

AIR SERVICES AGREEMENT

BETWEEN

THE REPUBLIC OF MAURITIUS

AND

THE PORTUGUESE REPUBLIC

The Republic of Mauritius and the Portuguese Republic hereinafter referred to as the Parties; and in singular as a "Party".

Acknowledging the importance of air transportation as a means of creating and preserving friendship, understanding and co-operation between the peoples of the two countries;

Desiring to facilitate the expansion of international air transport opportunities in order to promote trade and tourism between the two countries and also globally;

Desiring to conclude an Agreement for the purpose of establishing air services between and beyond their respective territories;

Desiring to ensure the highest degree of safety and security in international air transportation and reaffirming their grave concern about acts of threats against the security of aircraft, which jeopardize the safety of persons or property; and

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

Have agreed as follows:

ARTICLE 1

Definitions

1. For the purpose of this Agreement, unless the context otherwise requires:
 - (a) The term “Aeronautical authorities” means, in the case of the Republic of Mauritius, the Minister charged with the responsibility for civil aviation or any person or body authorized to exercise a particular function relating to this Agreement, and in the case of the of the Portuguese Republic the Civil Aviation Authority or in either case, any person or body duly authorized to perform any function related to this Agreement exercised by the said Authorities;
 - (b) The term “agreed services” means scheduled international air services on the routes specified in the Annex to this Agreement for the transport of passengers, baggage, cargo and mail in accordance with agreed capacity entitlements;
 - (c) The term “Agreement” means this agreement, the Annex thereto and any amendments to the Agreement or to this Annex;
 - (d) The terms “air service:”, “international air service”, “airline” and “stop for non-traffic purposes” have the meanings respectively assigned to them in Article 96 of the Convention;
 - (e) The term “Capacity” means the amount(s) of services provided under the agreement, usually measured in the number of flights(frequencies) or seats or tons of cargo offered in a market (city pair, or country-to country) or on a route during a specific period, such as daily, weekly, seasonally or annually.

- (f) The term "Convention" means the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944, and includes any Annex adopted under Article 90 of that Convention and any amendments of the Annexes or the Convention adopted under Articles 90 and 94 thereof, insofar as such Annexes and amendments have been adopted by both Parties;
- (g) The term "designated airline(s)" means one or more airlines which has been designated and authorized in accordance with Article 4 of this Agreement;
- (h) The term "intermodal air transportation" means the public carriage by aircraft and by one or more surface modes of transport of passengers, baggage, cargo and mail, separately or in combination, for remuneration or hire;
- (i) The term "tariff" means the prices to be paid for the carriage of passengers and cargo and the conditions under which those prices apply, including prices and conditions for agency and other ancillary services, but excluding prices and conditions for the carriage of mail;
- (j) The term "territory" has the meaning assigned to it under Article 2 of the Convention; and
- (k) The term "user charge" means a charge made to airlines by the competent authorities, or permitted by them to be made, for the provision of airport property or facilities or of air navigation facilities, or aviation security facilities or services, including related services and facilities, for aircraft, their crews, passengers and cargo; and
- (l) The term "EU Treaties" shall mean the Treaty on European Union and the Treaty on the Functioning of the European Union;

2. The Annex to this Agreement shall form an integral part of the Agreement and all references to the Agreement, unless expressly provided otherwise, shall apply to the said Annex.

ARTICLE 2

Applicability of the Convention

The provisions of this Agreement shall be subject to the provisions of the Convention insofar as those provisions are applicable to international air services.

ARTICLE 3

Grant of Rights

1. Each Party grants to the other Party the following rights for the purpose of operation of scheduled international air services by the designated 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; and
- (c) the right to land in the territory of the other Party at the points specified on the route agreed-in the Annex to this Agreement for the purpose of taking on board and discharging passengers and/or cargo including mail, subject to the conditions specified in the said Annex.

2. Nothing in this Article shall be deemed to confer on the designated airlines of one Party the right of taking on board, in the territory of the other Party, passengers and/or cargo including mail, for remuneration, destined for another point in the territory of that other Party.

3. The rights specified at paragraph 1 (a) and (b) above shall be granted by each Party to an airline of the other Party even if that airline is not a designated airline.

4. If the designated airlines of one Party are unable to operate services on its normal routing because of armed conflict, political disturbances, or special and unusual circumstances the other Party shall make its best efforts to facilitate the continued operation of such service through appropriate rearrangements of such routes, including the grant of rights for such time as may be necessary to facilitate viable operations. The provisions of this norm shall be applied without discrimination between the designated airlines of the Parties.

ARTICLE 4

Designation of Airlines and Authorization

1. Each Party shall have the right to designate in writing through the diplomatic channel, to the other Party one or more airlines for the purpose of operating the agreed services on the routes specified in the Annex to this Agreement, and to alter or substitute or revoke such a designation in writing through diplomatic channel.

2. On receipt of such a designation and of applications from a designated airline, in the form and manner prescribed for operating authorizations and technical permissions, the Aeronautical Authorities of the other Party shall, with minimum of procedural delay, subject to the provisions of paragraphs 3, 4 and 5 of this Article, grant to the airline designated in accordance with paragraph 1 of this Article the appropriate operating authorization provided that:

a) In the case of an airline designated by the Portuguese Republic:

(i) It is established in the territory of the Portuguese Republic under the EU Treaties and has a valid Operating License in accordance with the law of the European Union; and

- (ii) Effective regulatory control of the designated airline is exercised and maintained by the EU Member State responsible for issuing its Air Operator's Certificate, and the relevant aeronautical authority is clearly identified in the designation; and
- (iii) The airline is owned, directly or through majority ownership, and it is effectively controlled by Member States of the EU or the European Free Trade Association and/or by nationals of such States.

b) In the case of an airline designated by the Republic of Mauritius:

- (i) the airline is incorporated in the territory of the Republic of Mauritius and its substantial ownership and effective control are in the hands of the Republic of Mauritius or its nationals;
- (ii) the airline holds a valid Air Services License and an Air Operator Certificate issued by the competent authority of the Republic of Mauritius; and
- (iii) Effective regulatory control of the designated airline is exercised and maintained by the Republic of Mauritius responsible for issuing its Air Operator's Certificate.

c) The designated airline is qualified to meet the conditions prescribed under the legislation normally applied to the operation of international air services by the Party considering the application or applications.

5. When an airline has been designated and authorized in accordance with this Article, it may operate the agreed services for which it has been designated, provided that the airline complies with the applicable provisions of this Agreement.

ARTICLE 5

Refusal, Revocation, Suspension And Limitation Of Rights

1. Each Party shall have the right to refuse, revoke, suspend or limit the operating authorizations or technical permissions of an airline designated by the other Party of the rights specified in Article 3 of the present Agreement, or to submit the exercise of those rights to the conditions considered necessary, where:

- a) In the case of an airline designated by the Portuguese Republic:
 - (i) It is not established in the territory of the Portuguese Republic under the EU Treaties or does not have a valid Operating License in accordance with the law of the European Union; or
 - (ii) Effective regulatory control of the designated airline is not exercised or not maintained by the EU Member State responsible for issuing its Air Operator's Certificate, or the relevant aeronautical authority is not clearly identified in the designation; or
 - (iii) The airline is not owned, directly or through majority ownership, or it is not effectively controlled by Member States of the EU or the European Free Trade Association and/or by nationals of such States.

- b) In the case of an airline designated by the Republic of Mauritius:
 - (i) the airline is not incorporated in the territory of the Republic of Mauritius and its substantial ownership or effective control is not in the hands of the Republic of Mauritius or its nationals, or

- (ii) the airline does not hold a valid Air Services License or an Air Operator Certificate issued by the competent authority of the Republic of Mauritius;
and
 - (iii) Effective regulatory control of the designated airline is exercised and maintained by the Republic of Mauritius responsible for issuing its Air Operator's Certificate.
- c) In the case the designated airline fails to meet the conditions prescribed under the legislation normally applied to the operation of international air services by the Party considering the application or applications; or
- d) In the case of failure by such designated airline to comply with the legislation of the Party granting the authorization or permission; or
- e) In the case the designated airline fails to operate the agreed services in accordance with the conditions prescribed under this Agreement and the Annex attached hereto.

2. Unless immediate revocation, suspension or imposition of the conditions mentioned in paragraph 1 of this Article is essential to prevent further infringement of the laws or the provisions of this agreement, such right shall be exercised only after consultation in accordance with Article 22 with the Aeronautical Authorities of the other Party.

ARTICLE 6

Application of Legislation and Procedures

1. The legislation and procedures of one Party relating to the admission to, sojourn in, or departure from its territory of aircraft engaged in international air services, or to the operation and navigation of such aircraft while within its

territory, shall be applied to the aircraft of both Parties upon entering into or departing from or while within the territory of the first Party.

2. The legislation and procedures of one Party relating to the admission to, sojourn in, transit and departure from its territory of passengers, crew, baggage, cargo and mail transported on board the aircraft, such as legislation relating to entry, clearance, immigration, passports, customs and sanitary control, shall be complied with by the airline of the other Party, or on behalf of such passengers, crew, entity entitled of baggage, cargo and mail upon entrance into or departure from or while within the territory of this Party.

3. The above said legislation and procedures of a Party shall be the same as are applicable to the aircraft of its own airlines engaged in similar international air services.

ARTICLE 7

Direct Transit

Passengers, baggage and cargo in direct transit across the territory of one Party, and not leaving the area of the airport reserved for such purpose shall, except in respect of security measures against the threat of unlawful interference, such as violence and air piracy and occasional measures for the combat of illicit drug traffic, be subjected to a very simplified control. Baggage and cargo in direct transit shall be exempt from custom duties charges and other similar taxes.

ARTICLE 8

Recognition of Certificates and Licenses

1. Each Party shall recognize as valid for the purpose of air transport operations provided for in this Agreement, certificates of airworthiness, certificates of competency and licenses issued or rendered valid, in accordance

with the rules and procedures of one Party, including, in the case of the Portuguese Republic, European Union laws and regulations, and unexpired, provided always that the requirements for issue or validation of such certificates or licenses are equal to or above the minimum standards established pursuant to the Convention.

2. Paragraph 1 also applies with respect to an airline designated by the Portuguese Republic whose regulatory control is exercised and maintained by another European Union Member State.

3. Each Party, however, reserves the right to refuse to recognize for the purpose of flights above its territory, certificates of competency and licenses granted or validated to its own nationals by the other Party.

ARTICLE 9

Aviation Safety

1. Each Party may request consultations at any time concerning safety standards in any area relating to air crew, aircraft or their operation adopted by the other Party. Such consultations shall take place within thirty (30) days of that request.

2. If, following such consultations, one Party finds that the other Party does not effectively maintain and administer safety standards in any area that are at least equal to the minimum standards established at that time pursuant to the Convention, the first Party shall notify the other Party of those findings and the steps considered necessary to conform with those minimum standards, and that other Party shall take appropriate corrective action. Failure by the other Party to take appropriate action within fifteen (15) days or such longer period as may be agreed, shall be a ground for the application of Article 5 (Revocation or Suspension of Operating Authorization) of this Agreement.

3. Notwithstanding the obligations mentioned in Article 33 of the Convention, it is agreed that any aircraft operated by a designated airline of one Party on services to or from the territory of the other Party may, while within the territory of the other Party, be made the subject of an examination by the authorized representatives of the other Party, on board and around the aircraft to check both the validity of the aircraft documents and those of its crew and the apparent condition of the aircraft and its equipment (ramp inspection), provided this does not lead to unreasonable delay.

4. If any such ramp inspection or series of ramp inspections gives rise to :

(a) serious concerns that an aircraft or the operation of an aircraft does not comply with the minimum standards established at that time pursuant to the Convention; or

(b) serious concerns that there is lack of effective maintenance and administration of safety standards established at that time pursuant to the Convention,

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

5. In the event that access for the purpose of undertaking a ramp inspection of an aircraft operated by a designated airline of one Party in accordance with paragraph 3 is denied, by the representative of that designated airline, the other Party shall be free to infer that serious concerns of the type referred to in paragraph 4 arise and draw the conclusions referred to in that paragraph.

6. Each Party reserves the right to immediately suspend or vary the authorization to conduct international air transportation of an airline of the other Party in the event that the first Party concludes, whether as a result of a ramp inspection, a series of ramp inspections, a denial of access for ramp inspection, consultation or otherwise, that immediate action is essential to ensure the safety of an airline operation.

7. Any action by one Party in accordance with paragraph 1, 2 or 6 above shall be discontinued once the basis for the taking of that action ceases to exist.

8. Where the Portuguese Republic has designated an airline whose regulatory control is exercised and maintained by another European Union Member State, the rights of the other Party under this Article shall apply equally in respect of the adoption, exercise or maintenance of safety standards by that other European Union Member State and in respect of the operating authorization of that airline.

ARTICLE 10

Aviation Security

1. Consistent with their rights and obligations under international law, each Party reaffirms that its obligation to the other Party to protect the security of civil aviation against acts of unlawful interference forms an integral part of this Agreement.

2. Without limiting or derogating the generality of its rights and obligations in terms of international law, each Party shall in particular act in conformity with the provisions of:

- a) the Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963;
- b) the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at the Hague on 16 December 1970;

c) the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971, and its Supplementary Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation,;

d) and the Convention on Marking of Plastic Explosives for the purpose of detection, signed at Montreal on March 1, 1991.

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

4. The Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by the International Civil Aviation Organization and designated as Annexes to the Convention on International Civil Aviation to the extent that such security provisions are applicable to both Parties. They shall require that operators of aircraft of their registry or operators of aircraft who have their principal place of business or permanent residence in their respective territories, or in the case of the Portuguese Republic operators of aircraft which are established in its territory under the European Union Treaties and have received valid Operating Licenses in accordance with European Union Law, and the operators of airports in their respective territories, act in conformity with such aviation security provisions as are applicable to both Parties.

5. Each Party agrees that its operators of aircraft shall be required to observe the aviation security provisions referred to in paragraph 4 applied by the other Party for entry into, sojourn in or departure from the territory of that other Party. For departure from, or while within, the territory of the Portuguese Republic, operators of aircraft shall be required to observe aviation security provisions in conformity with European Union law. Each Party shall ensure that adequate measures are effectively applied within its territory to protect the

aircraft and to apply security controls to passengers, crew, carry-on items, baggage, cargo and aircraft stores prior to and during boarding and loading. Each Party shall also give positive consideration to any request from the other Party for reasonable special security measures in its territory to meet a particular threat.

6. When an incident or threat of an incident of unlawful seizure of civil aircraft or other unlawful acts against the safety of such aircraft, their passengers and crew, airports or air navigation facilities occurs, the Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.

7. If a Party has occasional problems in the context of the present Article on security of civil aviation, the aeronautical authorities of both Parties may request immediate consultations with the aeronautical authorities of the other Party.

ARTICLE 11

Exemption From Customs Duties And Other Charges

1. Aircraft operating on international services by the designated airline of either Party, as well as their regular equipment, spare parts, supplies of fuels and lubricants, other consumable technical supplies and aircraft stores (including food, beverages and tobacco) on board such aircraft shall be exempt from all customs duties, inspection fees and other similar charges on arriving in the territory of the other Party, provided such equipment, supplies and aircraft stores remain on board the aircraft up to such time as they are re-exported, or are used on the part of the journey performed over that territory.

2. There shall also be exempt from the same duties, fees and taxes, with the exception of charges corresponding to the services performed for:

- a) Aircraft stores taken on board in the territory of a Party, within limits fixed by the authorities of the said Party, and for use on board outbound aircraft engaged in an international air service by the designated airlines of the other Party;
- b) Spare parts and regular equipment brought into the territory of either Party for the maintenance or repairs of aircraft used on international air services by the designated airlines of the other Party;
- c) Fuel, lubricants and other consumable technical supplies destined to the supply outbound aircraft operated on international air services by the designated airlines of the other Party, even when these supplies are to be used on the part of the journey performed over the territory of the Party in which they are taken aboard.

3. All materials referred to in paragraph 2 of this Article may be required to be kept under customs supervision or control.

4. The regular airborne equipment, as well as the materials and supplies retained on board the aircraft operated by the designated airline of either Party, may be unloaded in the territory of the other Party only with the approval of the Customs authorities of that Party. In such cases, they may be placed under the supervision of the said Customs authorities up to such time as they are re-exported or otherwise disposed of in accordance with Customs regulations.

5. The exemptions provided for by this Article shall also be available in situations where the designated airlines of either Party have entered into arrangements with another airline or airlines for the loan or transfer in the territory of the other Party of the items specified in paragraphs 1 and 2 of this Article, provided such other airline or airlines similarly enjoy such exemptions from such other Party.

6. Nothing in this Agreement shall prevent the Portuguese Republic from imposing, on a non-discriminatory basis, taxes, levies, duties, fees or charges on fuel supplied in its territory for use in an aircraft of a designated airline of the Republic of Mauritius that operates between a point in the territory of the Portuguese Republic and another point in the territory of the Portuguese Republic or in the territory of another European Union Member State.

ARTICLE 12

User Charges

1. Each Party shall endeavour to ensure that user charges imposed or permitted to be imposed by its competent authorities on a designated airline of the other Party are just and reasonable. These charges shall be based on sound economic principles.

2. Neither Party shall impose or permit to be imposed on a designated airline of the other Party user charges higher than those imposed on its own designated airline conducting similar international air transportation using similar aircraft and associated facilities and services.

3. Each Party shall encourage consultations between its responsible charging bodies and the designated airlines using the facilities and services. Where practicable, such consultations should be through the appropriate representative airline organization.

4. Each Party shall encourage the competent charging authorities or bodies and the airlines to exchange such information as may be necessary to permit an accurate review of the reasonableness of the charges in accordance with the principles enunciated in paragraphs 1 and 2 of this Article. Each Party shall encourage the competent charging authorities to provide users with reasonable

notice of any proposal for changes in user charges to enable users to express their views before changes are made.

ARTICLE 13

Conversion and Transfer of Revenues

1. Each Party grants to the designated airlines of the other Party the right of free transfer at the official rate of currency exchange, of revenues tax exempted and of the excess of receipts over expenditures achieved in connection with the carriage of passengers, baggage, cargo and mail on the agreed services in its territory, and in accordance with the applicable domestic law in the territory of the Party from which the transfer is made.

2. For the purpose of this Article, the applicable domestic law of the Portuguese Republic includes all measures taken by the European Union.

ARTICLE 14

Principles Governing Operation of Agreed Services

1. The capacity to be provided by the designated airlines of each Contracting Party shall bear a relationship to the requirements of the public for transportation on the agreed routes and shall have as its primary objective the provision, at a reasonable load factor, of capacity adequate to meet the current and reasonably anticipated requirements for the carriage of passengers baggage, cargo and mail originating from or destined for the territory of the Contracting Party which has designated the airlines.

2. Any provision by the designated airlines for the carriage of traffic to be uplifted from or discharged at points on the specified routes in the territories of third States, shall be made in accordance with the general principles that capacity shall be related to -

- (a) traffic requirements to and from the territory of the Contracting Party which has designated the airlines;
- (b) traffic requirements of the area through which the agreed services pass, after taking account of other transport services established by the airlines of the States comprising the area; and
- (c) the requirements of through airline operation.

3. The capacity and frequency of services to be operated by the designated airlines of each Contracting Party shall be subject to predetermination jointly done by the Aeronautical Authorities of both Contracting Parties on the basis of the principles enshrined in this Article.

4. In order to meet seasonal fluctuations or unexpected traffic demands of a temporary nature, the designated airline(s) of one Contracting Party shall submit the necessary application to the Aeronautical Authority of the other Contracting Party for approval.

ARTICLE 15

Fair Competition

1. Each Party shall, in conformity with its legislation and procedures, allow a fair and equal opportunity for the designated airlines of the other Party to compete in providing the international air transportation governed by this Agreement.

2. Each Party shall, where necessary, take all appropriate action within its jurisdiction to eliminate all forms of discrimination or unfair competitive practices adversely affecting the competitive position of the designated airlines of the other Contracting Party.

3. Neither Party shall allow its designated airline or airlines, either in conjunction with any other airline or airlines or separately, to abuse market power in a way which has or is likely or intended to have the effect of severely weakening a competitor or excluding a competitor from a route.

4. If one Party has substantiated concerns that its designated airlines are being subjected to discrimination or unfair practices, or that support being considered or provided by the other Party would adversely affect or is adversely affecting the fair and equal opportunity of the airlines of the first Party to compete in providing international air transportation, it may request consultations and notify the other Party of the reasons for its dissatisfaction. These consultations shall be held not later than 30 days after receipt of the request. If the situation is not resolved the Party that requested consultations will take appropriate action including those referred to in Article 5.

ARTICLE 16

Approval of Timetables

1. A designated airline of a Party shall submit to the Aeronautical Authorities of the other Party for its approval, thirty (30) days in advance the timetable of its intended services, specifying the points to be served, the frequency, the type of aircraft, configuration and number of seats to be made available to the public.

2. Any subsequent changes to the approved timetables of a designated airline shall be submitted to the Aeronautical Authorities of the other Party for its approval.

3. If a designated airline wishes to operate flights supplementary to those covered in the approved timetables, it shall obtain prior permission of the Aeronautical Authorities concerned.

4. The approval of timetables or changes thereto submitted by a designated airline, or authorization for supplementary flights, shall not be refused by a Party without a valid reason.

ARTICLE 17

Tariffs

1. The tariffs to be charged by the designated airlines of each Party for the international carriage in the services provided under this Agreement shall be freely established at reasonable levels, due regard being paid to all relevant factors, including the cost of operations, the characteristics of the service, the interest of users, a reasonable profit and other market consideration.

2. Each Party may require notification to or filing with its Aeronautical Authorities of tariffs to be charged to or from its territory by designated airlines of the other Party. Notification of filing by the designated airlines of either Parties may be required no more than thirty (30) working 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 nor filing by airlines of the other Party of tariffs charged by charterers to the public, except as be required in a non-discriminatory basis for information purposes.

3. Without prejudice of the applicable competition and consumer protection law prevailing in each Party, neither Party shall take unilateral action to prevent the inauguration or continuation of an effective tariff proposed to be charged or charged by a designated airline of the other Party for international air

transportation in the services provided under this Agreement. Intervention by the Parties shall be limited to:

- (a) prevention of unreasonably discriminatory prices or practices;
- (b) protection of consumers from prices that are unreasonably high or restrictive due to abuse of a dominant position;
- (c) protection of airlines from prices that are artificially low due to direct or indirect subsidy or support; and
- (d) protection of airlines from prices that are artificially low, where evidence exists as to an intent to eliminate competition.

4. Without prejudice to the previous paragraph 3 of this Article, the Aeronautical Authorities of either Party may expressly approve the tariffs filed by the designated airlines. Where such aeronautical authorities find that a certain tariff falls within the categories set forth in paragraph 3(a), 3(b), 3(c) and 3(d), they shall send reasoned notification of its dissatisfaction to the aeronautical authorities of the other Party and to the concerned airline as soon as possible, and in no event later than thirty (30) working days after the date of filing of the tariff in question and may request consultations. If the other Party/airline accepts the contention, the tariff shall be withdrawn forthwith. Otherwise the consultation requested by the first Party shall be within thirty (30) working days of the request and both Parties shall endeavour to reach a satisfactory resolution. Unless both Aeronautical Authorities have agreed to disapprove a tariff, the tariff shall be treated as having been approved and shall continue to be in effect.

ARTICLE 18

Statistics

The Aeronautical Authorities of either Party, or their designated airlines, may be required to supply to the Aeronautical Authorities of the other Party, the information and statistics as may be reasonably required for information purposes.

ARTICLE 19

Representation and Personnel/ Commercial Activities

1. The designated airlines or airlines of each Party shall have the right, on the basis of reciprocity, to establish offices in the territory of the other Party, for the purpose of promotion of air transportation and sale of air tickets as well as, in accordance with the legislation of such other Party, other facilities required for the provision of air transportation.

2. The designated airline or airlines of each Party shall be authorized, on a reciprocal basis, to bring in and maintain in the territory of the other Party managerial, operational, sale, technical and other specialist staff required for the operation of the agreed services. The required personnel of the designated airline or airlines shall be granted, on a reciprocal basis, the authorization for access to the airport(s) where services are operated and to areas connected with the aircraft, the crew, the passengers and the cargo.

3. Subject to the laws, regulations and procedures of each Party including, in the case of the Portuguese Republic, European Union law, each designated airline shall have in the territory of the other Party the right to perform its own ground handling ("self-handling") or, at its option, the right to select among competing suppliers that provide ground handling services in whole or in part. Where such laws and regulations limit or preclude self-handling and where there is no effective competition between suppliers that provide ground handling services, each designated airline shall be treated on a non-discriminatory basis as regards their access to self-handling and ground handling services provided by a supplier or suppliers.

4. Each Party shall grant to the designated airline(s) of the other Party the right to engage in the sale of their documents for air transportation in its territory directly or at the airlines' discretion, through its agents. Each designated airline shall have the right to sell such transportation in the local currency or in freely

convertible foreign currency. Any designated airline of a Party shall have the right to pay for local expenses in the territory of the other Party in local currency, or in freely convertible foreign currency, provided it complies with local currency regulations.

ARTICLE 20

Intermodal Services

1. Notwithstanding any other provision of this Agreement, airlines and indirect providers of passenger transportation of each Party shall be permitted, without restriction, to employ in connection with international air transportation any surface transportation for passengers to or from any points in the territories of the Parties or in third countries, including transport to and from all airports with customs facilities. Airlines may elect to perform their own surface transportation or, at their discretion, to provide it through arrangements with other surface carriers, including surface transportation operated by other airlines and indirect providers of passenger air transportation. Such intermodal passenger services may be offered at a single, through price for the air and surface transportation combined, provided that passengers are informed as to the facts of this transportation.

2. Notwithstanding any other provision of this Agreement, airlines and indirect providers of cargo transportation of the Parties shall be permitted, without restriction, to employ in connection with international air transportation any surface transport for cargo to or from any points in the territories of the Parties or third countries, including transport to and from all airports with customs facilities, and including, where applicable, the right to transport cargo in bond under applicable domestic law. Access to airport customs processing and facilities shall be provided for such cargo, whether moving by surface or by air. Airlines may elect to perform their own surface transport or to provide it through arrangements with other surface carriers, including surface transport operated by other airlines

and indirect providers of cargo air transportation. Such intermodal cargo services may be offered at a single, through price for the air and surface transport combined, provided that shippers are informed as to the facts concerning such transport.

ARTICLE 21

Consultation

1. Either Party may at any time request consultations on the implementation, interpretation, application or amendment, or compliance with this Agreement.
2. Subject to Articles 5 (Suspension or Revocation of Operating Authorization), 9 (Aviation Safety) and 10 (Aviation Security), such consultations, which may be through discussion or correspondence, shall begin within a period of sixty (60) days of the date of receipt of such a request, unless otherwise mutually decided.

ARTICLE 22

Amendment of Agreement

1. If either of the Parties considers it desirable to amend any provision of this agreement, such amendment shall be agreed upon in accordance with the provisions of Article 22.
2. The amendments resulting from the negotiations referred to in the previous number shall enter into force according to what is established in Article 26.
3. If, in conformity with domestic law, a multilateral convention concerning air transportation comes into force in respect of both Parties, this Agreement shall

be deemed to be amended so far as is necessary to conform with the provisions of that convention.

ARTICLE 23

Settlement of Disputes

1. Any dispute between the Parties concerning the interpretation or application/implementation of this Agreement, with the exception of any dispute concerning tariffs, which cannot be settled by consultations or negotiations, or, where agreed, shall at the request of either Party be submitted to an arbitral tribunal.

2. Within a period of thirty (30) days from the date of receipt by either Party from the other Party of a note through the diplomatic channel requesting arbitration of the disputes by a tribunal, each Party shall nominate an arbitrator. Within a period of thirty (30) days from the appointment of the arbitrator last appointed, the two arbitrators shall appoint a president who shall be a national of a third state. If within thirty (30) days after one of the Parties has nominated its arbitrators, the other Party has not nominated its own or, if within thirty (30) days following the nomination of the second arbitrator, both arbitrators have not agreed on the appointment of the president, either Party may request the President of the Council of the International Civil Aviation Organization to appoint an arbitrator or arbitrators as the case requires. If the President of the Council 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 determined by the Parties or prescribed by the tribunal, each Party shall submit a memorandum within thirty (30) days after the tribunal is fully constituted. Replies shall be due within thirty (30) days. The tribunal shall hold a hearing at the request of either Party, or at its discretion, within thirty (30) days after replies are due.

4. The tribunal shall attempt to give a written award within thirty (30) days after completion of the hearing, or, if no hearing is held, after the date both replies are submitted. The award shall be taken by a majority vote.
5. The Parties may submit requests for clarification of the award within fifteen (15) days after it is received and such clarification shall be issued within fifteen (15) days of such request.
6. The award of the arbitral tribunal shall be final and binding upon the Parties.
7. Each Party shall bear the costs of the arbitrator appointed by it. The other costs of the tribunal under this Article shall be shared equally between the Parties.
8. If and for so long as either Party fails to comply with an award under paragraph 6 of this Article, the other Party may limit, suspend or revoke any rights or privileges which it has granted by virtue of this Agreement to the Party in default.

ARTICLE 24

Duration and Termination

1. This Agreement shall remain in force for an undetermined period.
2. Each Party may, at any time, terminate this Agreement.
3. The termination must be notified to the other Party and, simultaneously, to the International Civil Aviation Organisation, producing its effects twelve (12) months after the receipt of the notification by the other Party.

4. In case of failure of information to the other Party of the receipt of the notification, notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization.

ARTICLE 25

Registration with ICAO

This Agreement and any amendment thereto shall be registered with the International Civil Aviation Organization.

ARTICLE 26

Entry into Force

The present Agreement shall enter into force thirty (30) days after the date of the receipt of the last notification, through diplomatic channels, indicating that all the internal procedures required for the purpose have been fulfilled.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Government have signed this Agreement.

DONE in _____ on the ____ of ____ of, in duplicate
in the English and Portuguese languages, both texts being equally authentic. In case of divergence of interpretation, the English version shall prevail.

For the Portuguese

For the Republic of Mauritius

ANNEX

ROUTE SCHEDULE

The designated airline(s) of each Party shall be entitled to perform international air transportation on their respective routes as given below:

Route for the designated airline(s) of the Republic of Mauritius

<u>Points in Mauritius</u>	<u>Intermediate Points</u>	<u>Points in Portugal</u>	<u>Beyond Points</u>
Any one or more	Any one or more	Any one or more	Any one or more
Route for the designated airline(s) of the Portuguese Republic			
<u>Points in Portugal.....</u>	<u>Intermediate Points</u>	<u>Points in Mauritius</u>	<u>Beyond Points</u>
Any one or more	Any one or more	Any one or more	Any one or more

Notes:

1. The points on the above route shall be freely selected by the designated airlines of each Party and will be notified to the Aeronautical Authorities of both Parties thirty (30) days before the start of the services.

2. The designated airline(s) of each Party may perform their services in either or both directions, and may at their option change the order or omit one or more points on any of the above routes, in whole or part of its services(including intermediate, beyond points and points in the territories of the Parties), provided

that the services commence or terminate at a point in the territory of the Party designating the airline.

3. The exercise of the fifth freedom traffic rights on the specified intermediate and/or beyond points shall be subject to agreement between the aeronautical authorities of both Parties.

4 The designated airline(s) of each Party may serve points in the territory of the other Party in any combination, as part of a through international journey and without domestic traffic rights (cabotage).