this Agreement.

## **Article 20**

### ***Settlement of Disputes***

1. Any dispute arising under this Agreement that is not resolved by formal consultations may be referred, by agreement of the Contracting Parties, to some person or body for decision. If the Contracting Parties do not so agree, the dispute shall, at the request of either Contracting Party, be submitted to arbitration in accordance with the procedures set forth below.
2. Arbitration shall be by a tribunal of three arbitrators to be constituted as follows:
  - a) Within 30 days after the receipt of a request for arbitration each Contracting Party shall name one arbitrator. Within 60 days after these two arbitrators have been named, they shall by agreement appoint a third arbitrator, who shall act as President of the arbitral tribunal;
  - b) If either Contracting Party fails to name an arbitrator, or if the third arbitrator is not appointed in accordance with clause (a) of this paragraph, either Contracting Party may request the President of the Council of the International Civil Aviation Organization to appoint the necessary arbitrator or arbitrators within 30 days. If the President of the Council is of the same nationality as one of the Contracting Parties, the senior most Vice President who is not disqualified on that ground shall make the appointment. In the event that either the President or the senior most qualified Vice President appoints the third arbitrator under this Paragraph that third arbitrator shall not be a national of either of the Contracting Parties.
3. Except as otherwise agreed, the arbitral tribunal shall determine the limits of its jurisdiction in accordance with this Agreement and shall establish its own rules of procedure. The tribunal, once formed, may recommend interim relief measures pending its final determination. At the direction of the tribunal or at the request of either of the Contracting Parties, a conference to determine the precise issues to be arbitrated and the

64

specific procedures to be followed shall be held not later than 15 days after the tribunal is fully constituted.

4. Except as otherwise agreed or as directed by the tribunal, each Contracting Party shall submit a memorandum within 45 days of the time the tribunal is fully constituted. Replies shall be due 60 days later. The tribunal shall hold a hearing at the request of either Contracting Party or on its own initiative within 15 days after replies are due.
5. The tribunal shall attempt to render a written decision within 30 days after completion of the hearing or, if no hearing is held, after the date both replies are submitted. The decision of the majority of the tribunal shall prevail.
6. Either Contracting Party may make a request for clarification on the decision within 15 days after it has been rendered and the clarification shall be issued within 15 days of such request.
7. Each Contracting Party shall, to the extent consistent with its national law, give full effect to any decision or award of the arbitral tribunal.
8. The expenses of the arbitral tribunal including the fees and expenses of the arbitrators shall be shared equally by the Contracting Parties. Any expenses incurred by the President of the Council of the International Civil Aviation Organization in connection with the procedure set out in clause (b) of paragraph (2) of this Article shall be considered to be part of the expenses of the arbitral tribunal.

## **Article 21**

### ***Termination***

Either Contracting Party may, at any time, give notice in writing to the other Contracting Party, through diplomatic channels, of its decision to terminate this Agreement. Such notice shall be sent simultaneously to the International Civil Aviation Organization. This Agreement shall terminate at midnight at the place of receipt of the notice immediately before the first anniversary of the date of receipt of the notice by the other Contracting Party, unless the notice is withdrawn by agreement of the Contracting Parties 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 days after the receipt of the notice by the International Civil Aviation Organisation.

## **Article 22**

### ***Registration with ICAO***

This Agreement and all amendments thereto shall, upon signature, be registered with the International Civil Aviation Organization.



**Article 23**

***Entry into Force***

This Agreement shall enter into force on the date of the later note in an exchange of diplomatic notes between the Contracting Parties confirming that each Contracting Party has completed the necessary internal procedures for entry into force of this Agreement and its Annex.

IN WITNESS WHEREOF the undersigned, being duly authorised by their respective Governments, have signed this Agreement.

DONE at Manila this 27<sup>th</sup> day of September, 2021 in duplicate, in the English language, which shall be authentic text. Translation of the Agreement into Hindi language shall be prepared and shall be considered equally authentic when agreed upon by an exchange of diplomatic notes that confirm their conformity with the English language text. In the event of any divergence of interpretation, the English text shall prevail.

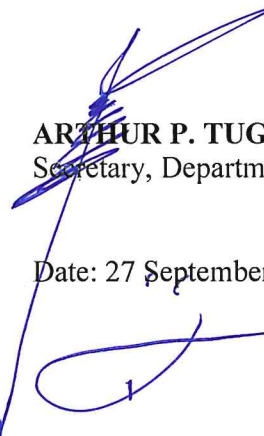
For the Government of  
The Republic of India

For the Government of  
The Republic of the Philippines



**SHAMBHU S. KUMARAN**  
Ambassador of India to the Philippines

Date: 27 September 2021



**ARTHUR P. TUGADE**  
Secretary, Department of Transportation

Date: 27 September 2021 

**Annex  
Route Schedule**

**SECTION I**

The designated airlines of India shall be entitled to operate the agreed services on the following routes:

Points of Origin	Intermediate Points	Points in Philippines	Beyond Points
Points in India			

**SECTION II**

The designated airlines of the Philippines shall be entitled to operate the agreed services on the following routes:

Points of Origin	Intermediate Points	Points in India	Beyond Points
Points in Philippines			

**SECTION III**

1. Points mentioned in Section I and Section II need not necessarily be served in the order named.
2. Any intermediate and/or beyond points under Routes 1 and 2 in Section I and Section II may be served by the designated airlines of either side for own operations as well as for operations under co-operative marketing arrangements, provided no 5<sup>th</sup> freedom traffic rights are exercised.
3. Two points in the territory of a Contracting Party shall not be served on the same flight by the designated airlines of the other Contracting Party.

4