

MEMORANDUM OF UNDERSTANDING

Delegations representing the aeronautical authorities of Switzerland and the Republic of Paraguay met in Berne on 18 May 2006 for the purpose of negotiating and concluding an "Open Skies" Air Services Agreement (ASA) between the two countries which shall replace the current Agreement on Regular Air Services of 5 June 1985.

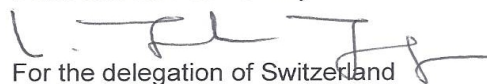
The meeting was held in a cordial and friendly atmosphere, reflecting the excellent relationship that exists between the two countries.

The list of the delegations is enclosed hereto as Attachment I.

After thorough discussions of all relevant subjects, the two delegations reached the following understanding:

1. Both delegations agreed on the draft version of the ASA as per Attachment II and initialed the text in the English, German and Spanish languages. They will submit it for approval to their respective authorities and recommend to their Governments to sign it at the earliest convenience. The signature will take place as soon as the formal constitutional requirements provided for in Article 22 of the ASA have been fulfilled by each side. The venue and date of the signature will be determined through diplomatic channel.
2. The two delegations agreed that pending the signature of the ASA they will act in conformity with the spirit of the ASA on an administrative level.
3. In accordance with Article 5 of the ASA, Switzerland designated SWISS International Air Lines Ltd. as carrier authorized to operate the agreed services. Paraguay will designate its carrier in due course.
4. This Memorandum of Understanding enters into force from the date of its signature and supersedes the previous arrangements of 14 January 1982 and 10 January 1984.

Done at Berne on 18 May 2006.


For the delegation of Switzerland


For the delegation of Paraguay

Laurence FONTANA JUNGO

Tomás E. BITTAR NAVARRO

Attachment I

AVIATION TALKS
SWITZERLAND - PARAGUAY

BERN 18 MAY 2006

LIST OF DELEGATIONS:

SWISS DELEGATION

Mrs. Laurence FONTANA JUNGO	Chief Negotiator Air Services Agreements Federal Office of Civil Aviation (FOCA) Head of Delegation
Mr. Laurent NOËL	Lawyer, Legal and International Affairs FOCA
Mr. Frédéric ROCHERAY	Lawyer, Legal and International Affairs FOCA

DELEGATION OF PARAGUAY

Mr. Tomás E. BITTAR NAVARRO	President of the Dirección Nacional de Aeronáutica Civil (DINAC) Head of Delegation
Mr. Raul FLORENTIN	Chargé d'Affaires en Pied Embassy of Paraguay to Switzerland
Mr. Cesar RIOS RABELLO	Deputy Director Air Transport & International Affairs (DINAC)
Mrs. Liz DE BAZAN	Air Transport & Commercial Relations Manager (DINAC)
Mrs. Luz-Maria SANGINES	Embassy of Paraguay to Switzerland

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