AIR TRANSPORT AGREEMENT
BETWEEN THE GOVERNMENT OF THE
UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF
THE DOMINICAN REPUBLIC

The Government of the United States of America and the
Government of the Dominican Republic:

Desiring to promote an international air transport system based
on competition among airlines in the marketplace with minimum
governmental interference and regulation;

Desiring to facilitate the expansion of International air
transport opportunities;

Desiring to make it possible for airlines to offer the traveling
and shipping public a variety of service options at the lowest
prices, that are not predatory or discriminatory and do not represent
abuse of a dominant position and wishing to encourage individual
airlines to develop and implement innovative and competitive prices;

Signed July 22, 1986
Desiring to ensure the highest degree of safety and security in international air transport and reaffirming their grave concern about acts or threats against the security of aircraft, which jeopardize the safety of civil aviation;

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

Desiring to conclude a new agreement covering all forms of air transportation to replace the Air Transport Agreement concluded between them and signed at Santo Domingo on July 19, 1949, as amended by an Exchange of Notes signed at Santo Domingo on October 19, 1971;

Have agreed as follows:
ARTICLE 1

Definitions

For the purposes of this Agreement, unless otherwise stated, the term:

(a) "Aeronautical authorities" means, in the case of the United States, the Department of Transportation, or its successor agency, and in the case of the Dominican Republic, the Civil Aeronautics Board, or its successor agency;

(b) "Agreement" means this Agreement, its Annexes, and any amendments thereto;

(c) "Air transportation" means any operation performed by aircraft for the public carriage of traffic in passengers, baggage, cargo and mail, separately or in combination, for remuneration or hire;

(d) "Convention" means the Convention on International Civil Aviation, opened for signature at Chicago on December 7, 1944, and includes:

(i) any amendment which has entered into force under Article 94(a) of the Convention and has been ratified by both Parties, and
(ii) any Annex or any amendment thereto adopted under Article 90 of the Convention, insofar as such Annex or amendment is at any given time effective for both Parties;

(e) "Designated airline" means an airline designated and authorized in accordance with Article 3 of this Agreement;

(f) "Price" means:

(i) any fare, rate or price to be charged by airlines, or their agents, and the conditions governing the availability of such fare, rate and price;

(ii) the charges and conditions for services ancillary to carriage of traffic which are offered by airlines; and

(iii) amounts charged by airlines to air transportation intermediaries;

for the carriage of passengers (and their baggage) and/or cargo (excluding mail) in air transportation.

(g) "International air transportation" means air transportation which passes through the air space over the territory of more than one State;

(h) "Stop for non-traffic purposes" means a landing for any purpose other than taking on or discharging passengers, baggage, cargo and mail in air transportation;
(i) "Territory" means the land areas under the sovereignty, jurisdiction, protection, or trusteeship of a Party, and the territorial waters adjacent thereto;

(j) "User charge" means a charge made to airlines for the provision of airport, air navigation or aviation security property or facilities; and

(k) "Full economic costs" means the direct cost of providing service plus a reasonable charge for administrative overhead.
ARTICLE 2

Grant of Rights

(1) Each Party grants to the other Party the following rights for the conduct of international air transportation by the airlines of the other Party:

(a) the right to fly across its territory without landing;

(b) the right to make stops in its territory for non-traffic purposes;

(c) the rights otherwise specified in this Agreement.

(2) Nothing in paragraph (1) of this Article shall be deemed to grant the right for one Party's airlines to participate in air transportation between points in the territory of the other Party.
ARTICLE 3

Designation and Authorization

(1) Each Party shall have the right to designate as many airlines as it wishes to conduct international air transportation in accordance with this Agreement and to withdraw or alter such designations. Such designations shall be transmitted to the other Party in writing through diplomatic channels, and shall identify whether the airline is authorized to conduct the type of air transportation specified in Annex I or in Annex II or in both.

(2) On receipt of such a designation and of applications in the form and manner prescribed from the designated airline for operating authorizations and technical permissions, the other Party shall grant appropriate authorizations and permissions with minimum procedural delay, provided:

(a) substantial ownership and effective control of that airline are vested in the Party designating the airline, nationals of that Party, or both;

(b) the designated airline is qualified to meet the conditions prescribed under the laws and regulations normally applied to the operation of international air transportation by the Party considering the application or applications; and
(c) the Party designating the airline is maintaining and administering the standards set forth in Article 6 (Safety) and Article 7 (Aviation Security).
ARTICLE 4

Revocation of Authorization

(1) Each Party may revoke, suspend or limit the operating authorizations or technical permissions of an airline designated by the other Party where:

(a) substantial ownership and effective control of that airline are not vested in the other Party, the other Party's nationals, or both;

(b) that airline has failed to comply with the laws and regulations referred to in Article 5 (Application of Laws) of this Agreement; or

(c) the other Party is not maintaining and administering the standards as set forth in Article 6 (Safety).

(2) Unless immediate action is essential to prevent further non-compliance with subparagraphs (1)(b) or (1)(c) of this Article, the rights established by this Article shall be exercised only after consultation with the other Party.

(3) This Article does not limit the rights of either Party to suspend, limit or condition air services in accordance with the provisions of Article 7 (Aviation Security).
ARTICLE 5

Application of Laws

(1) While entering, within or leaving the territory of one Party, its laws and regulations relating to the operation and navigation of aircraft shall be complied with by the other Party's airlines.

(2) While entering, within or leaving the territory of one Party, its laws and regulations relating to the admission to or departure from its territory of passengers, crew or cargo on aircraft (including regulations relating to entry, clearance, aviation security, immigration, passports, customs and quarantine or, in the case of mail, postal regulations) shall be complied with by or on behalf of such passengers, crew or cargo of the other Party's airlines.
appropriate corrective action. Each Party reserves the right to withhold, revoke or limit the operating authorization or technical permission of an airline or airlines designated by the other Party in the event the other Party does not take such appropriate action within a reasonable time.
ARTICLE 6

Safety

(1) Each Party shall recognize as valid, for the purpose of operating the air transportation provided for in this Agreement, certificates of airworthiness, certificates of competency, and licenses issued or validated by the other Party and still in force, provided that the requirements for such certificates or licenses at least equal the minimum standards which may be established pursuant to the Convention. Each Party may, however, refuse to recognize as valid for the purpose of flight above its own territory, certificates of competency and licenses granted to or validated for its own nationals by the other Party.

(2) Each Party may request consultations concerning the safety and security standards maintained by the other Party relating to aeronautical facilities, aircrew, aircraft, and operation of the designated airlines. If, following such consultations, one Party finds that the other Party does not effectively maintain and administer safety and security standards and requirements in these areas that at least equal the minimum standards which may be established pursuant to the Convention, the other Party shall be notified of such findings and the steps considered necessary to conform with these minimum standards; and the other Party shall take
ARTICLE 7

Aviation Security

(1) In accordance with their rights and obligations under international law, the Parties reaffirm that their obligation to protect, in their mutual relationship, the security of civil aviation against acts of unlawful interference forms an integral part of this Agreement.

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


(4) The Parties shall, in their mutual relations, act in conformity with the aviation security provisions and regulations
established by the International Civil Aviation Organization and designated as Annexes to the Convention on International Civil Aviation; they shall require that operators of aircraft of their registry or operators who have their principal place of business or permanent residence in their territory and that operators of airports in their territory act in conformity with such aviation security provisions.

(5) Each Party agrees to observe the security provisions required by the other Contracting Party for entry into the territory of that other Contracting Party and to take adequate measures to protect aircraft and to inspect passengers, crew, their carry-on items as well as cargo and aircraft stores prior to and during boarding or loading. Each Party shall also give positive consideration to any request from the other Party for special security measures to meet a particular threat.

(6) 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 and air navigation facilities occurs, the Parties shall assist each other by facilitating communications intended to terminate rapidly and safely such incident or threat thereof.
(7) When a Party has reasonable grounds to believe that the other Party has departed from the aviation security provisions of this Article, the aeronautical authorities of that Party may request immediate consultations with aeronautical authorities of the other Party. Failure to reach a satisfactory agreement within 15 days from the date of such request will constitute grounds for a decision to withhold, revoke, limit or impose conditions on the operating authorization or technical permission of an airline or airlines of the other Party. When required by an emergency, a Party may take interim action prior to the expiry of 15 days.
ARTICLE 8

Commercial Opportunities

(1) The airlines of one Party may establish offices in the territory of the other Party for promotion and sale of air transportation.

(2) The designated airlines of one Party may, in accordance with the laws and regulations of the other Party relating to entry, residence and employment, bring in and maintain in the territory of the other Party managerial, sales, technical, operational and other specialist staff required for the provision of air transportation.

(3) Each designated airline may perform its own ground-handling in the territory of the other Party ("self-handling") or, at its option, select among competing agents for such services. These rights shall be subject only to physical constraints resulting from considerations of airport safety. Where such considerations preclude self-handling, ground services shall be available on an equal basis to all airlines; charges shall be based on the costs of services provided; and such services shall be comparable to the kind and quality of services if self-handling were possible.

(4) Each designated airline of one Party may engage in the sale of air transportation in the territory of the other Party directly
and, at the airline's discretion, through its agents, except as may be specifically provided by the charter regulations of the country in which the charter originates. Each airline may sell such transportation, and any person shall be free to purchase such transportation, in the currency of that territory or in freely convertible currencies.

(5) Each designated airline may convert and remit to its country, on demand, local revenues in excess of sums locally disbursed. Conversion and remittance shall be permitted promptly without restrictions or taxation in respect thereof at the rate of exchange applicable to current transactions and remittance.
ARTICLE 9

Customs Duties and Taxes

(1) On arriving in the territory of one Party, aircraft operated in international air transportation by the designated airlines of the other Party, their regular equipment, ground equipment, fuel, lubricants, consumable technical supplies, spare parts including engines, aircraft stores (including but not limited to such items as food, beverages and liquor, tobacco and other products destined for sale to or use by passengers in limited quantities during flight), and other items intended for or used solely in connection with the operation or servicing of aircraft engaged in international air transportation shall be exempt, on the basis of reciprocity, from all import restrictions, property taxes and capital levies, customs duties, excise taxes, and similar fees and charges imposed by the national authorities, and not based on the cost of services provided, provided such equipment and supplies remain on board the aircraft.

(2) There shall also be exempt, on the basis of reciprocity, from the taxes, duties, fees and charges referred to in paragraph (1) of this Article, with the exception of charges based on the cost of the service provided:
(a) aircraft stores introduced into or supplied in the territory of a Party and taken on board, within reasonable limits, for use on outbound aircraft of a designated airline of the other Party engaged in international air transportation, even when these stores are to be used on a part of the journey performed over the territory of the Party in which they are taken on board;

(b) ground equipment and spare parts including engines introduced into the territory of a Party for the servicing, maintenance or repair of aircraft of a designated airline of the other Party used in international air transportation; and

(c) fuel, lubricants and consumable technical supplies introduced into or supplied in the territory of a Party for use in an aircraft of a designated airline of the other Party engaged in international air transportation, even when these supplies are to be used on a part of the journey performed over the territory of the Party in which they are taken on board.

(3) Equipment and supplies referred to in paragraphs (1) and (2) of this Article may be required to be kept under the supervision or control of the appropriate authorities.
(4) The exemptions provided for by this Article shall also be available where the designated airlines of one Party have contracted with another airline, which similarly enjoys such exemptions from the other Party, for the loan or transfer in the territory of the other Party of the items specified in paragraphs (1) and (2) of this Article.

(5) Each Party shall use its best efforts to secure for the designated airlines of the other Party, on the basis of reciprocity, an exemption from taxes, duties, charges and fees imposed by State, regional and local authorities on the items specified in paragraphs (1) and (2) of this Article, as well as from fuel through-put charges in the circumstances described in this Article, except to the extent that the charges are based on the actual cost of providing the service.
ARTICLE 10

User Charges

(1) User charges imposed by the competent charging authorities on the airlines of the other Party shall be just, reasonable, and non-discriminatory.

(2) User charges imposed on the airlines of the other Party may reflect, but shall not exceed, an equitable portion of the full economic cost to the competent charging authorities of providing the airport, air navigation, and aviation security facilities and services. Facilities and services for which charges are made shall be provided on an efficient and economic basis. Reasonable notice shall be given prior to changes in user charges. Each Party shall encourage consultations between the competent charging authorities in its territory and airlines using the services and facilities, and shall encourage the competent charging authorities and the airlines to exchange such information as may be necessary to permit an accurate review of the reasonableness of the charges.
(1) Each Party shall allow a fair and equal opportunity for the designated airlines of both Parties to compete in the international air transportation covered by this Agreement.

(2) Each Party shall take all appropriate action within its jurisdiction to eliminate all forms of discrimination or unfair competitive practices adversely affecting the competitive position of the airlines of the other Party.

(3) Neither Party shall unilaterally limit the volume of traffic, frequency or regularity of service, or the aircraft type or types operated by the designated airlines of the other Party, except as may be required for customs, technical, operational or environmental reasons under uniform conditions consistent with Article 15 of the Convention.

(4) Neither Party shall impose on the other Party's designated airlines a first refusal requirement, uplift ratio, no-objection fee, or any other requirement with respect to the capacity, frequency or traffic which would be inconsistent with the purposes of this Agreement.
(5) Neither Party shall require the filing of schedules, programs for charter flights, or operational plans by airlines of the other Party for approval, except as may be required on a non-discriminatory basis to enforce uniform conditions as foreseen by paragraph (3) of this Article or as may be specifically authorized in an Annex to this Agreement. If a Party requires filings for information purposes, it shall minimize the administrative burdens of filing requirements and procedures on air transportation intermediaries and on designated airlines of the other Party.
ARTICLE 12

Pricing (Mutual Disapproval)

(1) Each Party shall allow prices for air transportation to be established by each designated airline based upon commercial considerations in the marketplace. Intervention by the Parties shall be limited to:

(a) prevention of predatory or discriminatory prices or practices;

(b) protection of consumers from prices that are unduly high or restrictive because of the abuse of a dominant position; and

(c) protection of airlines from prices that are artificially low because of direct or indirect governmental subsidy or support.

(2) Each Party may require notification to or filing with its aeronautical authorities of prices proposed to be charged to or from its territory by airlines of the other Party. Notification or filing by the airlines of both Parties may be required no more than 60 days before the proposed date of effectiveness. In individual cases, notification or filing may be permitted on shorter notice.
than normally required. Neither Party shall require the notification or filing by airlines of the other Party of prices charged by charterers to the public for traffic originating in the territory of the other Party.

(3) Neither Party shall take unilateral action to prevent the inauguration or continuation of a price proposed to be charged or charged by (a) an airline of either Party for international air transportation between the territories of the Parties, or (b) an airline of one Party for international air transportation between the territory of the other Party and any other country, including in both cases transportation on an interline or intra-line basis. If either Party believes that any such price is inconsistent with the considerations set forth in paragraph (1) of this Article, it shall request consultations and notify the other Party of the reasons for its dissatisfaction as soon as possible. These consultations shall be held not later than 30 days after receipt of the request, and the Parties shall cooperate in securing information necessary for reasoned resolution of the issue. If the Parties reach agreement with respect to a price for which a notice of dissatisfaction has been given, each Party shall use its best efforts to put that agreement into effect. Without mutual agreement, that price shall go into or continue in effect.
(4) Notwithstanding paragraph (3) of this Article, each Party shall allow (a) any airline of either Party to meet a lower or more competitive price proposed or charged by any other airline or charterer for international air transportation between the territories of the Parties, and (b) any airline of one Party to meet a lower or more competitive price proposed or charged by any other airline or charterer for international air transportation between the territory of the other Party and a third country. As used herein, the term "meet" means the right to establish on a timely basis, using such expedited procedures as may be necessary, an identical or similar price, on a direct, interline or intra-line basis, notwithstanding differences in conditions relating to routing, roundtrip requirements, connections, type of service or aircraft type, or such price through a combination of prices.
ARTICLE 13

Consultations

Either Party may, at any time, request consultations relating to this Agreement. Such requests shall contain the reasons for the request and shall be delivered, in the case of the United States of America, to the Dominican Secretariat of Foreign Affairs, and, in the case of the Dominican Republic, to the United States Department of State. Such consultations shall begin at the earliest possible date, but not later than 60 days from the date the other Party receives the request unless otherwise agreed. Each Party shall prepare and present during such consultations relevant evidence in support of its position in order to facilitate informed, rational and economic decisions. If there are any revisions of this Agreement or its Annexes as a result of such consultations, they shall be confirmed by an exchange of diplomatic notes.
ARTICLE 14

Settlement of Disputes

(1) Any dispute arising under this Agreement which is not resolved by a first round of formal consultations, except those which may arise under paragraph 3 of Article 12 (Pricing), may be referred by agreement of the Parties for decision to some person or body. If the Parties do not so agree, the dispute shall at the request of either 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 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 Party fails to name an arbitrator, or if the third arbitrator is not appointed in accordance with subparagraph (a) of this paragraph, either Party may request the President of the International Court of Justice to appoint the necessary arbitrator or arbitrators within
30 days. If the President of the Court is of the same nationality as one of the Parties, the most senior Vice President who is not disqualified on that ground shall make the appointment.

(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 procedure. At the direction of the tribunal or at the request of either of the Parties, a conference to determine the precise issues to be arbitrated and the specific procedures to be followed shall be held no later than 15 days after the tribunal is fully constituted.

(4) Except as otherwise agreed, each 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 Party or at its discretion 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) The Parties may submit requests for clarification of the decision within 15 days after it is rendered and any clarification given shall be issued within 15 days of such request.

(7) Each Party shall, 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 Parties. Any expenses incurred by the President of the International Court of Justice in connection with the procedures of paragraph (2)(b) of this Article shall be considered to be part of the expenses of the arbitral tribunal.
ARTICLE 15

Termination

Either Party may, at any time, give notice in writing, through diplomatic channels, to the other Party, of its decision to terminate this Agreement. Such notice shall be delivered, in the case of the United States of America, to the Dominican Secretariat of Foreign Affairs, and, in the case of the Dominican Republic, to the United States Department of State. Such notice shall also be sent simultaneously to the International Civil Aviation Organization. This Agreement shall terminate at midnight (at the place of receipt of the notice to the other Party) one year after the date of receipt of the notice by the other Party. In the absence of acknowledgment of receipt by the other 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.
ARTICLE 16

Multilateral Agreement

If a multilateral agreement, accepted by both Parties, concerning any matter covered by this Agreement enters into force, this Agreement shall be amended so as to conform with the provisions of the multilateral agreement.
ARTICLE 17

Registration with ICAO

This Agreement and all amendments thereto shall be registered with the International Civil Aviation Organization.
ARTICLE 18
Entry into Force

The Aeronautical authorities of the two Parties will permit operations in accordance with the terms of this Agreement beginning on the day it is signed by the authorized representatives of both Parties. This Agreement shall enter into force upon an exchange of diplomatic notes confirming the completion of any necessary constitutional requirements.

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

Done in duplicate at Santo Domingo in the English and Spanish languages, each of which shall be of equal authenticity, this 22 day of July, Nineteen Hundred and Eighty Six (1986).

For the Government of
The United States of America

For the Government of
The Dominican Republic

[Signatures]

LOWELL C. KILDAY
AMBASSADOR EXTRAORDINARY
AND PLENIPOTENTIARY

JOSEP AUGUSTO/VEGA IMBERT
SECRETARY OF STATE FOR FOREIGN RELATIONS
ANNEX I

Scheduled Air Service

Section 1

Airlines of one Party whose designation identifies this Annex shall, in accordance with the terms of their designation, be entitled to perform scheduled international air transportation (1) between points on the following routes, and (2) between points on such routes and points in third countries through points in the territory of the Party which has designated the airline.

A. Routes for the airline or airlines designated by the Government of the United States:
From the United States via intermediate points to Santo Domingo and Puerto Plata in the Dominican Republic and beyond to points in the Caribbean and South America.

B. Routes for the airline or airlines designated by the Government of the Dominican Republic:
From the Dominican Republic via intermediate points to Miami, New York, and two additional points in the mainland United States1/ and a point or points in Puerto Rico and beyond: (a) San Juan, Puerto Rico to one point in Europe1/; (b) San Juan, Puerto Rico to one point in Canada1/; (c) one mainland United States point (other than New York) to one point in Canada1/; and (d) San Juan, Puerto Rico to one point in the Caribbean1/ 2/.

1/ To be selected by the Government of the Dominican Republic and communicated to the Government of the United States in writing through diplomatic channels at least 60 days prior to the proposed start of service.

2/ Without traffic rights between San Juan and such point.

* Any and all points on each of the routes may be coterminized.

Section 2

Each designated airline may, on any or all flights and at its option, operate flights in either or both directions and without directional or geographic limitation, serve points on the routes in any order, and omit stops at any point or points outside the territory of the Party which has designated that airline, without loss of any right to carry traffic otherwise permissible under this Agreement.
Section 3

On any international segment or segments of the routes described in Section 1 above, a designated airline may perform international air transportation without any limitation as to change, at any point on the route, in type or number of aircraft operated, provided that in the outbound direction the transportation beyond such point is a continuation of the transportation from the territory of the Party which has designated the airline and, in the inbound direction, the transportation to the territory of the Party which has designated the airline is a continuation of the transportation beyond such point.
ANNEX II

Charter Air Service

Section 1

Airlines of one Party designated under this Annex shall have the right to carry international charter traffic in passengers (and their accompanying baggage) and/or cargo:

(a) between any point or points in the territory of the Party which has designated the airline and any point or points in the territory of the other Party; and

(b) between any point or points in the territory of the other Party and any point or points in a third country or countries provided that such traffic is carried via the carrier's homeland and makes a stopover in the homeland for at least two consecutive nights.

In the performance of services covered by this Annex, airlines of one Party designated under this Annex shall also have the right: (1) to make stopover at any points whether within or outside of the territory of either Party; (2) to carry transit traffic through the other Party's territory; and (3) to combine on the same aircraft traffic originating in one Party's territory with traffic that originated in the other Party's territory.

Each Party shall extend favorable consideration to applications by designated airlines of the other Party to carry traffic not covered by this Annex on the basis of comity and reciprocity.

Section 2

With regard to traffic originating in the territory of either Party, each airline performing air transportation under this Annex shall comply with such laws, regulations and rules of the Party in whose territory the traffic originates, whether on a one-way or roundtrip basis, as that Party now or hereafter specifies shall be applicable to such transportation. When such regulations or rules of one Party apply more restrictive terms, conditions or limitations to one or more of its airlines, the designated airlines of the other Party shall be subject to the least restrictive of such terms, conditions or limitations. Moreover, if the aeronautical authorities of either Party promulgate regulations or rules which apply different conditions to different countries, each Party shall apply the least restrictive regulation or rule to the designated airlines of the other Party.
Section 3

Neither Party shall require a designated airline of the other Party, in respect of the carriage of traffic from the territory of that other Party on a one-way or roundtrip basis, to submit more than a declaration of conformity with the laws, regulations and rules of that other Party referred to under Section 2 of this Annex or of a waiver of these regulations or rules granted by the aeronautical authorities of that other Party.