AGREEMENT ON AIR TRANSPORT

BETWEEN THE PORTUGUESE REPUBLIC

AND THE KINGDOM OF THE NETHERLANDS,

IN RESPECT OF CURAÇAO

The Portuguese Republic

and

the Kingdom of the Netherlands, in respect of Curaçao (hereinafter referred to as "the Parties");

Being Parties to the Convention on International Civil Aviation, opened for signature at Chicago on 7 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;

Have agreed 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 7 December 1944, including any Annex adopted under Article 90 of the Convention and any amendment of the Annexes or the 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 the European Union and the Treaty on the Functioning of the European Union;

c) the term "Aeronautical Authorities" shall mean, in the case of the Portuguese Republic, the Civil Aviation Authority; in the case of the Kingdom of the Netherlands, in respect of Curaçao, the Minister responsible for Civil Aviation; or, in both cases, any person or body authorized to perform any functions at present exercised by the said authorities or similar functions;

d) the term "Designated Airline" shall mean any Airline, which has been designated and authorized in accordance with Article 3 of this Agreement;

e) the term "Territory" shall have the meaning assigned to it in Article 2 of the Convention;

f) 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;

g) 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

h) 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 Airlines of the other Party:

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- 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 operating scheduled International Air Services on the routes specified in the appropriate Section of the Route Schedule annexed to this Agreement. 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 Airlines 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 Route Schedule 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 Airlines 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 Airlines of one Party are unable to operate Air 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 services 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 3 DESIGNATION AND OPERATING AUTHORIZATION OF AIRLINES

1. Each Party shall have the right to designate in writing to the other Party, 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. Upon receipt of the notice of such designation, and of applications from a Designated Airline, in the form and manner prescribed for operating authorizations and technical permissions, the other Party shall grant to the Airline designated the appropriate operating authorizations and permissions with minimum procedure delay, provided that:

a) in the case of an Airline designated by the Portuguese Republic:

- the Airline 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 European Union 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 European Union or the European Free Trade Association and/or by nationals of such States;
- b) in the case of an Airline designated by Curaçao:
 - the Airline is established in the Territory of Curaçao and has a valid Operating Licence in accordance with the applicable law of Curaçao; and

- (ii) effective regulatory control of the Airline is exercised and maintained by Curaçao and Curaçao is 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 Curaçao and/or by its nationals;

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 OR 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 2 of this 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) the Airline 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 European Union 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 European Union or the European Free Trade Association and/or by nationals of such States;
- b) in the case of an Airline designated by Curaçao:
 - (i) the Airline is not established in the Territory of Curaçao or does not have a valid Operating Licence in accordance with the applicable law; or
 - (ii) effective regulatory control of the Designated Airline is not exercised or not maintained by Curaçao or Curaçao is not 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 Curaçao and/or by its nationals;

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 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 consultations shall take place within a period of thirty (30) days from the date of receipt of the request unless otherwise agreed.

ARTICLE 5 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.

ARTICLE 6 EXEMPTION FROM CUSTOMS DUTIES AND OTHER CHARGES

1. Aircraft operating on International Air 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 reexported or are used on the part of the journey performed over that Territory.

2. In addition, the following shall also be exempt from the same duties, fees and taxes, 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 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 repair of aircraft used on International Air Services by the Designated Airlines of the other Party;

c) fuels, 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 on board.

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.

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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 Curaçao 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 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. Those charges shall not be higher than the charges imposed upon aircraft of the Designated Airlines of each Party engaged in similar International Air Services.

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 legislation and procedures of one Party, including, in the case of the Portuguese Republic, European Union laws and regulations, and unexpired 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 of this Article 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 to refuse to recognize, for flights above its own Territory, certificates of competency and licences granted to or validated for its own nationals by the other Party or by any other State.

ARTICLE 10 COMMERCIAL REPRESENTATION

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 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;

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 Airlines discretion, through its agents in the sale of air transportation.

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

ARTICLE 11 COMMERCIAL ACTIVITIES

1. 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 states in accordance with the foreign exchange regulations in force.

2. For the commercial activities all principles mentioned in paragraph 1 of this Article shall apply to the Designated Airlines of both Parties.

ARTICLE 12 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 sums 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 13 FAIR COMPETITION

1. Each Party shall allow fair and equal opportunity for the Designated Airlines of both Parties to operate the Agreed Services on the Specified Routes.

2. Each Party shall allow each Designated Airline to determine the frequency and capacity of the International Air Service it offers based upon commercial considerations in the marketplace. Consistent with this right, neither Party shall unilaterally limit the volume of traffic, frequency or regularity of service, or the aircraft type or types operated by the Airlines designated by the other Party, except as may be required for customs, technical, operational or environmental reasons under uniform conditions consistent with Article 15 of the Convention.

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. 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 Service. 5. State subsidy or support means the provision of support on a discriminatory basis to a Designated Airline, directly or indirectly, by the 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.

6. 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.

7. If one Party has substantiated concerns that its Designated Airlines are being subjected to discrimination or unfair practices, or that a subsidy or 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 Service, it shall have the right to suspend the exercise of the rights specified in Article 2 of this Agreement by the Airline designated by the other Party, or to revoke the operating authorization, or to impose such conditions as it may deem necessary on the exercise of these rights.

ARTICLE 14 APPROVAL OF CONDITIONS OF OPERATION

1. The timetables of the Agreed Services and in general the conditions of their operation shall be notified to the Aeronautical Authorities of the other Party, at least thirty (30) days before the intended date of their implementation. Any significant modification to such timetables or conditions of their operation shall also be notified to the Aeronautical Authorities. 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 Airlines of one Party shall notify the Aeronautical Authorities of the other Party, at least five (5) working days before their intended operation. In special cases, this time limit may be reduced subject to agreement of the said authorities.

ARTICLE 15 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 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 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:

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 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 of this Article 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 of this Article arise and draw the conclusions referred in that paragraph.

6. Each Party reserves the right to suspend or vary the operating authorization of a 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, consultations 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 of this Article 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 16 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) its Supplementary Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, signed at Montreal on 24 February 1988; and

e) the Convention on the Marking of Plastic Explosives for the Purpose of Detection, signed at Montreal on 1 March 1991,

and any other multilateral agreement governing aviation security binding upon both Parties.

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 which have their principal place of business or permanent residence in the Territory of the Parties or are established in the Territory of the Parties, 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 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 its 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 the Territory of that other Party and also for departure from, or while within, the Territory of the other Party. For departure from, or while within, the Territory of the Portuguese Republic, operators of aircraft shall also 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. When a Party has reasonable grounds to believe that the other Party has departed from the security provisions of this Article, the first Party 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 to be charged by the Designated Airlines of one Party for carriage to or from the Territory of the other Party shall be established at reasonable levels, due regard being paid to all relevant factors, including cost of operation, reasonable profit and the Tariffs of other Airlines operating the whole or part of the same route. 2. The Tariffs shall be submitted for the approval of the Aeronautical Authorities of both Parties at least thirty (30) days before the proposed date of their introduction. In special cases, this period may be reduced, subject to the agreement of the said authorities.

3. This approval may be given in writing. If neither of the Aeronautical Authorities has expressed disapproval of the proposed Tariffs within twenty-five (25) days from the date of submission, in accordance with paragraph 2 of this Article, these Tariffs shall be considered as approved. In the event of the period for submission being reduced, as provided for in paragraph 2 of this Article, the Aeronautical Authorities may agree that the period within which any disapproval must be notified shall be less than twenty-five (25) days.

4. If during the period applicable in accordance with paragraph 3 of this Article, one Aeronautical Authority gives the other Aeronautical Authority notice of its disapproval of any Tariff, the Aeronautical Authorities of the two Parties shall endeavour to determine the Tariff by mutual agreement.

5. If the Aeronautical Authorities cannot agree on any Tariff submitted to them under paragraph 2 of this Article, or on the determination of any Tariff under paragraph 4 of this Article, the dispute shall be settled in accordance with the provisions of Article 21 of this Agreement.

6. A Tariff established in accordance with the provisions of this Article shall remain in force until a new Tariff has been established. Nevertheless, a Tariff shall not be prolonged by virtue of this paragraph for more than twelve (12) months after the date on which it otherwise would have expired.

7. The Parties may intervene to disapprove a Tariff. This intervention shall be limited to:

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- a) the protection of consumers from Tariffs that are excessive due to the abuse of market power;
- b) the prevention of Tariffs whose application constitutes anti-competitive behaviour which has or is likely to have or is explicitly intended to have the effect of preventing, restricting or distorting competition or excluding a competitor from the route.

ARTICLE 19 CONSULTATIONS

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

2. Such consultations shall begin within a period of forty five (45) days from the date the other Party has received the written request.

ARTICLE 20 AMENDMENTS

1. If either Party considers it desirable to amend any provision of this Agreement, it may at any time request negotiations with the other Party. Such negotiations shall begin within a period of sixty (60) days from the date the other Party has received the written request.

2. If either Party considers it desirable to amend any provision of this Agreement, such amendment shall be agreed upon by the parties, confirmed in writing through diplomatic channels, and shall enter into force in accordance with Article 25 of this Agreement.

3. Notwithstanding the provisions of paragraph 2 of this Article, any amendment to the Annex of this Agreement may be agreed upon between the Aeronautical Authorities of the Parties, and confirmed through an exchange of diplomatic notes. They shall enter into force on a date to be determined in the diplomatic notes. This exception to paragraph 2 of this Article does not apply in case any traffic rights are added to the Annex.

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 their dispute 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 so 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 of the dispute, 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 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. In such case, the third arbitrator shall be a national of a third State and shall act as president of the arbitral tribunal.

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

6. If and as long as either Party or the Designated Airlines 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 or to a Designated Airline 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, give notice in writing through diplomatic channels to the other Party of its decision to terminate this Agreement. Such notice shall simultaneously be communicated to the International Civil Aviation Organization.

3. The Agreement shall terminate twelve (12) months after the date of receipt of the notice by the other Party, unless the notice to terminate is withdrawn by mutual agreement before the expiry of this period.

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

ARTICLE 23

REGISTRATION

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

ARTICLE 24 APPLICABILITY OF THE AGREEMENT

As regards the Kingdom of the Netherlands, this Agreement shall apply to Curaçao only.

ARTICLE 25 ENTRY INTO FORCE

This Agreement shall enter into force on the first day of the second month following the date of receipt of the last written notification, through diplomatic channels, by which the two Parties have notified each other that the requirements for the entry into force of this Agreement under their respective legal procedures have been fulfilled.

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

DONE in Lisbon, on the 25th of June of 2019, in duplicate in the Portuguese, Dutch and English languages, all texts being equally authentic. In case of divergence in interpretation of the provisions of this Agreement, the English version shall prevail.

FOR THE PORTUGUESE REPUBLIC

FOR THE KINGDOM OF THE NETHERLANDS, IN RESPECT OF CURAÇAO

Alberto Souto de Miranda

Assistant Secretary of State for Communications Zita A.M. Jesus Leito

Minister of Traffic, Transport and Urban Planning

ANNEX

Route Schedule

Section 1

Routes to be operated in both directions by the Designated Airlines of the Portuguese Republic:

Points in Portugal	Intermediate Points	Points in Curaçao	Beyond Points
Any points	Any points	Curaçao	Any points

Section 2

Routes to be operated in both directions by the Designated Airlines of Curaçao:

Points in Curaçao	Intermediate Points	Points in Portugal	Beyond Points
Curaçao	Any points	Any points	Any points

Notes

1. The intermediate and beyond points to be operated by the Designated Airlines of each Party have to be agreed upon directly between the Aeronautical Authorities of the two Parties.

2. The Designated Airlines 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 Airlines.

3. The Designated Airlines of each Party may select any intermediate and/or beyond points at its own choice and may change its selection in the next season, provided that no traffic rights are exercised between those points and the Territory of the other Party.

4. The exercise of fifth freedom traffic rights on specified intermediate and/or beyond points shall be subject to approval by the Aeronautical Authorities of both Parties and may be agreed upon in an arrangement.