

AIR TRANSPORT AGREEMENT
BETWEEN
THE GOVERNMENT OF CANADA

AND

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA (hereinafter "the Parties");

RECALLING the Air Transport Agreement between the Government of Canada and the Government of the United States of America, signed at Ottawa, 24 February 1995, with Annexes (the "1995 Agreement"), and the Agreement related to Article 10 of the 1995 Agreement effected by exchange of notes at Ottawa and Toronto, 20 January and 12 June 2000 (the "2000 Exchange of Notes");

DESIRING to expand the 1995 Agreement from a transborder open skies regime to a full open skies agreement that maximizes competition among airlines in the marketplace, including operations behind and beyond the territory of the Parties, with minimum government interference and regulations; and

RECOGNIZING that the geographic situation of the two countries, including the location of their main centers of population, and the close relationship between their two peoples create a situation unique in international civil aviation for the Parties;

RECOGNIZING the importance of efficient air services for trade, tourism and investment flows;

DESIRING to promote a liberal international aviation system;

DESIRING to promote fair and equal opportunities for airlines to compete in the marketplace with minimum government regulation;

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

DESIRING to ensure the highest degree of safety and security in international air transport and to maintain public confidence in the safety of civil aviation;

BEING PARTIES to the Convention on International Civil Aviation, done at Chicago on 7 December 1944;

DETERMINED that this Agreement shall reflect the special relationship between the two countries, consistent with general international obligations;

HAVE AGREED AS FOLLOWS: