

**AGREEMENT ON AIR SERVICES
BETWEEN THE PORTUGUESE REPUBLIC
AND THE REPUBLIC OF KOREA**

The Portuguese Republic and the Republic of Korea (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 contribute to the progress of international civil aviation;

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 conclude an agreement for the purpose of establishing and operating air services between and beyond their respective territories;

Have agreed as follows:

**ARTICLE 1
DEFINITIONS**

For the purpose of this Agreement:

(a) "Convention" means 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, in so far as those annexes and amendments have been adopted by both Parties;

(b) "EU Treaties" means the Treaty on European Union and the Treaty on the Functioning of the European Union;

(c) "aeronautical authorities" means, in the case of the Portuguese Republic, the Civil Aviation Authority (ANAC), and in the case of the Republic of Korea, the Ministry of Land, Infrastructure and Transport (MOLIT) or, in both cases, any person or body authorized to perform any functions at present exercised by the said authorities;

(d) "designated airline" means any airline which has been designated and authorized in accordance with Article 3 of this Agreement;

(e) "territory" in relation to a State has the meaning assigned to it in Article 2 of the Convention;

(f) "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;

(g) "agreed services" means scheduled international air services on the specified routes for the carriage of passengers, baggage, cargo and mail, separately or in combination;

(h) "specified routes" means the routes established in the Annex to this Agreement;

(i) "capacity", in relation to an aircraft, means the payload of that aircraft available on a route or section of a route and, in relation to an agreed service, means the capacity of the aircraft used on such services, multiplied by the frequency operated by such aircraft over a given period on a route or section of a route;

(j) "tariff" means the price to be paid for the carriage of passengers, baggage or 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;

(k) "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;

(l) "Annex" means the Annex to this Agreement, including the Route Schedule and any clauses or notes appearing in such Annex, or as amended in accordance with the provisions of Article 20 of this Agreement. The Annex shall form an integral part of this Agreement, and all references to the Agreement shall include references to the Annex except where otherwise provided;

(m) "Member States of the European Free Trade Association" means the Republic of Iceland, the Principality of Liechtenstein and the Kingdom of Norway (being parties to the Agreement on the European Economic Area) and the Swiss Confederation (under the Agreement between the European Community and the Swiss Confederation on Air Transport);

(n) references in this Agreement to nationals of the Portuguese Republic shall be understood as referring to nationals of Member States of the European Union; and

(o) references in this Agreement to airline(s) of the Portuguese Republic shall be understood as referring to airline(s) designated by the Portuguese Republic.

ARTICLE 2

OPERATING RIGHTS

1. Each Party grants to the other Party the rights specified in this Agreement for the purpose of operating the agreed services on the specified routes.

2. Subject to the provisions of this Agreement, the designated airlines of each Party shall enjoy, while operating the agreed services on the specified routes, the following rights:

(a) to fly without landing across the territory of the other Party;

(b) to make stops in the territory of the other Party for non-traffic purposes; and

(c) to make stops at points on the routes specified in the Annex to this Agreement for the purpose of taking on board and/or discharging passengers, cargo and mail, separately or in combination.

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

4. If the designated airlines of one Party are unable to operate services on their 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 services through appropriate rearrangements of routes, as is mutually decided by the Parties.

ARTICLE 3

DESIGNATION AND OPERATING AUTHORIZATION

1. Each Party shall have the right to designate one or more airlines for the purpose of operating the agreed services on the specified routes 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 the notice of such designation, and of an application from a designated airline, in the form and manner prescribed for operating authorizations and technical permissions, the other Party shall grant to the designated airline the appropriate operating authorizations and permissions with minimum procedural 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 license from a European Union Member State, in accordance with the law of the European Union; and

(ii) effective regulatory control of the airline is exercised and maintained by the European Union Member State responsible for issuing its Air Operator's Certificate (AOC) and the relevant aeronautical authority is clearly identified in the designation; and

(iii) the airline is owned, directly or through majority ownership, and is effectively controlled by Member States of the European Union and/or of the European Free Trade Association and/or by nationals of such States; and

(iv) the airline has its principal place of business in the territory of the European Union Member State from which it has received its valid operating license;

(b) in the case of an airline designated by the Republic of Korea:

(i) it is established in the territory of the Republic of Korea and is licensed in accordance with the law of the Republic of Korea; and

(ii) the Republic of Korea has and maintains effective regulatory control of the airline; and

(iii) the airline is owned, directly or through majority ownership, and is effectively controlled by the Republic of Korea, nationals of the Republic of Korea, or both, and the airline has a valid operating license issued by the Republic of Korea;

(c) the designated airline is qualified to meet the conditions prescribed under the laws and regulations normally applied to the operation of international air services by the Party considering the application or applications;

(d) the Party designating the airline maintains and implements the standards relating to safety and security set out in Articles 14 and 15 of this Agreement.

3. When an airline has been so designated and authorized, it may begin to operate the agreed services, provided that the airline complies with the applicable provisions of this Agreement.

ARTICLE 4

REFUSAL, REVOCATION, SUSPENSION AND LIMITATION OF RIGHTS

1. Each Party shall have the right to refuse, revoke, suspend, limit or impose conditions on the operating authorizations or technical permissions of an airline designated by the other Party 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 from a European Union Member State in accordance with the law of the European Union; or
 - (ii) effective regulatory control of the airline is not exercised or not maintained by the European Union Member State responsible for issuing its AOC, 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 is not effectively controlled by Member States of the European Union and/or of the European Free Trade Association and/or by nationals of such States; or
 - (iv) the airline does not have its principal place of business in the territory of the European Union Member State from which it has received its valid operating license; or
 - (v) the airline is already authorized to operate under a bilateral agreement between the Republic of Korea and another European Union Member State, and the Republic of Korea can demonstrate that, by exercising traffic rights under this Agreement on a route that includes a point in that other European Union Member State, it would be circumventing restrictions on traffic rights imposed by that other agreement; or
 - (vi) the airline holds an AOC issued by a European Union Member State and there is no bilateral air services agreement between the Republic of Korea and that European Union Member State, and that Member State has denied traffic rights to the airline(s) designated by the Republic of Korea;
- (b) in the case of an airline designated by the Republic of Korea:
- (i) it is not established in the territory of the Republic of Korea or is not licensed in accordance with the law of the Republic of Korea; or
 - (ii) the Republic of Korea is not maintaining effective regulatory control of the airline; or

- (iii) the airline is not owned, directly or through majority ownership, or is not effectively controlled by the Republic of Korea, nationals of the Republic of Korea, or both, and the airline does not have a valid operating license issued by the Republic of Korea;
- (c) the designated airline fails to meet the conditions prescribed under the laws and regulations normally applied to the operation of international air services by the Party granting the rights; or
- (d) the Party designating the airline fails to maintain and implement the standards relating to safety and security set out in Articles 14 and 15 of this Agreement.

2. Unless immediate action is essential to prevent further infringements of the laws and regulations of the Parties, the right mentioned in paragraph 1 of this Article shall be exercised only after consultations between the Parties in conformity with Article 18 of this Agreement.

ARTICLE 5

APPLICATION OF LAWS AND REGULATIONS

1. The laws and regulations of one Party governing entry into and departure from its territory of an aircraft engaged in international air services, or the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of the designated airlines of the other Party and shall be complied with by such aircraft upon entering into or departing from and while within the territory of the first Party.
2. The laws and regulations of one Party relating to the entry into, stay in, transit through and departure from its territory of passengers, crew, baggage, cargo and mail, such as those concerning the formalities of entry and exit, clearance, emigration and immigration, passports, customs, currency and sanitary control, shall be applied to the passengers, crew, baggage, cargo and mail carried by the aircraft of the designated airlines of the other Party while within the territory of the first Party.
3. Neither Party shall give preference to its own or any other airline over a designated airline of the other Party engaged in similar international air services in the application of its laws and regulations set forth in this Article.

ARTICLE 6
CUSTOMS DUTIES AND OTHER SIMILAR CHARGES

1. On the basis of reciprocity, aircraft operating on international air services by the designated airlines of the Parties, 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, in accordance with the provisions of the laws and regulations in force of each 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 other similar charges, in accordance with the provisions of the laws and regulations in force of each Party, with the exception of charges corresponding to the services performed:

(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 the agreed services 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 repair of aircraft used on the agreed services by the designated airlines of the other Party;

(c) fuel, lubricants and other consumable technical supplies destined to supply aircraft operated on the agreed 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;

(d) printed ticket stock, air waybills, any printed material which bears the insignia of the company printed thereon and usual publicity materials distributed free of charge by the designated airlines.

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 airlines of either Party, may be unloaded in the territory of the other Party only with the approval of the customs authorities of that other 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.

ARTICLE 7 USER CHARGES

1. Neither Party shall impose or permit to be imposed on the designated airlines of the other Party user charges higher than those imposed on its own airlines operating similar international air services.

2. Each Party shall encourage consultations on user charges between its competent charging authorities and airlines using the services and facilities provided by those charging authorities, where practicable through those airlines' representative organizations. Reasonable notice of any proposals for changes in user charges should be given to such users to enable them to express their views before changes are made. Each Party shall further encourage its competent charging authorities and such users to exchange appropriate information concerning user charges.

ARTICLE 8 DIRECT TRANSIT

Passengers, baggage, cargo and mail in direct transit through the territory of either Party and not leaving the area of the airport reserved for such purpose shall be subject to no more than a simplified control, except for reasons of aviation security, narcotics control, prevention of illegal

entry or in special circumstances. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes.

ARTICLE 9

RECOGNITION OF CERTIFICATES AND LICENSES

1. Certificates of airworthiness, certificates of competency and licenses issued, or rendered valid, in accordance with the laws and regulations of one Party, including, in the case of the Portuguese Republic, European Union laws and regulations, during the period of their validity, shall be recognized as valid by the other Party for the purpose of operating the agreed services, provided that the requirements under which such certificates and licenses 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 reserves the right, however, to refuse to recognize, for flights above or landing within its own territory, certificates of competency and licenses granted to its own nationals by the other Party or by any other State.

ARTICLE 10

COMMERCIAL ACTIVITIES

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

(a) to establish in the territory of the other Party offices for the promotion of air transportation and the sale of air tickets as well as, in accordance with the laws and regulations 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 laws and regulations 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) to sell their own air transportation using their own transportation documents in the territory of the other Party, in accordance with the laws and regulations of such other Party. Sales may be executed directly or in the representative offices of the designated airlines, or through their authorized agents.

2. The competent authorities of each Party shall take all necessary steps to ensure that the representative offices of the airlines designated by the other Party may exercise their activities in an orderly manner.

3. The designated airlines 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 regulations in force.

ARTICLE 11

CONVERSION AND TRANSFER OF REVENUES

1. Each Party shall grant to the designated airlines of the other Party the right of free transfer of the excess of receipts over expenditures, earned by the airlines in the territory of the first Party in connection with the carriage of passengers, baggage, cargo and mail, in any freely convertible currencies in accordance with the applicable laws and regulations in force of the first Party.

2. Where a special agreement for the avoidance of double taxation with respect to taxes on income and on capital exists between the Parties, the provisions of that agreement shall prevail.

ARTICLE 12

CAPACITY AND FAIR COMPETITION

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

2. The total capacity to be provided on the agreed services by the designated airlines of the Parties shall be agreed between and approved by the aeronautical authorities of both Parties.

3. In operating the agreed services, the designated airlines of each Party shall take into account the interests of the designated airlines of the other Party.

4. On any specified route, the capacity provided by the designated airlines of one Party together with the capacity provided by the designated airlines of the other Party shall be maintained in reasonable relationship to the requirements of the public for air transport on that route.

5. The agreed services provided by the designated airlines of both Parties shall have as their primary objective the provision, at a reasonable load factor, of capacity adequate to carry the current and foreseeable traffic requirements to and from the territory of the other Party. The carriage of traffic embarked or disembarked in the territory of the other Party to and from points on the specified routes in the territories of countries other than that designating the airlines shall be of supplementary character. The right of such airlines to carry traffic between points on the specified routes located in the territory of the other Party and points in third countries shall be exercised in the interest of an orderly development of international air transport in accordance with the general principles that the capacity is related to:

(a) the traffic requirements between the country of origin and the countries of ultimate destination of the traffic;

(b) the requirements of through airline operations;

(c) the traffic requirements of the area through which the airline passes, after taking account of local and regional services.

6. If the aeronautical authorities of the Parties fail to agree on the capacity to be provided under paragraph 2 of this Article, 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.

7. 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.

8. Neither Party shall provide or permit state subsidy or support for or to its designated airline or airlines in such way that would adversely affect the fair and equal opportunity of the airlines of the other Party to compete in providing international air transportation.

9. State subsidy or support means the provision of support on a discriminatory basis to a designated airline, directly or indirectly, by a State or by a public or private body designated or controlled by the State. Without limitation, it may include the setting-off of operational losses; the provision of capital, non-refundable grants or loans on privileged terms; the granting of financial advantages by forgoing profits or the recovery of sums due; the forgoing of a normal return on public funds used; tax exemptions; compensation for financial burdens imposed by the public authorities; or discriminatory access to airport facilities, fuels or other reasonable facilities necessary for the normal operation of air services.

10. Where a Party provides state subsidy or support to a designated airline in respect of services operated under this Agreement, it shall require that airline to identify the subsidy or support clearly and separately in its accounts.

11. In the event that the aeronautical authorities of the Parties fail to agree upon the capacity, or if concerns arise regarding competition, as referred to in this Article, the matters shall be dealt with in accordance with Article 18 of this Agreement.

ARTICLE 13

APPROVAL OF SCHEDULES

The designated airlines of each Party shall submit their envisaged flight schedules for approval to the aeronautical authorities of the other Party at least sixty (60) days prior to the introduction of the agreed new services on the specified routes. Any modification to such schedules shall also be submitted to the aeronautical authorities of the other Party for approval at least thirty (30) days in advance. In special cases this time limit may be reduced subject to the consent of the said authorities.

ARTICLE 14

SAFETY

1. Each Party may request consultations at any time concerning safety standards maintained by the other Party in areas relating to aeronautical facilities, aircrew, aircraft or the operation of aircraft. 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 the areas referred to in paragraph 1 of this Article that are at least equal to or above 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. Pursuant to Article 16 of the Convention, it is further agreed that any aircraft operated by the designated airlines of one Party on services to or from the territory of the other Party may, while within the territory of the other Party, be the subject of an examination on board and around the aircraft by the authorized representatives of the other Party, provided this does not lead to unreasonable delay. Notwithstanding the obligations mentioned in Article 33 of the Convention, the purpose of this examination is to verify the validity of the relevant aircraft documents, the licensing of its crew and the apparent condition of the aircraft and its equipment (in this Article called "ramp inspection").
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 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 of this Article is denied by a

representative of that designated airline, the other Party shall be free to infer that serious concerns of the type referred to in paragraph 4 of this Article arise and draw the conclusions referred in that paragraph.

6. Each Party reserves the right to immediately suspend or vary the operating authorization of a designated airline of the other Party 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 airline operation.

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

8. With reference to paragraph 2 of this Article, if it is determined that one Party remains in non-compliance with the standards established at that time pursuant to the Convention when the agreed time period has lapsed, the Secretary-General of the International Civil Aviation Organization should be advised thereof. The Secretary-General should also be advised of the subsequent satisfactory resolution of the situation.

9. 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 Republic of Korea under this Article shall apply equally in respect of the adoption, exercise or maintenance of safety standards by that European Union Member State and in respect of the operating authorization of that airline.

ARTICLE 15

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;

(d) the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, Supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 24 February 1988;

(e) the Convention on the Marking of Plastic Explosives for the Purpose of Detection, done at Montreal on 1 March 1991; and

(f) any other convention governing aviation security binding upon both Parties.

2. 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 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 EU Treaties and have received valid operating licenses in accordance with European Union law, or in the case of the Republic of Korea, operators of aircraft which are established in its territory and have valid operating licences in accordance with the applicable law of the Republic of Korea, 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 of this Article required by the other Party for entry into, departure from, or while within the territory of that other Party. For the entry into, departure from, or while within the territory of the Republic of Korea, operators of aircraft shall be required to observe the aviation security provisions in conformity with the law in force in the Republic of Korea. For the entry into, departure from, or while within the territory of the Portuguese Republic, operators of aircraft shall be required to observe the 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. When a Party has reasonable grounds to believe that the other Party has departed from the provisions of this Article, the aeronautical authorities of the first Party may request immediate consultations with the aeronautical authorities of the other Party. Failure to reach a satisfactory agreement shall constitute grounds for the application of Article 4 of this Agreement. When justified by an emergency, or to prevent further non-compliance with the provisions of this Article, the first Party may take interim action at any time.

ARTICLE 16

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 subject to the laws and regulations of each Party.

ARTICLE 17

TARIFFS

1. The tariffs to be applied by the designated airlines of one Party for services covered by this Agreement shall be established at reasonable levels, due regard being paid to all relevant factors, including the interests of users, costs of operation, characteristics of service, reasonable profit, tariffs of other airlines and other commercial considerations in the marketplace.

2. The Parties may intervene to disapprove tariffs which may be objectionable. Intervention by the Parties shall be limited to:

(a) prevention of unreasonably discriminatory tariffs or practices;

(b) protection of consumers from tariffs that are unreasonably high or restrictive due to the abuse of a dominant position; and

(c) protection of airlines from prices that are artificially low due to direct or indirect government subsidy or support.

3. Each Party may require, on a non-discriminatory basis, notification to or filing with its aeronautical authorities of tariffs to be charged to or from its territory operated by airlines of the other Party. Such notification or filing by the airlines of both Parties may be required at least thirty (30) days before the proposed date of effectiveness. In individual cases, notification or filing may be permitted on shorter notice than normally required.

4. Neither Party shall take unilateral action to prevent the inauguration or continuation of a tariff proposed to be charged or charged by (a) an airline of either Party for international air transportation between the territories of the Parties; or (b) an airline of one Party for international air transportation between the territories of the other Party and any other country. If either Party believes that any such tariff is inconsistent with the considerations set forth in paragraph 2 of this Article, it shall request consultations and notify the other Party of the reasons for its dissatisfaction. These consultations shall be held in accordance with Article 18 of this Agreement. The Parties shall cooperate in securing information necessary for a reasoned resolution of the issue. If the Parties reach agreement, each Party shall use its best efforts to put that agreement into effect. Without such mutual agreement, the tariff shall go into effect or continue in effect.

ARTICLE 18
CONSULTATIONS

1. In order to ensure close cooperation, the Parties shall consult with each other concerning the implementation, interpretation, application, amendment or enforcement of this Agreement.

2. Such consultations, which may be through discussion or by correspondence, shall begin within a period of sixty (60) days from the date one Party has received a written request from the other Party, unless otherwise agreed.

ARTICLE 19
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 endeavor to settle it by negotiation.

2. If the Parties fail to reach a settlement by negotiation, they may agree to refer the dispute for decision to some person or body. If they do not so agree, 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 so nominated. 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 of the dispute by such a tribunal, and the third arbitrator shall be appointed within a further period of sixty (60) days. In such case, the third arbitrator shall be a national of a third State and shall act as president of the arbitral tribunal. If either of the Parties fails to nominate an arbitrator within the period specified or if the third arbitrator is not appointed within the period specified, 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.

3. Each Party shall comply with any decision given, including any interim recommendation made under paragraph 2 of this Article.

4. If and so long as either Party or any designated airline of either Party fails to comply with a 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.

5. 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 20 AMENDMENT

1. If either Party considers it desirable to amend any provision of this Agreement, it may at any time request consultations with the other Party in accordance with Article 18 of this Agreement.

2. If the Parties agree on the amendment, the agreed amendment shall enter into force in accordance with the provisions of Article 24 of this Agreement.

ARTICLE 21 DURATION AND TERMINATION

1. This Agreement shall remain in force for an undetermined period until superseded by mutual agreement of the Parties or terminated by either Party in accordance with paragraph 2 of this Article.

2. Either Party may, at any time, give notice in writing, through diplomatic channels, to the other Party of its decision to terminate this Agreement.

3. The termination must be notified to the other Party and, simultaneously, to the International Civil Aviation Organization, and shall take effect twelve (12) months after the receipt of the notification by the other Party, unless the notice is withdrawn by mutual agreement before the expiry of this period.

4. If the other Party fails to acknowledge 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 22
REGISTRATION

This Agreement and any amendments hereto shall be registered with the International Civil Aviation Organization.

ARTICLE 23
MULTILATERAL AGREEMENT

If a multilateral agreement concerning air transport comes into force in respect of both Parties, this Agreement shall be deemed to be amended so as to conform with the provisions of that multilateral agreement.

ARTICLE 24
ENTRY INTO FORCE

The Parties shall notify each other through diplomatic channels of the completion of their internal legal procedures necessary for the entry into force of this Agreement. This Agreement shall enter into force thirty (30) days after the date of the later notification.

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

Done in duplicate at Seoul, on the 25th day of May 2018, in the Portuguese, Korean and English languages, all texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

FOR THE PORTUGUESE REPUBLIC

FOR THE REPUBLIC OF KOREA

Teresa Ribeiro
Secretary of State of Foreign Affairs
and Cooperation

Cho Hyun
Second Vice Minister
of Foreign Affairs

ANNEX

Route Schedule

Section 1

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

Points of Origin	Intermediate Points	Points of Destination	Beyond Points
Any points in the Portuguese Republic	Any points	Any points in the Republic of Korea	Any points

Section 2

Routes to be operated in both directions by the designated airlines of the Republic of Korea:

Points of Origin	Intermediate Points	Points of Destination	Beyond Points
	Any points		Any points

Any points in the Republic of Korea		Any points in the Portuguese Republic	
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Notes

1. The designated airlines of both Parties 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 airlines.
2. The exercise of fifth freedom traffic rights on specified intermediate and/or beyond points shall be subject to mutual understanding between the aeronautical authorities of both Parties.