The Fourth Pan American Commercial Conference, composed of delegates representing the Governments, Chambers of Commerce, and other associations and institutions of Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, the Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela, and the United States of America, held its sessions in the Pan American Union in Washington from October 5 to 13 inclusive, 1931, pursuant to a resolution adopted by the Governing Board of the Pan American Union.

The inaugural session of the Conference was held in the Hall of the Americas of the Pan American Union on Monday morning, October 5, 1931, at which an address of welcome was delivered by the Chairman of the Governing Board of the Pan American Union, Hon. Henry L. Stimson. Hon. Robert P. Lamont, Chairman of the delegation of the United States of America, was elected Permanent Chairman of the Conference and Mr. William Manger of the staff of the Pan American Union was designated Secretary General. President Hoover addressed the delegates at one of the sessions. The conference was organized into two groups, Señor Dr. Jesus Silva Herzog of Mexico, and Señor Don Benjamin Cohen of Chile presiding over Groups I and II respectively.

The deliberations of the Conference resulted in the adoption of a number of conclusions expressing the opinions of the delegates and in some instances making recommendations to the Governing Board of the Pan American Union, to the governments of the countries represented or to other appropriate organizations.

Transportation problems, in the light of changes which have occurred in recent years, received considerable attention, and conclusions were passed concerning ocean steamship services, highways, the Pan American Railway, uniform traffic regulations and commercial aviation. The text of the resolution on commercial aviation is as follows:

1. That in harmony with the conclusions of the Inter-American Convention on Commercial Aviation signed at Havana on February 15, 1928, and of the Pan American Commission on Customs Procedure and Port Formalities, which met at Washington from November 18 to 26, 1929, the procedure relative to the arrival and departure of aircraft engaged in international service be simplified, reducing the forms if possible to a single document, which shall cover all the necessary requisites, sufficient copies being made for all governmental offices; that the regulations for the transfer of passengers and merchandise be also simplified, and that no tax be imposed on the arrival and despatch of said aircraft, and the necessary legislation be formulated as soon as possible in those countries in which exemption from said taxes cannot be granted under existing laws.
2. That the Governments of the Americas extend to companies or individuals operating international aeronautical services every possible facility in the importation of apparatus, including replacement motors, replacement parts, aeronautic radio equipment with all accessories, equipment, etc., and that they be granted exemption from taxes and imposts, provided this is compatible with the laws of the country.

3. That the countries which do not produce petroleum and its derivatives, suitable for aircraft, in the opinion of the Government in question, permit companies or persons operating international air lines to import, free of duty, fuel and lubricants required for their services; or at minimum rates of duty, as the laws of the countries may permit.

4. That bona fide aircraft services with regular itineraries approved by the Governments, be exempted from the payment of federal, state and municipal taxes; or that the taxes be reduced to a minimum, when the laws do not permit complete exemption.

5. That when existing laws do not permit the exemption referred to in Paragraphs 2, 3 and 4, an endeavor be made to promulgate new laws to carry into effect the recommendations of Paragraphs 2, 3 and 4.

6. That, when possible, the governments maintain without charge to operators beacon lights and radio beacon and communication stations to aid aerial navigation.

7. That, when the governments find it possible, they extend facilities and assistance to those enterprises which in the movement of passengers, mail, and merchandise over their lines, do not cover the costs of operation and interest on the capital invested.

8. That there be suggested to the national, State and municipal governments of the nations of America, the desirability of establishing and maintaining aerodromes and airports, the facilities of which can be utilized by all those engaged in aerial transportation on the payment of reasonable rates.

9. That the Governments of the Americas and industrial and commercial enterprises conduct an intensive campaign to increase the use of the airmail service in order that the aviation companies may obtain in this manner an income as great as possible and which will permit them to operate under advantageous conditions.

Memoranda were prepared beforehand on the topics contained in the program of the Fourth Pan American Commercial Conference. These memoranda were intended to set forth briefly the antecedents of the various subjects to be considered at the Conference, and to present aspects of each topic that might be made the basis of discussion. The development of commercial aviation in the American Republics was the subject of the memorandum on topic 10, which submitted to the Conference the following as among the aspects of this question:

1. The extent to which the countries, members of the Pan American Union, have carried out the recommendations of the Pan American Commission on Customs Procedure and Port Formalities in respect to regulations at airports.

2. In those countries that have not as yet taken action, the steps that may be taken to have these recommendations carried into effect.

3. Official and unofficial measures which will lead to the promotion of all phases of commercial aviation.

4. Steps that may be taken to secure ratification of the convention on Commercial Aviation signed at the Sixth International Conference of American States, in those countries which have not yet acted on the Convention.

5. The extent to which the principle of free ports in international aviation may be applied in the countries, members of the Pan American Union.
At the Fifth International Conference of American States, which was held at Santiago in 1923, a resolution was adopted creating an Inter-American Commercial Aviation Commission which met at Washington in 1927. As a result of the work of this body, a convention was drawn up which was later presented to the Sixth International Conference of American States. This convention embodied articles relating to the status of airplanes, the formalities necessary for international travel on the American continent by airplane, the distribution of aeronautical information, and other related topics. The convention was adopted in order to simplify air travel between the American republics, in view of the rapid strides which the last few years had witnessed in this form of communication.

The memorandum explained that at the sessions of the Pan American Commission on Customs Procedure and Port Formalities, held in Washington in November, 1929, there was considered for the first time at a conference of this nature of the Pan American nations, the question of regulations governing the entry and exit of airplanes in international travel, and measures designed to facilitate an expeditious compliance with these regulations. The conclusions of the Commission were incorporated in the memorandum on topic 15 of the program of the Fourth Pan American Commercial Conference. The draft convention drawn by the Commission included three major groups of subjects: Port Formalities, Customs Procedure, and Rules and Regulations at Airports. The provisions specifically dealing with customs procedure at airports are as follows:

To facilitate and promote aerial commerce and intercourse between the American States, the high contracting parties undertake to procure the enactment of laws, or the promulgation of administrative regulations, wherever necessary, to effect the following practices at airports and airfields:

1. That airdromes and airports officially recognized by the respective countries shall carry, in those cases not now provided for by the laws of each nation, the following requisites: The designation of customs officials of a permanent character, adequate facilities for the necessary operations which are involved in the reception and dispatch of aircraft, as well as the designation of authorities who shall have under their charge everything pertaining to the policing, inspection and prompt dispatch of mail, passengers, crew, baggage and merchandise transported.

2. That the dispatch of aircraft and of merchandise and baggage conducted by aircraft be given preferential consideration over all others; and that mail and postal packages be given preference in shipment over merchandise.

3. That the documentation covering aircraft, passengers and merchandise, transported by air, be reduced to a single document in which there shall be declared in brief and concise form the data which legislation to be enacted on the subject may indicate.

4. That the transit of baggage and merchandise through the countries, parties to this convention, shall be facilitated by guarantees which may be given by aerial carriers to assume responsibility for amounts chargeable thereon in cases where the baggage or merchandise remains in the country of transit.

5. That importation of merchandise by aerial routes be permitted without the necessity of consular invoice when the value thereof does not exceed $100.

6. That officially recognized aerial carriers be permitted to return, upon proper identification, to the countries of origin, the merchandise that may not have been received by the consignee; provided that this merchandise be
INTERNATIONAL REGULATION

deposited by the aerial carrier in general bonded warehouses established for this purpose by the fiscal authorities, in accordance with existing legislation which may be hereafter adopted by the respective countries.

The conclusions of the Commission were submitted to the Governing Board of the Pan American Union. In considering those conclusions which embodied the draft convention the Board recommended that the project be transmitted for the examination and consideration of the governments, members of the Union, and that it be included in the program of the Seventh International Conference of American States in order that it might be discussed and signed and submitted for the ratification of the signatory states. With respect to the conclusions of the Commission which took the form of resolutions, these were transmitted to the governments with the recommendation that, as far as possible, they be incorporated in the laws and regulations of the respective countries.

A resolution on Customs Procedure and Port Formalities was passed by the Fourth Pan American Commercial Conference as follows:

To refer to the Governing Board of the Pan American Union for resubmission to the study of the Governments, the draft Convention on Customs Procedure and Port Formalities, together with texts of the amendments proposed by the delegations to the Fourth Pan American Commercial Conference, with the request that each Government submit its opinion in the premises before March 31, 1932, in order to facilitate the discussion of this matter by the Seventh International Conference of American States to be held at Montevideo.

The peculiar adaptability of the airplane to the transportation situation on the American Continent, according to the memorandum on topic 10, is revealed in the fact that in 1930 there were in existence in the American Republics a total of approximately 69,000 miles of air lines in regular operation. This total was nearly twice as great as the amount of mileage in regular operation on the European continent at the same time, and was composed of about 31,000 miles in the United States, and 38,000 miles in and between the countries of the Western Hemisphere south of the United States. When it is realized that the "Scadta" line of Colombia, known as "the first successful commercial air service in the world," began operations in 1920 on the Magdalena River, the tremendous growth in commercial aviation on the American Continent in the last decade is appreciated.

A phase of commercial aviation which is becoming of increasing importance is that of tourist travel by air. The possibilities of the development of this mode of transportation become increasingly apparent when it is realized that it makes possible extended trips for persons who have but a limited time at their disposal.

At the end of the memorandum is a list of the air services which are in operation throughout Latin America on regular schedules. A study of this list will reveal the completeness of these services, with promises of even greater expansion in the future. The rapid introduction of these services was possible through the assistance of the respective governments, which were quick to realize that aerial communication offered an efficient

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1. An amendment was proposed by the Chilean Delegation and adopted by the Conference to change the proposed method of determining appraisal based on weight of merchandise.
means of linking not only distant parts of individual nations, but of building up international connections.

As a basis for the successful establishment of air lines, nearly all the governments, members of the Pan American Union, have arranged for the carriage of their local and foreign mails by air. Upon the basis of such air mail contracts, large sums have been invested in equipment, and from this beginning passenger and cargo service has gradually been extended.

In the promotion of commercial aviation a prominent part is played by Chambers of Commerce and other unofficial bodies acting in cooperation with government authorities. Their work may be divided into a number of activities, among the most important of which may be enumerated:

1. Conducting surveys or studies of the possibilities and best methods for aeronautical development in their localities and preparing a definite program for accomplishing this purpose in cooperation with local officials and with other local, state and national organizations concerned.

2. Ascertaining probable sources and amounts of air mail, express and passenger traffic and cooperating with neighboring chambers of commerce or other organizations in the development and markings of through air lines and feeders to air lines.

3. Assisting the public authorities or directly arranging the planning, financing and construction of the necessary airport facilities, the organization in many cases furnishing the necessary funds to provide such facilities with a view to turning them over to the municipal authorities at cost as soon as proper enabling legislation is passed or public funds are appropriated to enable the municipalities to take over the projects.

4. Stimulating the development of suitable aeronautical activities such as airplane services, aviation schools, etc., and assistance to established local aeronautical industries.

5. Stimulating use of air transportation by bringing home to business men and the public the advantages and facilities offered by air mail, express and passenger lines.

6. Conducting special events to promote interest in aeronautics, such as races, aircraft shows, model airplane contests, etc.

7. Utilizing air transportation for good-will tours and other business promotion purposes.

8. Maintenance of an aeronautical information service providing information regarding federal, state or local laws and regulations of air-mail, express and passenger schedules, railway connections with principal air lines, airway maps, airport data, lists of dealers in aeronautical supplies, information as to registered pilots and planes, etc.

9. Study of proposals for aeronautical legislation and support for desirable measures before federal, state or municipal legislative bodies.

The International Chamber of Commerce has presented a number of specific recommendations in respect to the promotion of travel by air. These recommendations contain in substance the same proposals adopted by the Pan American Commission on Customs Procedure and Port Formalities in regard to the simplification of customs formalities at airports for planes engaged in international traffic, and in addition advance the principle that free ports should be created to serve international aviation. This was stated in the following terms:

2. See 2 Journal of Air Law 378-381.
Free airports be created in the principal centers of international trade where goods may be loaded, unloaded, warehoused, and where aircraft used for regular transport may be repaired, assembled, equipped, free of all customs duties.

The Fourth Pan American Commercial Conference adopted conclusions on free maritime ports, electrical communications, development of tourist travel, definition of trade terms, standardization, teaching of economic geography and industrial legislation, as well as consular fees, consular procedure, currency stabilization, financial stability, financial and economic statistics, commercial arbitration, bills of exchange, checks and other commercial paper, treatment of commercial travelers, protection of trade marks and patent rights, uniform ocean bills of lading, inter-American commercial code, cooperation in the coffee trade, cooperation among central banks, armaments and public debts, future commercial conferences, customs tariffs, animal and vegetable sanitary police, international conferences on raw materials or manufactured articles, Pan American economic organization, commercial arbitration decisions, and cooperation between chambers of commerce.

The Progress of commercial aviation was impressively demonstrated at the close of the Conference when Mrs. Herbert Hoover christened the "American Clipper", the flag ship of the Pan American Airways, at the Anacostia Naval Station, District of Columbia. Delegates to the Conference were invited to fly over Washington and from the sky sent radio messages to their respective countries in the southern hemisphere. The purpose of the "American Clipper," which holds forty-five passengers, is to provide Pan America with an airship capable of accommodating increasing passenger and mail cargoes, and to assist in conducting research and experimentation looking toward further development of international air transport service. For such service the deliberations of the Conference concerning aeronautics have a practical significance.

MARGARET LAMBIE.

AIR NAVIGATION ARRANGEMENT WITH ITALY*

**Article 1**

Subject to the conditions and limitations hereinafter contained and set forth, Italian civil aircraft shall be permitted to operate in the United States of America and, in like manner, civil aircraft of the United States of America shall be permitted to operate in Italy.

Wherever either country is referred to herein it shall be understood to include its territories and possessions.

The right of aircraft of either country to enter the territory of the other country shall be understood to include the right of transit across such territory.

**Article 2**

All state aircraft other than military, naval, customs and police aircraft, shall be treated as civil aircraft and as such shall be subject to the requirements hereinafter provided for civil aircraft.

*Copy furnished through the kindness of Stephen Latchford, whose accompanying article appears on page 75 of this issue.
Article 3

Italian aircraft, before entering the United States, must be registered and passed as airworthy by the Italian Ministry of Aeronautics and must bear the registration markings allotted to them by that Ministry, preceded by the letter "I", placed on them in accordance with the Air Navigation Regulations of the Ministry of Aeronautics.

Aircraft of the United States, before entering Italy, must be registered and passed as airworthy by the United States Department of Commerce, and must bear the registration markings allotted to them by that Department, preceded by the letter "N", placed on them in accordance with the Air Commerce Regulations of the Department of Commerce.

Article 4

Italian aircraft making flights into the United States must carry:
(a) The Journey Log (compulsory for all aircraft, regardless of the purpose for which used);
(b) The Aircraft Log;
(c) The Engine Log (both compulsory only for aircraft assigned to public transportation of passengers and cargo).

United States aircraft making flights into Italy must carry:
(a) The Journey Log (compulsory for all aircraft, regardless of the purpose for which used);
(b) The Aircraft Log;
(c) The Engine Log (both compulsory only for aircraft assigned to public transportation of passengers and cargo).

Italian aircraft making flights into the United States must also carry the certificates of registration and airworthiness issued by the Italian Ministry of Aeronautics or by the authority recognized for the purpose by the said Ministry. The pilots shall bear a license issued by the said Italian Ministry of Aeronautics, as well as such permit as may be prescribed by that Ministry. Like requirements shall be applicable in Italy with respect to aircraft of the United States and American pilots making flights into Italy. The certificates and licenses in the latter case shall be those issued by the United States Department of Commerce, and the permits shall be such as may be prescribed by that Department.

Article 5

Pilots who are nationals of the one country shall be licensed by the other under the following conditions:
(a) The Italian Ministry of Aeronautics will issue pilots' licenses to American nationals upon a showing that they are qualified under the regulations of that Ministry covering the licensing of pilots; and the United States Department of Commerce will issue pilots' licenses to Italian nationals upon a showing that they are qualified under the regulations of that Department covering the licensing of pilots.
(b) The pilots' licenses issued by the Italian Ministry of Aeronautics to American nationals and those issued by the United States Department of Commerce to Italian nationals pursuant to the provisions of the preceding paragraph shall be valid in each instance for a period of six months. At the expiration of a period for which a license has been issued the holder may make application for a renewal to the authority issuing the license.
(c) Pilots' licenses issued by the United States Department of Commerce to Italian nationals shall entitle them to the same privileges as are granted by pilots' licenses issued to American nationals, and pilots' licenses issued by the Italian Ministry of Aeronautics to American nationals shall entitle them to the same privileges as are granted by pilots' licenses issued to Italian nationals.
(d) Pilots' licenses granted to nationals of the one country by the other country shall not be construed to accord to them the right to register aircraft in such other country.
(e) Pilots' licenses granted to nationals of the one country by the other country shall not be construed to accord to them the right to operate aircraft in air commerce unless the aircraft is registered in such other country in accordance with its registration requirements except as provided for in Paragraphs (a) and (b) of Article 7, with respect to discharging and taking on passengers and/or cargo.

(f) Italian nationals holding unexpired pilot licenses issued by the Italian Ministry of Aeronautics shall be permitted to operate in the United States, for non-industrial or non-commercial purposes for a period of six months from the time of entering that country, any civil aircraft registered by the Italian Ministry of Aeronautics or by the authority recognized for the purpose by the said Ministry, and/or any civil aircraft registered by the United States Department of Commerce; provided, however, that if the license issued by the said Ministry expires before the expiration of such six month period, the period for which the Italian pilot may operate civil aircraft of Italian registry and/or civil aircraft registered by the United States Department of Commerce, for non-industrial or non-commercial purposes, in the United States shall be limited to the period for which the Italian license is still valid. No pilot to whom this provision applies shall be allowed to operate civil aircraft in the United States for non-industrial or non-commercial purposes after the expiration of the period for which he may operate by virtue of this provision unless he shall, prior to the expiration of such period, have obtained a pilot's license from the United States Department of Commerce in the manner provided for in this article.

American nationals holding unexpired pilot licenses issued by the Department of Commerce of the United States shall be permitted to operate in Italy for non-industrial or non-commercial purposes for a period of six months from the time of entering that country, any civil aircraft registered by the United States Department of Commerce, and/or any civil aircraft registered by the Italian Ministry of Aeronautics or by the authority recognized for the purpose by the said Ministry; provided, however, that if the license issued by the said Department expires before the expiration of such six month period, the period for which the American pilot may operate civil aircraft of United States registry and/or civil aircraft of Italian registry, for non-industrial or non-commercial purposes, in Italy, shall be limited to the period for which the American license is still valid. No pilot to whom this provision applies shall be allowed to operate civil aircraft in Italy for non-industrial or non-commercial purposes after the expiration of the period for which he may operate by virtue of this provision unless he shall, prior to the expiration of such period, have obtained a pilot's license from the Italian Ministry of Aeronautics in the manner provided for in this article.

Article 6

No Italian aircraft in which photographic apparatus has been installed shall be permitted to operate in the United States, nor shall any photographs be taken from Italian aircraft while operating in or over United States territory, except in cases where the entrance of such aircraft or the taking of photographs is specifically authorized by the Department of Commerce of the United States.

Like restrictions shall be applicable to aircraft of the United States with respect to their operation in or over Italian territory, and in such cases the entrance of aircraft in which photographic apparatus has been installed, and the taking of photographs shall not be permissible without the specific authorization of the Italian Ministry of Aeronautics.

Article 7

(a) If the Italian aircraft and pilots are licensed to carry passengers and/or cargo in Italy, they may do so between Italy and the United States in the operation of a regular Italian air transport line; provided, however, that the establishment of such lines shall be subject to the prior consent of the United States Government given on the principle of reciprocity. Such
lines, if established, may not engage in air commerce between points in the United States, except that subject to compliance with customs, quarantine and immigration requirements, such aircraft shall be permitted to discharge passengers and/or cargo destined to the United States from points beyond the boundaries of United States territory at one airport in the United States, according landing facilities to foreign aircraft, and to proceed with the remaining passengers and/or cargo to any other airports in the United States, according landing facilities to foreign aircraft, for the purpose of discharging the remaining passengers and/or cargo; and they shall in like manner be permitted to take on at different airports in United States territory passengers and/or cargo destined to points beyond the boundaries of that territory.

(b) If the United States aircraft and pilots are licensed to carry passengers and/or cargo in the United States, they may do so between the United States and Italy in the operation of a regular American air transport line; provided, however, that the establishment of such lines shall be subject to the prior consent of the Italian Government given on the principle of reciprocity. Such lines, if established, may not engage in air commerce between points in Italy, except that subject to compliance with customs, quarantine, and immigration requirements such aircraft shall be permitted to discharge passengers and/or cargo destined to Italy from points beyond the boundaries of Italian territory at one airport in Italy, according landing facilities to foreign aircraft, and to proceed with the remaining passengers and/or cargo to any other airports in Italy, according landing facilities to foreign aircraft, for the purpose of discharging the remaining passengers and/or cargo; and they shall in like manner be permitted to take on at different airports in Italian territory passengers and/or cargo destined to points beyond the boundaries of that territory.

(c) Each of the parties to this arrangement shall, with respect to all matters concerning the operation of civil aircraft and so far as the executive branch of the Government shall possess authority under the provisions of legislation on this subject, accord to the civil aircraft of the other party, subject to the foregoing provisions of this Article, and on condition of reciprocity, most favored nation treatment.

Article 8

The right accorded to Italian pilots and aircraft to make flights over United States territory under the conditions provided for in the present arrangement shall be subject to compliance with the laws, rules and regulations in effect in the United States and its territories and possessions governing the operation of civil aircraft.

The right accorded to American pilots and aircraft of the United States to make flights over Italian territory, under the conditions herein provided for, shall be subject to compliance with the laws, rules and regulations in effect in Italy and its territories and possessions governing the operation of civil aircraft.

Article 9

Certificates of airworthiness issued in connection with aircraft, and acceptance test certificates issued in connection with aircraft engines and spare parts of aircraft and engines, built in Italy and imported into the United States from Italy as merchandise, will be accepted by the Department of Commerce of the United States if issued by the Italian Ministry of Aeronautics or by the authority designated for the purpose by the said Ministry in accordance with their requirements as to airworthiness. Certificates of airworthiness for export issued in connection with aircraft, aircraft engines, and spare parts of aircraft and engines, built in the United States and imported into Italy from the United States as merchandise, will, in like manner, be accepted by the Italian Ministry of Aeronautics, if issued by the Department of Commerce of the United States in accordance with its requirements as to airworthiness.
The competent authority of Italy will have the right periodically to check and test the materials of the classes specified in the preceding paragraph after being brought into Italy for the purpose of ascertaining their proper condition as to preservation and maintenance, according to the rules and regulations in force in Italy. Likewise, the United States Department of Commerce will have the right periodically to check and test such materials after being brought into the United States, for the purpose of ascertaining their proper condition as to preservation and maintenance, according to the rules and regulations in force in the United States.

*Article 10*

It shall be understood that this arrangement shall be subject to termination by either Government on sixty days' notice given to the other Government, or by a further arrangement between the two Governments dealing with the same subject.

**REPUBLIC OF PANAMA COMMERCIAL AVIATION DECREE***

* (No. 89, May 4, 1929)

**THE PRESIDENT OF THE REPUBLIC, IN USE OF HIS LEGAL POWERS, DECREES:**

*Article 1.* Private aviation in the Republic shall be under the control of an Aviation Board over which the Secretary of Government and Justice shall preside and which shall be composed of five further members to be appointed by the Executive Power and which shall be governed by the provisions of the present decree.

**DEFINITIONS**

*Article 2.* "Aircraft" as used herein means "any contrivance now known or hereafter invented, used or designed for navigation of or flight in the air, except a parachute or other contrivance designed for such navigation but used primarily as safety equipment.

*Article 3.* The following shall be deemed to be state aircraft: (a) Military and naval aircraft; (b) Aircraft exclusively employed in state service, such as post, customs, police.

*Article 4.* All other aircraft shall be deemed to be private aircraft.

*Article 5.* All state aircraft, other than military, naval, customs, and police aircraft shall be treated as private aircraft, and as such shall be subject to all the provisions of these regulations.

**AIR SPACE**

*Article 6.* "Airspace" as used herein shall be construed to mean the air vertically overlying any area that may be designated.

**PERMISSION TO OPERATE**

*Article 7.* Private aircraft may operate in the Republic of Panama provided both the aircraft and the operators thereof hold a license issued by the Aviation Board.

*Article 8.* The following requirements will be demanded as conditions precedent to granting permission to operate private aircraft in and through the airspace of the Republic of Panama.

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*Copy of this decree was furnished through the kindness of Brower V. York, Chief, Information Section, Aeronautics Trade Division, Department of Commerce.*
(a) That a bond of indemnification to the amount of Twenty-five Thousand Balboas (B. 25,000.) to cover legal judgments against the permittee resulting from its operation by virtue of that permission obtained shall be deposited with the Secretary of Finance of the Republic of Panama, this bond to be retained until the permittee may prove that he has real property in the Republic of Panama, exclusive of airplanes, to the value of Twenty-five Thousand Balboas (B. 25,000.) or more;

(b) That the permittee shall prove that he has previously arranged terminal facilities, including housing and maintenance of planes in accordance with the regulations in force at the time.

**Nationality of Aircraft**

**Article 9.** Aircraft shall be considered to have the nationality of the state in which they are duly registered.

**Certificates and Documents Required**

**Article 10.** Private aircraft intending to enter the Republic of Panama or the airspace thereof shall carry in the custody of the aircraft commander:

(a) A certificate of registration, duly certified to according to the laws of the state in which it is registered;

(b) A certificate of airworthiness, as provided for by the laws of its country;

(c) Certificates of competency of the Commander, pilots, engineers and crew, as provided by the laws of its country;

(d) When in the opinion of the duly authorized official there is a doubt as to the airworthiness of the aircraft, it may be refused clearance until it has been made airworthy, or if there is a doubt as to the competency of any crew of an aircraft entering the Republic of Panama to navigate such aircraft with due regard to public safety, such crew shall submit to practical tests that will, in the opinion of such official demonstrate competency before being permitted to engage in further pilotage in the Republic of Panama;

(e) Log Books;

(f) If equipped with radio telegraph apparatus, the corresponding license;

(g) Aircraft shall carry such identification marks and symbols as are prescribed by the state in which registered;

(h) For operation in the Republic of Panama private aircraft from a State which has no laws covering registration of private aircraft, and for aircraft and crews originating in the Republic of Panama, application should be made to the Aviation Board for certificates of registration and airworthiness of aircraft and certificates of competency of commander, pilot, engineer and crew.

**Article 11.** Private aircraft arriving in the cities of Panama or Colon, the harbors adjacent thereto or the flying fields based thereon shall be required to present the following documents to the boarding parties:

(a) Bill of Health from the port of clearance issued or countersigned by an American Consular Officer or Medical Officer of the United States. (The pilot will furnish to the Quarantine Officer information as to the intermediate ports visited and length of time at each port. No bill of health will be required from intermediate ports so long as sanitary conditions in those ports remain satisfactory to the Health Department.) 1 copy.

(b) Passenger and crew list, combined 2 copies.

(c) Any certificate of a sanitary nature all copies.

(d) Clearance from last port 1 copy.

(e) Information sheet 1 copy.
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(f) Descriptive list of aliens, passengers and crew, belonging to races whose immigration is restricted . . . 1 copy.
(g) Manifest of all cargo, including both local and in transit . . . 1 copy.

Article 12. Aircraft intending to enter the Republic of Panama outside of the cities of Panama and Colon, their adjacent harbors and the flying fields based thereon shall be subject to the ordinary health requirements of the Panama authorities who shall transmit reports of communicable diseases to the health authorities of The Panama Canal.

Inspection Upon Arrival and Departure

Article 13. All aircraft other than those which may pertain to the defensive forces of The Panama Canal and those owned and officially operated by the Government of Panama and all aviation fields or centers in the Republic shall be subject to inspection by the Aviation Board, and by each of its members, to insure compliance with existing rules or with such rules as may hereafter be agreed upon.

Article 14. Aircraft arriving at the cities of Panama and Colon shall be considered in quarantine until given pratique by the Quarantine Officer. Such aircraft shall remain in the section of the landing field on which they alight until inspected, and no person or cargo shall be allowed to enter or leave the immediate area of landing until pratique has been granted.

Article 15. No cargo or baggage shall be removed from the landing field until inspected and passed by the customs authorities.

Article 16. All private aircraft engaged in aerial navigation in and through the airspace of the Republic of Panama, prior to their departure from the territorial jurisdiction thereof, shall obtain clearance from the local authority to be designated by the Aviation Board, who will issue clearance only after he has ascertained that all documents and statistical data required by the Aviation Board and the Government of Panama have been furnished, that all bills for services and supplies which may have been furnished by the Republic of Panama have been paid, and that the aircraft has complied with these regulations.

Article 17. The person in charge of any aircraft destined to or in transit through the Republic of Panama shall notify the Secretary of Government and Justice by cable or radio, prior to its departure from the last foreign port or place visited, of the intended flight, the type of aircraft used, the marking thereon and the place and estimated time of arrival in the Republic of Panama, such notice to reach the Secretary of Government and Justice at least two hours before the arrival of the aircraft. Individual aircraft making flights on a regular schedule may, after their first visit, be relieved of this requirement, provided the schedule has been filed with the Department of Government and Justice and arrivals are in accordance, approximately, with the times stated therein.

Designation of Airdromes

Article 18. Private aircraft engaged in air traffic in and through the airspace of the Republic will, except in case of forced landing, duly proven, be required to land at such fields as may be prescribed by the Aviation Board.

Air Traffic Rules

Article 19. All private aircraft engaged in air traffic in and through the airspace of the Republic of Panama shall follow one of the following routes:

(a) David, Santiago, Aguadulce, Anton, Chorrera and Darien;
(b) Barranquilla, San Blas and Porto Bello; or
Such other routes as may be hereafter prescribed by the Aviation Board.

**TIME OF ARRIVAL AND DEPARTURE**

**Article 20.** Arrivals and departures, except in case of emergency, which must be proved, shall be between sunrise and sunset.

**FLYING RULES**

**Article 21.**

(a) *Right-side traffic:* Aircraft flying in established civil airways, when it is safe and practicable, shall keep to the right side of such airways.

(b) *Giving-way order:* Aircraft shall give way to each other in the following order:

1. Airplanes.
2. Airships.
3. Balloons, fixed or free.

An airship not under control is classed as a free balloon. Aircraft required to give way shall keep a safe distance, having regard to the circumstances of the case. Three hundred feet will be considered a minimum safe distance.

(c) *Giving-way duties:* If the circumstances permit, the aircraft which is required to give way shall avoid crossing ahead of the others. The other craft may maintain its course and speed, but no engine-driven craft may pursue its course if it would come within 300 feet of another craft, 300 feet being the minimum distance within which aircraft, other than military aircraft of the United States engaged in military maneuvers and aircraft engaged in local industrial operations, may come within proximity of each other in flight.

(d) *Crossing:* When two engine-driven aircraft are on crossing courses the aircraft which has the other on its right side shall keep out of the way.

(e) *Approaching:* When two aircraft are approaching head-on or approximately so, and there is risk of collision, each shall alter its course to the right, so that each may pass on the left side of the other. This rule does not apply to cases where aircraft will, if each keeps on its respective course, pass more than 300 feet from each other.

(f) *Overtaking:* (1) Definition.—An overtaking aircraft is one approaching another directly from behind or within 70° of that position, and no subsequent alteration of the bearing between the two shall make the overtaking aircraft a crossing aircraft within the meaning of these rules or relieve it of the duty of keeping clear of the overtaken craft until it is finally past and clear.

2. *Presumption:*—In case of doubt as to whether it is forward or abaft such position it should assume that it is an overtaking aircraft and keep out of the way.

3. *Altering course:*—The overtaking aircraft shall keep out of the way of the overtaken aircraft by altering its own course to the right, and not in the vertical plane.

(g) *Height over congested and other areas:* Exclusive of taking off from or landing on an established landing field, airport, or on property designated for that purpose by the owner, and except as otherwise permitted by paragraph 30, aircraft shall not be flown:

1. Over the congested parts of cities, towns or settlements, except at a height sufficient to permit a reasonably safe emergency landing, which in no case shall be less than 1,000 feet.

2. Elsewhere at a height less than 500 feet, except where indispensable to an industrial flying operation.

(h) *Heights over assembly of persons:* No flight under 1,000 feet
in height shall be made over any open-air assembly of persons except with the consent of the Aviation Board. Such consent will be granted only for limited operations.

(i) **Acrobatic flying:**

1. Acrobatic flying means intentional maneuvers not necessary to air navigation.
2. No person shall acrobatically fly an aircraft:
   a. Over a congested area of any city, town or settlement.
   b. Over any open-air assembly of persons or below 2,000 feet in height over any established civil airway, or at any height over any established airport or landing field, or within 1,000 feet horizontally thereof.
   c. Any acrobatic maneuvers performed over any other place shall be concluded at a height greater than 1,500 feet.
   d. No person shall acrobatically fly any airplane carrying passengers for hire.
   e. **Dropping objects or things:** When an aircraft is in flight the pilot shall not drop or release, or permit any person to drop or release, any object or thing which may endanger life or injure property, except when necessary to the personal safety of the pilot, passengers or crew.

(j) **Seaplanes on water:** Seaplanes on the water shall maneuver according to the laws and regulations of the Republic governing the navigation of water craft, except as otherwise provided herein.

(k) **Transporting explosives:** The transporting of any explosives other than that necessary for signalling or fuel for such aircraft while in flight or materials for industrial and agricultural spraying (dusting) is prohibited, except upon special authority obtained from the Aviation Board.

**TAKE-OFF AND LANDING RULES**

Article 22.

(a) **Method:** Take-offs and landings shall be made upwind when practicable. The take-off shall not be commenced until there is no risk of collision with landing aircraft and until preceding aircraft are clear of the field. Aircraft when taking off or landing shall observe the traffic lanes indicated by the field rules or signals. No take-off or landing shall be made from or on a public street or highway without the consent of the local governing authority and the approval of the Aviation Board.

(b) **Course:** If practicable, when within 1,000 feet horizontally of the leeward side of the landing field the airplane shall maintain a direct course toward the landing zone.

(c) **Right over ground planes:** A landing plane has the right of way over planes moving on the ground or taking off.

(d) **Giving way:** When landing and maneuvering in preparation to land, the airplane at the greater height shall be responsible for avoiding the airplane at the lower height, and shall, as regards landing, observe the rules governing overtaking aircraft.

(e) **Distress landings:** An aircraft in distress shall be given free way in attempting to land.

**LIGHTS**

Article 23.

(a) **Angular Limits:** The angular limits laid down in these rules will be determined as when the aircraft is in normal flying position.

(b) **Airplane Lights:** Between sunset and sunrise airplanes in flight must show the following lights:
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(1) On the right side a green light and on the left side a red light, each showing unbroken light between two vertical planes whose dihedral angle is 110° when measured to the left and right, respectively, from dead ahead. These lights shall be visible at least 2 miles.

(2) At the rear and as far aft as possible a white light shining rearward, visible in a dihedral angle of 140° bisected by a vertical plane through the line of flight and visible at least 3 miles.

(c) Airship lights: Between sunset and sunrise airships shall carry and display the same lights that are prescribed for airplanes, excepting the side lights shall be doubled horizontally in a fore-and-aft position and the rear light shall be doubled vertically. Lights in a pair shall be at least 7 feet apart.

(d) Balloon lights: A free balloon, between sunset and sunrise, shall display one white light not less than 20 feet below the car, visible for at least 2 miles. A fixed balloon, or airship, shall carry three lights — red, white, and red — in a vertical line, one over the other, visible at least 2 miles. The top red light shall be not less than 20 feet below the car, and the lights shall be not less than 7 or more than 10 feet apart.

(e) Lights when stationary:
   (1) Between sunset and sunrise all aircraft which are on the surface of water and not under control, or which are moored or anchored in navigation lanes, shall show a white light visible for at least 2 miles in all directions.
   (2) Balloon and airship mooring cables between sunset and sunset shall show groups of 3 red lights at intervals of at least every 100 feet, measured from the basket, the first light in the first group to be approximately 20 feet from the lower red balloon light. The object to which the balloon is moored on the ground shall have a similar group of lights to mark its position.

DAY MARKS OF MASTS, ETC.

Article 24. By day, balloon and airship mooring cables shall be marked with tubular streamers not less than 8 inches in diameter and 7 feet long and marked with alternate bands of white and red, 20 inches in width. The object to which the balloon or airship is moored on the ground shall have the same kind of streamers, which must be in the same position as the lights specified herein.

SIGNS

Article 25.

(a) Distress: The following signals, separately or together, shall, where practicable, be used in cases of distress:
   (1) The international signal, SOS, by radio.
   (2) The international-code flag signal of distress, NC.
   (3) A square flag having either above or below it a ball, or anything resembling a ball.

(b) Signal when compelled to land: When an aircraft is forced to land at night at a lighted airport it shall signal its forced landing by making a series of short flashes with its navigation lights if practicable to do so.

(c) Fog signals: In fog, mist, or heavy weather an aircraft on the water in navigation lanes, when its engines are not running, shall signal its presence by a sound device emitting a signal for about five seconds in two-minute intervals.

DEVIATION FROM AIR TRAFFIC RULES

Article 26. The air traffic rules may be deviated from when special circumstances render a departure necessary to avoid immediate danger or
when such departure is required because of stress of weather or other unavoidable cause.

**Prohibited Articles and Passengers**

*Article 27.* The carriage by aircraft of arms and munitions of war, and of such articles as are specified by rules and regulations of the state under which the aircraft is registered, is prohibited.

*Article 28.* Express license and authority must be procured from authorized representatives of the Aviation Board for the carriage of arms for hunting or for the protection of the crew and cargo of the aircraft, commercial explosives, photographic apparatus not boxed and sealed, and such other articles as the Aviation Board may prescribe.

**Restrictions of Photography and Radio Transmission**

*Article 29.* It is unlawful to use or to permit or procure the use of an aircraft for the purpose of making any photograph, sketch, picture, drawing, map, or graphical representation of military and naval installations or equipment in the Canal Zone, without first obtaining permission of the Governor of The Panama Canal, submitting the product made to the same authority for censorship or such other action as he may deem necessary.

*Article 30.* When in the airspace of the Republic private aircraft will use only such transmitting frequencies as are called for by the International Radio Telegraph Convention of Washington, 1927.

**Violation of Regulations**

*Article 31.* If for any reason any aircraft lands in the Republic of Panama at a point other than the airports designated herein, the aircraft commander shall immediately notify the nearest Panaman authority and hold himself, crew, passengers and cargo at the point of landing until clearance for a take-off is granted by competent authority, except in an emergency, which must be proved.

*Article 32.* An aircraft in flight which is violating or has violated any of the foregoing regulations when signalled will land at the nearest designated landing place. The signal for landing shall be:

1. By day, frequent discharges at short intervals of yellow smoke or red light from the ground or similar signal discharged by Vefy pistol from police aircraft.
2. At night, by green or white light as above in (1).
3. When such signals are given by police aircraft the offending aircraft will land at once at the landing area indicated by the police aircraft.

**Penalties**

*Article 33.* Any person violating any of the foregoing regulations may be deprived of the privilege of again flying in the Republic.

**Decree of July 15, 1930**

(Amending Decree No. 89 of 1929)

The President of the Republic, in exercising His Legal Authority, Decrees:

*Article 1.* In the cases of flights of private airplanes not registered in Panama nor in the Canal Zone across the airspace of the Republic, in transit from one country to another, the permission referred to in Article 8
of Decree No. 89 of 1929 will be granted, in the name of the Aviation Board, by the president of the same, without the necessity of the guarantee to which that article refers; but it being understood that this will take place only in connection with extraordinary flights and in no case with relation to regulation aerial operations of a commercial character.

Article 2. Article 9 of Decree No. 89 of May 4, of the year just past, is amended by the terms of the above article.

Let is be published and compiled with.

Given in the city of Panama the fifteenth day of the month of July, nineteen hundred and thirty.

F. H. Arosemena,
The Secretary of Government and Justice,
Adriano Robles.

GREEK-BRITISH AND GREEK-POLISH AIR CONVENTIONS*

Greek-British and Greek-Polish Air Conventions were negotiated on April 17 and 22, 1931, respectively. Both were ratified by Greece July 15, 1931. British air transportation companies operating the services between Great Britain and Africa and Asia may cross Greek territory as follows: By way of Yugoslavia-Saloniki-Athens, Italy-Athens or Malta-Athens. Mail, passengers and goods may be accepted or discharged at any stop on the route, except between Greek cities where a Greek service is in operation. Landings may be made at Saloniki, Athens, Corfu, Mirabella, Candia, Suda Bay, Navarino, Ithaca and Patras. Only airports open for civil air traffic may be used except in case of forced landings. Any changes in the approved route must be announced to the Greek Government at least a week in advance. If weather conditions are unfavorable for flight along the prescribed route, planes may fly from Navarino to Suda Bay or by way of Sofia, Istanbul, Saloniki and Athens. All available facilities at the airports will be at the disposal of the British company or companies.

Pending the establishment by the Greek Government of satisfactory wireless stations at and between landing places the British air transport company shall be entitled to establish, at its expense, such services. The personnel shall be Greek nationals and their appointment shall be subject to the approval of the government.

Aircraft, aircraft engines, spare parts and all equipment as well as fuel and oil for exclusive use in the operation of the services of either contracting party in the territory of the other shall be free from all customs and other import duties. But on fuel and oil actually consumed in the course of flight over the country of the one contracting party the company of the other must pay customs duties, the amount to be determined on a basis of route mileage, normal time occupied in flight over that mileage and the normal consumption of the type of aircraft used.

The air transportation company of each country shall within the territory of the other employ as technical personnel only Greek or British nationals and for purposes which require no special training, nationals of that country where the work is done shall be employed.

The conveyance of air mail shall be regulated by a direct agreement between the postal authorities; space shall be reserved on the planes of each

*This summary is furnished by Brower V. York, Chief, Information Section, Aeronautics Trade Division, Department of Commerce.
company for the normal weight of mails coming from, destined for or in transit across the territory of the country of the other company. Competent authorities of each contracting party shall have the right to verify the number of passengers, the weight of goods and mail carried, the documents carried by the aircraft as well as the right to examine the state of the flying material belonging to the companies.

Laws of each country party to the convention must be respected by officials and personnel at landing places or in course of flight. In case of serious or repeated violation, the convention may be nullified.

The agreement gives to the Greek company, or companies, the right to establish and operate regular seaplane services to Malta and Cyprus and to use Kala Mistra and the eastern side of Marsasciurocco Bay at Malta, or some suitable place to be agreed upon in Cyprus, as landing places.

If the British company (or companies) uses the route for the seaplanes or follows either the Malta-Athens or the Italy-Athens route for land planes, the present convention shall remain in force for an initial period of seven years from the date of the first flight. Unless denounced by notice given two years prior to the termination of that period, the convention shall continue in force for a further period of three years, with the privilege of renewal for year periods, subject to termination by a notice given one year prior to the end of the current five-year period.

If the remaining route, Yugoslavia-Saloniki-Athens, is followed, the agreement shall remain in force an initial period of three years and may be renewed for successive two-year periods.