

**AGREEMENT ON AIR TRANSPORT
BETWEEN
THE PORTUGUESE REPUBLIC
AND
THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA**

The PORTUGUESE REPUBLIC and the FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA hereinafter referred to as "the Parties", being Parties to the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944;

Desiring to organize, in a safe and orderly manner, international air services and to promote in the greatest possible measure international cooperation in respect of such services, and

Desiring to establish an Agreement to foster the development of scheduled air services between and beyond their territories.

Agree as follows:

**ARTICLE 1
DEFINITIONS**

For the purpose of this Agreement:

- a)** The term "Convention" shall mean the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944, including any Annex adopted under Article 90 of that Convention and any amendment of the Annexes or Convention under Articles 90 and 94 thereof, so far as those Annexes and amendments have been adopted by both Parties;
- b)** The term "EU Treaties" shall mean the Treaty on European Union and the Treaty on the functioning of the European Union;
- c)** The term "State Party" means an African State signatory to the Abuja Treaty (signed on 3rd June 1991) or to the Yamoussoukro Decision (signed on 14th November 1999 and entered into force on 12th August 2000) and such other African country, which though not a party to the Abuja Treaty or the Yamoussoukro Decision, has declared in writing its intention to be bound by the guidelines of this Treaty or this Decision;

- d)** The term "aeronautical authorities" shall mean, in the case of the Portuguese Republic Portuguese Civil Aviation Authority, and in the case of the Federal Democratic Republic of Ethiopia the Ministry of Transport, Ethiopian Civil Aviation Authority or, in both cases, any person or body authorized to perform any functions at present exercised by the said authorities or similar functions;
- e)** The term "designated airline" shall mean an airline, which has been designated and authorised in accordance with Article 3 of the this Agreement;
- f)** The term "territory" shall have the meaning assigned to it in Article 2 of the Convention;
- g)** The terms "air service", "international air service", "airline" and "stop for non-traffic purposes" shall have the meanings assigned to them in Article 96 of the Convention;
- h)** The terms "ground equipment", "aircraft stores" and "spare parts" have the meanings respectively assigned to them in Annex 9 of the Convention.
- i)** The term "tariff" shall mean the prices to be paid for the carriage of passengers, baggage and cargo and the conditions under which those prices apply, including prices and conditions for agency and other ancillary services, but excluding remuneration or conditions for the carriage of mail; and
- j)** The term "Annex" shall mean the Route Schedule attached to this Agreement and any Clauses or Notes appearing in such Annex.

ARTICLE 2 OPERATING RIGHTS

1. Each Party grants to the other Party the following rights in respect of international air services conducted by the designated airline of the other Party:

- a)** The right to fly across its territory without landing, and
- b)** The right to make stops in its territory for non-traffic purposes.

2. Each Party grants to the other Party the rights hereinafter specified in this Agreement for the purpose of the operation of scheduled international air services by the other Party's designated airline on the routes specified in the appropriate Section of the Annex. Such services and routes are hereinafter called "the agreed services" and "the specified routes" respectively. While operating an agreed service on a specified route the airline designated by each Party shall enjoy in addition to the rights specified in paragraph 1 of this Article and subject to the provisions of this Agreement, the right to make stops in the territory of the other Party at the points specified for that route in the Annex to this Agreement for the purpose of taking on board and disembarking passengers, baggage, cargo and mail.

3. Nothing in paragraph 2 of this Article shall be deemed to confer on the designated airline of one Party the right of embarking, in the territory of the other Party, traffic carried for remuneration or hire and destined for another point in the territory of that Party.

4. If the designated airline of one Party is 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. This provision shall be applied without discrimination between the designated airlines of the Parties.

ARTICLE 3 DESIGNATION AND OPERATING AUTHORIZATION OF AIRLINES

1. Each Party shall have the right to designate one airline for the purpose of operating the agreed services on the routes specified in the Annex and to withdraw or alter such designations. Those designations shall be made in writing and shall be transmitted to the other Party through diplomatic channels.

2. On receipt of such a designation, and of applications from a designated airline, in the form and manner prescribed for operating authorisations and technical permissions, the other Party shall grant the appropriate authorisations and permissions with minimum procedure delay, 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 Licence in accordance with the law of the European Union; and
- (ii)** Effective regulatory control of the 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 Federal Democratic Republic of Ethiopia:

- (i)** It is established in the territory of the Federal Democratic Republic of Ethiopia and has a valid License and a valid Air Operator's Certificate issued in accordance with the applicable law of the Federal Democratic Republic of Ethiopia; and

- (ii) The Federal Democratic Republic of Ethiopia has and maintains effective regulatory control of the airline; and
- (iii) The airline is owned, directly or through majority ownership, and it is effectively controlled by a State Party.

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.

ARTICLE 4

REFUSAL, REVOCATION, SUSPENSION AND LIMITATION OF RIGHTS

1. Each Party shall have the right to refuse, revoke, suspend or limit the operating authorisations or technical permissions of an airline designated by the other Party of the rights specified in Article 2 of the this Agreement, or to submit the exercise of those rights to the conditions considered necessary, where:

a) In the case 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 Licence 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.
- (iv) It is already authorized to operate under a bilateral agreement between the Federal Democratic Republic of Ethiopia and another Member State and by exercising traffic rights under this Agreement on a route that includes a point in that other Member State, it would be circumventing restrictions on traffic rights imposed by the bilateral agreement between the Federal Democratic Republic of Ethiopia and that other Member State; or
- (v) The airline holds an Air Operator's Certificate (AOC) issued by a Member State of the European Union and there is no bilateral air services agreement between the Federal Democratic Republic of Ethiopia and that Member State, and traffic rights to

that Member State have been denied to the airline designated by the Federal Democratic Republic of Ethiopia.

b) In the case of an airline designated by the Federal Democratic Republic of Ethiopia:

- (i)** It is not established in the territory of the Federal Democratic Republic of Ethiopia or does not have a valid License and a valid Air Operator's Certificate issued in accordance with the applicable law of the Federal Democratic Republic of Ethiopia; or
- (ii)** The Federal Democratic Republic of Ethiopia is not exercising or maintaining effective regulatory control of the airline; or
- (iii)** The airline is not owned, directly or through majority ownership, or it is not effectively controlled by a State Party.
- (iv)** It is already authorized to operate under a bilateral agreement between the Portuguese Republic and another State Party, and by exercising traffic rights under this Agreement on a route that includes a point in that other State Party, it would be circumventing restrictions on traffic rights imposed by the bilateral agreement between the Portuguese Republic and that other State Party; or
- (v)** The airline holds an Air Operator's Certificate (AOC) issued by a State Party and there is no bilateral air services agreement between the Portuguese Republic and that State Party, and traffic rights to that State Party have been denied to the airline designated by the Portuguese Republic.

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 authorisation 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.

2. Unless immediate refusal, revocation, suspension, limitation or imposition of the conditions mentioned in paragraph 1 of this Article is essential to prevent further infringements of the legislation, the right to refuse, revoke, suspend, limit or impose conditions shall be exercised only after consultation with the other Party. The consultation shall take place within a period of thirty (30) days from the date of the proposal to hold it unless otherwise agreed.

ARTICLE 5
ENTRY AND CLEARANCE LAWS 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, stay in, or departure from its territory of passengers, crew, baggage, cargo and mail transported on board the aircraft, such as those 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. Neither Party may grant any preference to any airline over a designated airline of the other Party in the application of the laws and procedures provided for in this Article.

ARTICLE 6
CUSTOMS DUTIES AND OTHER CHARGES

1. Aircraft operating on international services by a 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 custom duties, inspection fees and other duties or taxes 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 service performed:

- a) Aircraft stores taken on board in the territory of a Party, within limits fixed by the authorities of that Party, and for use on board outbound aircraft engaged in international air services by the designated airline of the other Party;

- b)** Spare parts and regular equipment entered into the territory of a Party for the maintenance or repair of aircraft used on international air services by the designated airline of the other Party;
- c)** Fuel, lubricants and other consumable technical supplies intended to supply outbound aircraft operated on international air services by the designated airline 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. Supplies of goods and services locally purchased will be governed by the relevant applicable laws and regulations of each Party.

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

5. The regular airborne equipment, as well as the materials and supplies retained on board the aircraft of 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 territory. In such case, they may be placed under the supervision of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.

6. The exemptions provided for by this Article shall also be available in situations where the designated airline 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.

7. Nothing in this Agreement shall prevent:

a) 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 Federal Democratic Republic of Ethiopia 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;

b) the Federal Democratic Republic of Ethiopia 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 Portuguese Republic that operates between a point in the territory of the Federal Democratic Republic of Ethiopia and another point in the territory of the Federal Democratic Republic of Ethiopia or in the territory of another State Party.

8. Each Party shall exempt the airline designated by the other Party from payment of any taxes on its revenues earned while operating the agreed services, without

prejudice to the provisions of any agreement the Parties for the avoidance of double taxation, which shall prevail.

ARTICLE 7 USER CHARGES

1. Each Party may impose or permit to be imposed just and reasonable charges for the use of airports, other facilities and air services under its control.

2. Neither Party shall impose or permit to be imposed on the designated airline of the other Party charges higher than those imposed on its own airlines engaged in similar international services.

3. Such charges shall be just and reasonable and shall be based on sound economic principles.

ARTICLE 8 TRAFFIC IN DIRECT TRANSIT

Traffic in direct transit across the territory of either 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 subject to no more than a simplified control. Baggage and cargo in direct transit shall be exempt from custom duties, charges and other similar taxes.

ARTICLE 9 RECOGNITION OF CERTIFICATES AND LICENCES

1. Certificates of airworthiness, certificates of competency and licences 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 still in force shall be recognised as valid by the other Party for the purpose of operating the agreed services, provided always that the requirements under which such certificates and licences were issued, or rendered valid, 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 flights above its own territory, certificates of competency and licences granted or validated to its own nationals by the other Party or by any other State.

ARTICLE 10
COMMERCIAL REPRESENTATION

1. The designated airline of each Party shall be allowed:

- a) To establish in the territory of the other Party offices for the promotion of air transportation and sale of air tickets as well as, in accordance with the legislation in force of such other Party, other facilities required for the provision of air transportation;
- b) To bring in and maintain in the territory of the other Party – in accordance with the legislation of such other Party relating to entry, residence and employment – managerial, sales, technical, operational and other specialist staff required for the provision of air transportation, and
- c) In the territory of the other Party to engage directly and, at the airline discretion, through its agents in the sale of air transportation.

2. The competent authorities of each Party will take all necessary steps to ensure that the representation of the airline designated by the other Party may exercise their activities in an orderly manner.

ARTICLE 11
COMMERCIAL ACTIVITIES

1. The designated airline of each Party shall have the right to sell, in the territory of the other Party, air transportation and any person shall be free to purchase such transportation in the currency of that territory or in freely convertible currencies of other countries in accordance with the foreign exchange regulation in force.

2. In the exercise of the commercial activities, the principles mentioned in paragraph 1 above of this Article shall be applied to the designated airlines of both Parties.

ARTICLE 12
CONVERSION AND TRANSFER OF REVENUES

Subject to currency regulations in force, each Party grants to the designated airline of the other Party the right of free transfer at the official rate of exchange, in convertible currencies in which the payment is done, of the excess of receipts over expenditures achieved in connection with the carriage of passengers, baggage, cargo and mail on the agreed services in the territory of the other Party.

ARTICLE 13 CAPACITY

1. There shall be fair and equal opportunity for the designated airlines of both Parties to operate the agreed services on the specified routes between their respective territories.

2. The agreed services provided by the designated airlines of the Parties shall bear a close relationship to the requirements of the public for transportation on the specified routes and shall have as their primary objective the provision of capacity adequate to carry the current and reasonably anticipated traffic requirements, including seasonal variations for the carriage of traffic embarked or disembarked in the territory of the Party which has designated the airline.

3. The frequency and capacity to be provided for the carriage between their respective territories shall be notified to the aeronautical authorities of both Parties.

4. Provision for the carriage of traffic embarked in the territory of the other Party and disembarked at points in third countries on the specified routes or vice versa shall be made in accordance with the general principles that capacity shall be related to:

- a) The requirements of traffic embarked or disembarked in the territory of the Party, which has designated the airline;
- b) The requirements of traffic of the area through which the airline passes, after taking account of the other air transport services established by airlines of the States situated in the area; and
- c) The requirements of economical through airline operation.

5. The frequency and the capacity for the carriage of traffic referred to in paragraph 4 above shall be subject to the approval of the aeronautical authorities of both Parties.

6. In the event that the aeronautical authorities of the Parties do not fall in agreement upon the capacity submitted to them under paragraph 5 above, the matter shall be dealt with in accordance with Article 19 of this Agreement.

7. If the aeronautical authorities of the Parties fail to agree on the capacity to be provided under paragraph 4 above, the capacity that may be provided by the

designated airlines of the Parties shall not exceed the total capacity, including seasonal variations, previously agreed to be provided.

ARTICLE 14 APPROVAL OF CONDITIONS OF OPERATION

1. The time-tables of the agreed services and in general the conditions of their operation shall be notified at least thirty (30) days before the intended date of their implementation. Any significant modification to such time-tables or conditions of their operation shall also be notified to the aeronautical authorities in the same way. In special cases, the above set time limit may be reduced subject to the agreement of the said authorities.

2. For minor modifications or in case of supplementary flights, the designated airline of one Party shall notify the aeronautical authorities of the other Party, at least four-working days before their intended operation. In special cases, this time limit may be reduced subject to agreement of the said authorities.

ARTICLE 15 AVIATION SAFETY

1. Each Party may request consultations at any time concerning safety standards in any area relating to aircrew, 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 such 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 grounds for the application of Article 4 of this Agreement.

3. Notwithstanding the obligations mentioned in Article 33 of the Convention it is agreed that any aircraft operated by the 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 (called "ramp inspection"), provided this does not lead to unreasonable delay.

4. If any such ramp inspection or series of ramp inspections gives rise to 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 serious concerns that there is a 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 certificate or licences 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 above 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 above arise and draw the conclusions referred in that paragraph.

6. Each Party reserves the right to suspend or vary the operating authorization of the designated airline of the other Party immediately in the event 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 the safety of the airlines' operation.

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

ARTICLE 16 AVIATION SECURITY

1. Consistent with their rights and obligations under international law, the Parties reaffirm that their obligation to each other to protect the security of civil aviation against acts of unlawful interference forms an integral part of this Agreement. Without limiting the generality of their rights and obligations under international law, the Parties 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, signed at Montreal on 24 February 1988.

2. The Parties shall, in their mutual relations, act as a minimum, in conformity with the aviation security provisions established by the International Civil Aviation Organization and designated as Annexes to the Convention to the extent that such security provisions are applicable to the 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 territory 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 Licences in accordance with European Union Law, and the operators of airports in their territory act in conformity with such aviation security provisions.

3. The Parties shall provide upon request all necessary assistance to each other to prevent acts of unlawful seizure of civil aircraft and other unlawful acts 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. Each Party agrees that such operators of aircraft shall be required to observe the aviation security provisions referred to in paragraph 2 above required by the other Party for entry into the territory of that other Party and also for departure from, or while within, the territory of the Federal Democratic Republic of Ethiopia. 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 inspect passengers, crew, carry-on items, baggage, cargo and aircraft stores prior to and during boarding or loading. Each Party shall also give sympathetic consideration to any request from the other Party for reasonable special security measures to meet a particular threat.

5. 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.

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

ARTICLE 17 PROVISION OF STATISTICS

The aeronautical authorities of one Party shall supply the aeronautical authorities of the other Party, at their request, with such statistics as may be reasonably required for information purposes.

ARTICLE 18 TARIFFS

1. The tariffs shall be established at reasonable levels, due regard being paid to all relevant factors, including interests of users, cost of operation, characteristics of service, reasonable profit and other commercial consideration in the market place.

2. The tariffs established under paragraph (1) of this Article shall not be required to be filed by the designated airline of one Party with the aeronautical authorities of the other Party. However, the filing may be required only for information purposes by the aeronautical authorities of the Parties in a manner and format acceptable to those aeronautical authorities. Each Party shall have the right to intervene so as to:

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

3. Notwithstanding the paragraphs above, the tariffs to be charged by the designated airlines of the Federal Democratic Republic of Ethiopia for carriage wholly within the European Union shall be subject to European Union law.

ARTICLE 19 CONSULTATIONS

1. In order to ensure close cooperation concerning all the issues related to the interpretation and application of this Agreement, the aeronautical authorities of each Party shall consult each other whenever it becomes necessary, on request of either Party.

2. Such consultations shall begin within a period of sixty (60) days from the date the other Party has received the written request.

ARTICLE 20 AMENDMENTS

1. If either Party considers it desirable to modify any provision of this Agreement, it may at any time request consultations to the other Party. Such consultations, shall begin within a period of sixty (60) days from the date the other Party has received the written request.
2. Any amendments of this Agreement agreed by the Parties shall enter into force in accordance with Article 24 ("Entry into Force") of this Agreement.
3. Any amendment of the Annex may be made by written agreement between the aeronautical authorities of the Parties and shall come into force when confirmed by an exchange of diplomatic notes.
4. In the event of the conclusion of any general multilateral convention concerning air transport by which both Parties become bound, this Agreement shall be modified so as to conform to the provision of such convention."

ARTICLE 21 SETTLEMENT OF DISPUTES

1. If any dispute arises between the Parties relating to the interpretation or application of this Agreement, the Parties shall in the first place endeavour to settle it by negotiation through diplomatic channels.

2. If the Parties fail to reach a settlement by negotiation, they may agree to refer the dispute for decision to some entity, or the dispute may at the request of either Party be submitted for decision to an arbitral tribunal of three arbitrators, one to be nominated by each Party and the third to be appointed by the two thus nominated.

3. Each of the Parties shall nominate an arbitrator within a period of sixty (60) days from the date of receipt by either Party from the other of a notice through diplomatic channels requesting arbitration, and the third arbitrator shall be appointed within a further period of sixty (60) days.

4. If either of the Parties fails to nominate an arbitrator within the period specified or the third arbitrator is not appointed, the President of the Council of the International Civil Aviation Organization may be requested by either Party to appoint an arbitrator or arbitrators as the case requires. In such case, the third arbitrator shall be a national of a third State and shall act as president of the arbitral body.

5. The Parties undertake to comply with any decision given under paragraph 2 of this Article.

6. If and so long as either Party or the designated airline of either Party fail to comply with the decision given under paragraph 2 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.

7. Each Party shall pay the expenses of the arbitrator it has nominated. The remaining expenses of the arbitral tribunal shall be shared equally by the Parties.

**ARTICLE 22
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 Organisation.

**ARTICLE 23
REGISTRATION**

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

**ARTICLE 24
ENTRY INTO FORCE**

This 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, duly authorized thereto by their respective Governments, have signed this Agreement.

Done in _____ on the ___ of ___ of _____, in two originals, in the Portuguese and English languages, all texts being equally authentic. In case of divergence of interpretation, the English version shall prevail.

FOR THE PORTUGUESE REPUBLIC

**FOR THE FEDERAL DEMOCRATIC
REPUBLIC OF ETHIOPIA**

ANNEX

Route Schedule

Section 1

Routes to be operated in both directions by the designated airline of the Portuguese Republic:

Points in Portugal	Intermediate Points	Points in Ethiopia	Beyond Points
Any points	Any points	Any points	Any points

Section 2

Routes to be operated in both directions by the designated airline of the Federal Democratic Republic of Ethiopia:

Points in Ethiopia	Intermediate Points	Points in Portugal	Beyond Points
Any points	Any points	Any points	Any points

Notes

1. The designated airline of each Party may on any or all flights omit calling at any of the intermediate and/or beyond points mentioned above, provided that the agreed services on the routes begin or end in the territory of the Party which has designated the airline.
2. The designated airline of each Party may select any intermediate and/or beyond points at its own choice and may change its selection in the next season on condition that no traffic rights are exercised between those points and the territory of the other Party.
3. The exercise of the fifth freedom traffic rights on specified intermediate and/or beyond points shall be subject to agreement between the aeronautical authorities of both Parties.