Record of Discussion

Delegations representing the Federal Ministry of Transport and Digital Infrastructure of the Federal Republic of Germany and the Civil Aviation Authority of the Republic of El Salvador (hereafter: "side" or collectively the "sides") met on the 8 of December 2021 in Bogotá, Colombia, to discuss different aspects of air transport between the Federal Republic of Germany and the Republic of El Salvador. Both sides wish to strengthen their air services relations and enhance the commercial opportunities for the designated air carriers.

The atmosphere in which the discussions took place was a pleasant and friendly one, reflecting the relations between the two countries. Lists of delegation members are enclosed as Annex I.

Both sides came to the following understanding:

1. Air Transport Agreement

Both sides jointly decided on the text of a new Air Transport Agreement enclosed as Annex II. It was not possible to reach agreement on all aspects; therefore, the remaining parts were placed in square brackets.

Both sides will continue exchanging on the outstanding parts by correspondence and will recommend to their respective Governments the signature of the Air Transport Agreement, after the parts in square brackets have been clarified and the necessary national requirements have been met.

Until the Air Transport Agreement has entered into force according to its Article 23, both sides share the wish to apply its provisions, with the exception of the parts in square brackets, on a purely administrative and strictly reciprocal basis within the framework of their respective national laws and regulations.

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2. Route schedule

Both sides jointly decided on the joint Route Schedule enclosed (Annex III).

3. Frequencies

Both sides shared the opinion that the designated airlines of either side are entitled to operate ten (10) weekly frequencies on the routes established in the route schedule.

The designated airlines may, on the specified routes, operate flights without any restriction as to the type and configuration of aircraft.

4. Code-Sharing

In operating or offering the authorised services on the specified routes any designated airline of one side may enter into code-sharing arrangements with

- an airline or airlines of the same side,
- an airline or airlines of the other side, or
- an airline or airlines of a third country, provided that such a third country authorises or allows comparable arrangements between the airlines of the other side and other airlines on services to, from and via such a third country,

provided that all airlines in such arrangements

- hold the appropriate authority to operate on the routes and segments concerned, and
- in respect of any ticket sold by it or them, make it clear to the purchaser at the point of sale which airline will actually operate each sector of the service and with which airline or airlines the purchaser is entering into a contractual relationship.

Both sides concurred that code-share services of the marketing carrier should not be counted against the bilaterally agreed frequency entitlement.

5. Wet-Lease

Both sides intend to allow the designated airlines of either side to operate international air services on the specified routes with aircraft and crews leased from

- an airline or airlines of the same side,
- an airline or airlines of the other side, or
- an airline or airlines of third countries,

provided that all parties involved hold the required authorisations and meet the requirements normally applied by each side according to the laws and regulations applicable to such arrangements.

6. Own Stop-over

In operating or offering the authorised services on the specified routes both sides intend to allow the designated airlines of either side to exercise own stop-over services.

7. Future talks

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Both sides came to the understanding that proposals by the Salvadorian side concerning traffic rights which could not be discussed today will be discussed in due time.

8. Entry into effect

Both sides will apply the provisions of this Record of Discussion as of its signing. This Record of Discussion or individual provisions may be terminated by one of the sides at any time. Both sides will endeavour to notify the other side of the termination of the Record of Discussion in writing two IATA flight plan periods in advance.

Signed in Bogotá, 8 December 2021

For the Federal Ministry of Transport and Digital Infrastructure of the Federal Republic of Germany

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Hendrik Schwarz Assistant Head of Division International Air Transport

For the Civil Aviation Authority of the Republic of El Salvador

Ing. Jorge Alberto Puquirre Torres Executive Director Civil Aviation Authority

Annex I

Delegation of the Federal Republic of Germany

Head of Delegation

FICHTO OF DOROSOLION			
Mr. Hendrik Schwarz	Assistant Head of Division International Air Transport		
	Federal Ministry of Transport and Digital Infrastructure		
Delegates			
Ms. Liesa Korolkow	Executive Officer of Division International Air Transport		
	Federal Ministry of Transport and Digital Infrastructure		
Ms. Lea Spang	Interpreter		
	Federal Ministry of Transport and Digital Infrastructure		
Observer			
Ms. Alexandra Zill	Manager Aeropolitical Relations and Traffic Rights Deutsche		
	Lufthansa AG		
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Delegation of El Salvador

Head of Delegation

Licda. Adriana Mira Vice Minister of Foreign Affairs of El Salvador

Delegates

Licda. Sandra Morales

Ambassador of El Salvador in Colombia

Ing. Jorge Alberto Puquirre TorresExecutive DirectorCivil Aviation AuthorityCivil Aviation AuthorityLicda. Andrea Ivette López MoreiraDeputy Director of Air NavigationLicda. Hazel Indira Pinto MolinaLegal Manager

Lic. Manuel Adán Miranda García

Legal Collaborator

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Draft (version: December 08, 2021)

Annex II

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Draft

Air Transport Agreement

between

the Government of the Federal Republic of Germany

and

the Government of the Republic of El Salvador

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Article 25 Termination

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The Government of the Federal Republic of Germany and the Government of the Republic of El Salvador, hereinafter referred to as the "Contracting Parties",

With reference to the Convention on International Civil Aviation of 7 December 1944,

Desiring to conclude an agreement concerning the establishment and operation of air services between and beyond their territories,

Have agreed as follows:

Article 1

Definitions

- (1) For the purposes of this Agreement, unless the text otherwise requires:
 - the term the "Convention" means the Convention on International Civil Aviation of 7 December 1944, including any Annexes adopted under Article 90 of that Convention and any amendments to the Annexes or to the Convention itself under Articles 90 and 94 thereof in so far as those Annexes and amendments have become effective for both Contracting Parties;
 - 2. the term "aeronautical authority" means in the case of the Federal Republic of Germany, the Federal Ministry of Transport and Digital Infrastructure; in the case of the Republic of El Salvador the Civil Aviation Authority or in

both cases any other person or entity authorised to perform the functions incumbent upon the said authorities;

- the term "designated airline" means any airline that either Contracting Party has designated in writing to the other Contracting Party in accordance with Article 3 of this Agreement as being an airline which is to operate international air services on the routes specified in accordance with Article 2 (2) of this Agreement;
- 4. the term "EU Treaties" means the Treaty on European Union and the Treaty on the Functioning of the European Union;
- 5. The term "tariff" means the price to be charged for the international carriage (i.e. carriage between points in the territories of two or more States) of passengers, baggage or cargo (excluding mail).

(2) The terms "territory", "air service", "international air service" and "stop for non-traffic purposes" have, in the context of applying this Agreement, the meaning laid down in Articles 2 and 96 of the Convention.

Article 2

Grant of Traffic Rights

(1) Each Contracting Party shall grant to the other Contracting Party for the purpose of operating international air services by designated airlines the right:

1. to fly across its territory without landing;

2. to make stops in its territory for non-traffic purposes; and

- to land in its territory at the points named on the routes specified in accordance with paragraph 2 below in order to take on or discharge passengers, baggage, cargo and mail on a commercial basis.
- [4. Provide regular and non-regular services, combined passenger, mail and cargo or exclusive cargo, between points in the territory of the other Contracting Party, between both territories and between the territory of the other
 Contracting Party and any third country, directly or through its own territory, and said services may not include any point in the territory of the other party designated by the airline.]

(2) Details of the operation of international air services, in particular the routes available, their points of departure and arrival in the territories of the two Contracting Parties, their intermediate points and their points of arrival beyond, are to be laid down in writing jointly by the aeronautical authorities of the two Contracting Parties in a route schedule.

(3) The right to carry passengers, baggage, cargo and mail between points in the territory of the Contracting Party granting the rights and points in the territory of a third country or vice versa (5th and 7th freedoms), may only be exercised after the aeronautical authorities of both Contracting Parties have given their consent in writing.

(4) The right of a designated airline of one Contracting Party to take on, in the territory of the other Contracting Party, passengers, cargo and mail carried for remuneration or hire and destined for another point in the territory of the other Contracting Party (cabotage) cannot be derived from this Agreement.

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Article 3

Designation and Operating Authorisations for International Air Services

(1) International air services on the routes specified in accordance with Article 2 (2) of this Agreement may be started at any time, provided that:

- the Contracting Party to whom the rights specified in Article 2 (1) of this Agreement are granted has designated one or several airlines in writing through diplomatic channels; and
- the Contracting Party granting these rights has authorised the designated airline or airlines to initiate the air services.

(2) On receipt of such a designation, the other Contracting Party shall grant the appropriate authorisations and permissions with minimum procedural delay, provided that:

- 1. in the case of an airline designated by the Government of the Federal Republic of Germany:
 - a) the airline is established in the territory of the Federal Republic of Germany under the EU Treaties and has a valid operating licence in accordance with European Union law; and
 - b) 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

- c) the airline is owned, directly or through majority ownership, and is effectively controlled by Member States of the European Union or of the European Free Trade Association or by nationals of such states;
- 2. in the case of an airline designated by the Government of the Republic of El Salvador:
 - a) the airline is established in the territory of the Republic of El Salvador and is licensed in accordance with the applicable law of the Republic of El Salvador; and

b) the Republic of El Salvador exercises and maintains effective regulatory control of the airline; and

c) the airline is owned, directly or through majority ownership, and is effectively controlled by the Republic of El Salvador or by its nationals;

and

3. the designated airline proves, upon the request of the other Contracting Party, that it is qualified to meet the requirements for the operation of international air transport under the laws and regulations and Civil Aviation regulations applicable in the territory of that Contracting Party.

(3) Either Contracting Party shall have the right to replace, subject to the provisions of paragraphs 1 and 2 above, an airline it has designated with another airline. The newly designated airline shall have the same rights and be subject to the same obligations as the airline which it replaces.

Article 4

Revocation, Limitation or Suspension of Operating Authorisations for International Air Services

(1) Either Contracting Party may revoke, limit or suspend the operating authorisations for international air services or technical permissions granted to an airline designated by the other Contracting Party [or to impose the conditions it deems necessary] where:

- 1. in the case of an airline designated by the Government of the Federal Republic of Germany:
 - a) the airline is not established in the territory of the Federal Republic of Germany under the EU Treaties or does not have a valid operating licence in accordance with European Union law; or
 - b) effective regulatory control of the airline is not exercised or 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
 - c) the airline is not owned, directly or through majority ownership, or is not effectively controlled by Member States of the European Union or of the European Free Trade Association or by nationals of such states;
- 2. in the case of an airline designated by the Government of the Republic of El Salvador:
 - a) the airline is not established in the territory of the Republic of El Salvador or is not licensed in accordance with the applicable law of the Republic of El Salvador; or

- b) the Republic of El Salvador does not exercise or maintain effective regulatory control of the airline; or
- c) the airline is not owned, directly or through majority ownership, or is not effectively controlled by the Republic of El Salvador or by its nationals;

or

3. the designated airline does not comply with the laws and regulations referred to in Article 5 of this Agreement.

(2) Such revocation, limitation or suspension of the operating authorisation for international air services shall be preceded by consultations as provided for in Article 20 of this Agreement, unless an immediate suspension of operations or immediate limitations are necessary to avoid further infringements of laws or regulations.

Article 5 Laws, Regulations and Procedures

(1) The laws, regulations and procedures of each Contracting Party relating to the entry into, presence in or departure from its territory of aircraft engaged in international air transport, or to the operation and navigation of such aircraft, shall be complied with by the designated airlines of the other Contracting Party upon entering, departing from, or while within the said territory.

(2) The laws, regulations and procedures of each Contracting Party relating to passports or other accepted and approved travel documents, immigration, customs clearance or

quarantine shall be complied with by and with respect to crews, passengers, cargo and mail carried by aircraft of the designated airlines of the other Contracting Party upon entering the territory of the first Contracting Party.

(3) In the territory of the Federal Republic of Germany paragraphs 1 and 2 above also apply to the legislation of the European Union.

Article 6

Non-discrimination in respect of Charges and Fees

(1) The charges and fees levied in the territory of each Contracting Party for the use by the aircraft of any designated airline of the other Contracting Party of airports, air traffic control and any other aviation services and facilities shall not be higher than those charged for aircraft of an airline engaged in similar international air services in the territory of the first Contracting Party.

(2) The charges and fees for the use of airports, air traffic control and any other aviation services and facilities, or any similar charges levied in connection with the operation of international air services shall be cost-related, transparent and non-discriminatory. Relevant proof may be requested from the competent authorities. The same shall apply to charges and fees for handling passengers, baggage and cargo and for handling aircraft at airports with only one provider of such services.

(3) Each Contracting Party shall ensure that consultations are held between the authorities responsible for levying airport and air traffic control charges in its territory and the designated airlines using the services and facilities. The cost-relatedness and non-discriminatory character of the charges and fees will be explained in these consultations in a transparent and comprehensible way, in particular when changes to the airport and air traffic control charges are proposed. In this case, users shall be notified by

the competent authorities, within a reasonable period of time, of proposals on changing charges and fees, so that the competent authorities are able to take into account opinions expressed by the users. When calculating a reasonable period of time for proposals on changing charges and fees, both Contracting Parties shall take into account the recommendations for conducting consultations, as amended, published by the International Civil Aviation Organization.

(4) Charges and fees shall be expressed and are payable in the relevant national currency. The designated airlines may, however, choose to pay the charges and fees in any freely convertible currency.

[Article 7 Exemption from Customs Duties and other Charges

(1) Aircraft operated by a designated airline of either Contracting Party and entering into and departing from, or flying across, the territory of the other Contracting Party, as well as fuel, lubricants and other consumable technical supplies on board such aircraft, shall be exempt from customs duties and other charges levied on the occasion of importation, exportation or transit of goods. This shall also apply to goods on board the aircraft consumed during the flight across the territory of the latter Contracting Party.

(2) Fuel, lubricants and other consumable technical supplies temporarily imported into the territory of either Contracting Party in order

- 1. to be used there immediately or after storage or
- 2. to be installed into or otherwise taken on board the aircraft of a designated airline of the other Contracting Party or

3. to be otherwise exported again from the territory of the first Contracting Party,

shall be exempt from the customs duties and other charges referred to in paragraph 1 above. Transport documents of any designated airline of one Contracting Party shall, on the occasion of importation into the territory of the other Contracting Party, likewise be exempt from the customs duties and other charges referred to in paragraph 1 above.

(3) Fuel, lubricants and other consumable technical supplies taken on board the aircraft of a designated airline of one Contracting Party in the territory of the other Contracting Party and used in international air services shall be exempt from special consumption charges. Sentence 1 shall not prevent the Federal Republic of Germany from levying on a non-discriminatory basis the taxes and other charges referred to in paragraphs 1 to 3 on fuel, provided such fuel is taken on board in the territory of the Federal Republic of Germany for use in an aircraft of a designated airline of the Government of the Republic of El Salvador that operates between a point in the territory of the Federal Republic of Germany and another point in the territory of the Federal Republic of in the territory of another European Union Member State.

(4) Each Contracting Party may keep the goods referred to in paragraphs 1 to 3 above under customs supervision.

(5) Each Contracting Party shall, on a reciprocal basis, grant relief from turnover tax or similar indirect taxes on goods and services supplied to any airline designated by the other Contracting Party and used for the purposes of its business. This tax relief may take the form of an exemption or a refund.]

[Article 8

Taxes on Income and on Capital

The provisions of the agreement that applies between the Federal Republic of Germany and the Republic of El Salvador for the avoidance of double taxation with respect to taxes on income and on capital shall remain unaffected.]

Article 9

Transfer of Earnings

(1) Each Contracting Party shall grant to any airline designated by the other Contracting Party the right to remit to its head office at any time, [subject to the availability of foreign exchange and the observance of the applicable legislation,] in any way, freely and without restrictions, in any freely convertible currency and at the official rate of exchange, the revenue realised through the sale of air transport services in the territory of the first Contracting Party.

(2) The right granted in accordance with paragraph 1 above shall not prevent any Contracting Party from fulfilling in good faith the obligations resulting from its membership in an economic and monetary union.

Article 10

Principles Governing the Operation of Air Services

(1) There shall be fair and equal opportunity for the designated airlines of either Contracting Party to operate air services on the routes specified in accordance with Article 2 (2) of this Agreement. (2) In the operation of international air services on the routes specified in accordance with Article 2 (2) of this Agreement, any designated airline of one Contracting Party shall take account of the interests of any designated airline of the other Contracting Party so as not to affect unduly the air services which the latter airline operates over the same routes or parts thereof.

(3) The international air services on the routes specified in accordance with Article 2 (2) of this Agreement shall have as their primary objective the provision of capacity commensurate with the foreseeable traffic demand to and from the territory of the Contracting Party which designated the airlines. The right of such airlines to carry traffic between points on a route specified in accordance with Article 2 (2) of this Agreement which are located in the territory of the other Contracting Party and points in third countries shall be exercised, in the interests of the orderly development of international air transport, in such a way that capacity corresponds to:

- the traffic demand from and to the territory of the Contracting Party which designated the airlines;
- 2. the traffic demand existing in the territories through which the air services pass, taking account of national and regional air services;
- 3. the requirements of the economically efficient operation of through traffic routes.

(4) To ensure fair and equal treatment of all designated airlines, the flight schedules shall, with regard to the routing, the number of weekly services and the types of aircraft to be used, be subject to approval by the aeronautical authorities of the Contracting Parties.

(5) The aeronautical authorities of the Contracting Parties should endeavour to reach a satisfactory solution regarding the capacity and the number of weekly services.

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[Article 11 Fair Competition

(1) The Contracting Parties acknowledge that it is their joint objective to have a fair and competitive environment and fair and equal opportunity for the designated airlines of both Contracting Parties to compete in operating the agreed air services on the routes specified in accordance with Article 2 (2) of this Agreement. Therefore, the Contracting Parties shall take all appropriate measures to ensure the full enforcement of this objective.

(2) The Contracting Parties assert that free, fair and undistorted competition is important to promote the objectives of this Agreement and note that the existence of comprehensive competition laws and of an independent competition authority as well as the effective enforcement of their respective competition laws are important for the efficient provision of air transport services. The competition laws of each Contracting Party addressing the issues covered by this Article, as amended from time to time, shall apply to the operation of the designated airlines within the jurisdiction of the respective Contracting Party. The Contracting Parties share the objectives of compatibility and convergence of competition law and of its effective application. They will cooperate as appropriate and where relevant on the effective application of competition law, including by allowing the disclosure, in accordance with their respective laws, regulations and jurisprudence, by their designated airlines or other nationals of information pertinent to a competition law action by the other Contracting Party's competition authorities.

(3) Nothing in this Agreement shall affect, limit or jeopardise in any way the authority and powers of the relevant competition authorities and courts of either Contracting Party. Furthermore, all matters relating to the enforcement of competition law shall continue to fall under the exclusive competence of those authorities and courts. Therefore, any action taken pursuant to this Article by a Contracting Party shall be without prejudice to any possible actions taken by those authorities and courts as well as the European Commission.

(4) Any action taken pursuant to this Article shall fall under the exclusive responsibility of the respective Contracting Party, in the case of the Federal Republic of Germany including that of the European Union, if the matter is one of EU competence pursuant to the EU Treaties, and shall be exclusively directed towards the other Contracting Party or the designated airlines providing air transport services to and from the territories of the Contracting Parties. Such action shall not be subject to the dispute settlement procedure foreseen in Article 21 of this Agreement.

(5) Each Contracting Party shall eliminate all forms of discrimination or unfair practices which would adversely affect the fair and equal opportunity of the designated airlines of the other Contracting Party to compete in providing air transport services.

(6) Neither Contracting Party shall provide or permit state aid or support to their respective designated airlines if this state aid or support would significantly and adversely affect, in an unjustified way, the fair and equal opportunity of the designated airlines of the other Contracting Party to compete in providing air transport services. Such state aid or support may include, but is not limited to: cross-subsidisation; the setting-off of operational losses; the provision of capital; grants; guarantees; loans or insurance on privileged terms; protection from bankruptcy; foregoing the recovery of amounts due; foregoing a normal return on public funds invested; the discriminatory grant of tax relief or tax exemptions; compensation for financial burdens imposed by public authorities; and access on a discriminatory or non-commercial basis to air traffic control or airport facilities and services, fuel, ground handling, security, computer reservation systems, slot allocation or other related facilities and services necessary for the operation of air services.

(7) When a Contracting Party provides state aid or support within the meaning of paragraph 6 above to a designated airline, it shall ensure the transparency of such measure through any appropriate means, which may include requiring that the designated airline identifies the state aid or support clearly and separately in its accounts.

(8) Each Contracting Party shall, at the request of the other Contracting Party, within a reasonable time provide that other Contracting Party with financial reports relating to the designated airlines under the jurisdiction of the first Contracting Party and any other such information that may be reasonably requested by the other Contracting Party to ensure that the provisions of this Article are being complied with. This may include detailed information relating to state aid or support within the meaning of paragraph 6 above. The submission of such information may be subject to its confidential treatment by the Contracting Party requesting access to the information.

(9) Without prejudice to any action undertaken by the relevant competition authorities or courts for the enforcement of the rules referred to in paragraphs 5 and 6 above, the following shall apply:

- If one Contracting Party finds that a designated airline is being subjected to discrimination or unfair practices within the meaning of paragraph 5 or 6 above and that this can be substantiated, it may submit observations in writing to the other Contracting Party. After informing the other Contracting Party, a Contracting Party may also approach competent authorities in the territory of the other Contracting Party, including authorities at the central, regional, provincial or local level to discuss a matter relating to this Article. Moreover, a Contracting Party may request consultations with the other Contracting Party with a view to resolving such a matter. Such consultations shall start within a period of thirty (30) days of the receipt of the request. In the meantime, the Contracting Parties shall exchange sufficient information to enable a full examination of the matter raised by the first Contracting Party.
- 2. If the Contracting Parties fail to reach a resolution of the matter through consultations within thirty (30) days from the start of consultations or consultations do not start within a period of thirty (30) days of the receipt of the

request concerning an alleged violation of paragraph 5 or 6 above, the Contracting Party which requested consultations shall have the right to suspend the exercise of the rights specified in this Agreement by the designated airline(s) of the other Contracting Party by refusing, withholding, revoking, limiting or suspending their operating authorisations for international air services, or to impose such conditions as it may deem necessary on the exercise of such rights, or to impose customs duties or take other actions. Any action taken pursuant to this Article shall be appropriate, proportionate and restricted with regard to scope and duration to what is strictly necessary.

(10) Each Contracting Party shall effectively apply antitrust laws in accordance with paragraph 2 above, and the relevant competition authorities or courts may prohibit designated airlines from:

- entering into agreements, taking decisions or engaging in concerted practices in conjunction with any other designated airlines which may adversely affect the provision of air transport services to or from the territory of that Contracting Party and which have as their object or effect the prevention, restriction or distortion of competition. This prohibition may be dispensed with where such agreements, decisions or practices contribute to improving the provision or distribution of services or to promoting technical or economic progress, while allowing consumers a fair share of the resulting benefit, and do not:
 - a) impose on the designated airlines concerned restrictions which are not indispensable to the attainment of these objectives;
 - b) afford such designated airlines the possibility of eliminating competition in respect of a substantial part of the services in question, and

2. abusing a dominant position in a way which may adversely affect the provision of air transport services to or from the territory of that Contracting Party.

(11) Each Contracting Party shall entrust the enforcement of the antitrust rules referred to in paragraph 10 above exclusively to its relevant and independent competition authorities or courts.

(12) Without prejudice to any action undertaken by the relevant competition authority or court for the enforcement of the rules referred to in paragraph 10 above, if one Contracting Party finds that a designated airline is exposed to an alleged violation of paragraph 10 above and that this can be substantiated, it may submit observations in writing to the other Contracting Party. After informing the other Contracting Party, a Contracting Party may also approach competent authorities in the territory of the other Contracting Party, including authorities at the central, regional, provincial or local level to discuss a matter relating to this Article. Moreover, a Contracting Party may request consultations with the other Contracting Party with a view to resolving such a matter. Such consultations shall start within a period of thirty (30) days of the receipt of the request. In the meantime, the Contracting Parties shall exchange sufficient information to enable a full examination of the matter raised by the first Contracting Party.

(13) If the Contracting Parties fail to reach a resolution of the matter through consultations within thirty (30) days from the start of consultations or consultations do not start within a period of thirty (30) days of the receipt of the request concerning an alleged violation of paragraph 10 above, and provided the relevant competition authority or court has found an antitrust violation, the Contracting Party which requested consultations shall have the right to suspend the exercise of the rights specified in this Agreement by the designated airline(s) of the other Contracting Party by refusing, withholding, limiting, revoking or suspending their operating authorisations for international air services, or to impose such conditions as it may deem necessary on the exercise of such rights, or to impose customs duties or take other actions. Any action taken pursuant to this paragraph

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shall be appropriate, proportionate and restricted with regard to scope and duration to what is strictly necessary.

(14) Where taxes are concerned, the provisions on equal treatment of the agreement that applies between the Federal Republic of Germany and the Republic of El Salvador for the avoidance of double taxation with respect to taxes on income and on capital shall prevail.

(15) Any reference to competition authorities and courts made in this Article includes, in the case of the Federal Republic of Germany, the competent EU authorities and courts pursuant to the EU Treaties.]

Article 12

Communication of Operating Information and Statistics

(1) Each designated airline shall communicate to the aeronautical authorities of the Contracting Parties at the latest one month prior to the initiation of air services on the routes specified in accordance with Article 2 (2) of this Agreement and before the start of each following flight plan period the type of service, the types of aircraft to be used and the flight schedules. Changes made at short notice are to be notified immediately.

[SLV:(2) The Aeronautical Authority of each contracting party will provide that its designated airline company provide the Aeronautical Authority of the contracting party, if requested, all the statistical data that are accurate to determine the volume of traffic transported by the airline mentioned in the agreed services]

[GER: (2) The aeronautical authority of one Contracting Party shall upon request furnish the aeronautical authority of the other Contracting Party with such periodic or other statistical data on the designated airlines as may be reasonably required for the purpose of reviewing the capacity provided by any given designated airline of the first Contracting Party on the routes specified in accordance with Article 2 (2) of this Agreement. Such data shall include all information required to determine the amount of traffic carried as well as the origins and destinations of such traffic.]

Article 13

Tariffs

(1) The tariffs to be charged by a designated airline for passengers on the routes specified in accordance with Article 2 (2) of this Agreement shall be subject to approval [in accordance with the pertinent legislation] by the authority responsible for tariffs of the Contracting Party in whose territory the point of departure specified in the transport documents is situated.

(2) In their tariffs, the designated airlines shall take into account the present competitive and market conditions as well as the interests of transport users [and will be submitted to the approval or registration of the Aeronautical Authorities of both contracting parties in accordance with the legislation of each part.] The authority responsible for tariffs may refuse to approve a tariff only if it does not meet these criteria.

(3) If the authority responsible for tariffs of either Contracting Party rejects a tariff submitted for its approval, this tariff shall not be applied. The existing tariff which was to be replaced by the new tariff shall continue to be applied.

[Article 14 Commercial Activities

(1) Each Contracting Party shall, on a reciprocal basis, grant to any designated airline of the other Contracting Party the right to maintain such offices and employ such commercial, technical and administrative personnel in its territory as are needed by the designated airline. Persons who are not nationals of the Contracting Parties or of a European Union Member State may only be employed if a state has declared its willingness to unconditionally re-admit that particular person. If the personnel employed under this Article are not or are no longer in possession of their travel documents or if their travel documents have been destroyed, the Contracting Parties shall accept instead a document issued by the authorities of the other Contracting Party attesting to the circumstances of the employment as well as that Contracting Party's obligation to readmit them on the basis of this Article.

(2) The establishment and operation of the offices and the employment of personnel in accordance with paragraph 1 above shall be subject to the domestic legislation applicable at the place of the office, in particular the laws and regulations relating to the immigration and residence of foreigners. The personnel employed in the offices under paragraph 1 above shall not require work permits.

(3) Each designated airline shall have the right to provide its own ground handling services in the territory of the other Contracting Party or otherwise to contract these services out, in full or in part, at its option, to any authorised suppliers. If the laws and regulations applicable to ground handling in the territory of one Contracting Party prevent or limit either the freedom to contract these services out or to provide self-handling, or until such date as this is no longer the case, all designated airlines shall be treated on a transparent and non-discriminatory basis as regards access to self-handling services and to ground handling services provided by one or several suppliers.

(4) Each Contracting Party shall grant to any designated airline of the other Contracting Party the right to sell its transport services directly in its own sales offices, through its agents in the territory of the other Contracting Party and by way of electronic direct sale to any customer in any freely convertible currency.

(5) Each Contracting Party shall informally re-admit persons who had entered the territory of the other Contracting Party in accordance with paragraph 1 above if the competent authorities of the latter Contracting Party notify the Contracting Party obliged to re-admit the person that the relevant person's presence in its territory has become unlawful.

(6) Possible forms of commercial cooperation between designated airlines, such as code sharing, shall be set out in writing jointly by the aeronautical authorities of the two Contracting Parties.]

Article 15 Recognition of Certificates and Licences

Certificates of airworthiness, certificates of competency and licences issued or validated in accordance with the laws and regulations of one Contracting Party, including in the case of the Federal Republic of Germany European Union law, and which have not yet expired, shall be recognised as valid by the other Contracting Party for the purpose of operating the agreed air services, provided that the requirements under which such certificates or licences were issued or validated are equivalent to or exceed the minimum standards established under the Convention.

Article 16 Aviation Safety

(1) Each Contracting Party may request consultations at any time concerning safety standards relating to aircrew, aircraft or their operation applied by the other Contracting Party. Such consultations shall take place within thirty (30) days after the submission of such request.

(2) If, following such consultations, one Contracting Party finds that the other Contracting Party does not effectively maintain and administer safety standards in any such area that at least equal the minimum standards established at that time pursuant to the Convention, the first Contracting Party shall notify the other Contracting Party of those findings and the steps considered necessary to conform with those minimum standards, and that other Contracting Party shall take appropriate corrective action. Failure by the other Contracting Party to take appropriate action within fifteen (15) days shall be cause for the application of Article 4 of this Agreement.

(3) Notwithstanding the obligations specified in Article 33 of the Convention, it is agreed that any aircraft operated by the designated airlines on services to or from the territory of the other Contracting Party may, while within the territory of the other Contracting Party, be made the subject of an inspection by the authorised representatives of the other Contracting Party, provided this does not lead to unreasonable delay. This inspection (ramp inspection) may be carried out on board and around the àircraft for the purpose of checking the validity of the aircraft documents and those of its crew, the apparent condition of the aircraft including its equipment and the crew's fitness for service.

(4) If any such ramp inspection or series of ramp inspections gives rise to serious concerns

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- 1. 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
- 2. that safety standards established at that time pursuant to the Convention are not effectively maintained or administered,

the Contracting 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 validated, or that the requirements under which that aircraft is operated, do not equal or exceed the minimum standards established pursuant to the Convention.

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

(6) Each Contracting Party reserves the right to suspend or vary the operating authorisations for international air services of one or several of the designated airlines of the other Contracting Party immediately in the event that the first Contracting Party concludes - whether as a result of a ramp inspection, a series of ramp inspections, a denial of access for ramp inspections, consultations or otherwise - that immediate action is essential to the safety of the operations of a designated airline. If the airline designated by the Government of the Republic of El Salvador is included in the Community list created according to Article 3 of Regulation (EC) No 2111/2005 of the European Parliament and of the Council of 14 December 2005 on the establishment of a Community list of air carriers subject to an operating ban within the Community and on informing air transport passengers of the identity of the operating air carrier, and repealing Article 9 of Directive 2004/36/EC, sentence 1 shall apply mutatis mutandis.

(7) Any action by one Contracting Party in accordance with paragraph 2 or 6 above shall be discontinued once the basis for taking that action has ceased to exist.

(8) Where the Government of the Federal Republic of Germany has designated an airline whose effective regulatory control is exercised and maintained by another European Union Member State, the rights of the other Contracting 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 authorisations for international air services of that airline.

Article 17

Aviation Security

(1) In line with their rights and obligations under international law, the Contracting Parties reaffirm their mutual obligation to protect the security of civil aviation from acts of unlawful interference. Without limiting the generality of their rights and obligations under international law, the Contracting Parties shall in particular act in conformity with the provisions of the Convention on Offences and Certain Other Acts Committed on Board Aircraft of 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft of 16 December 1970, the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation of 23 September 1971, and the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation of 24 February 1988, Supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation of 23 September 1971.

(2) The Contracting Parties shall provide upon request all necessary assistance to each other to prevent acts of unlawful seizure of civil aircraft and other acts of unlawful

interference with the safety of such aircraft, their passengers and crew, airports and air navigation facilities, and any other threat to the safety of civil aviation.

(3) In the event of the unlawful seizure of a civil aircraft or other acts of unlawful interference with the safety of such aircraft, their passengers and crew, airports or air navigation facilities, or if such incident is threatened, the Contracting Parties shall, in mutual consultations, assist each other by facilitating telecommunications and other appropriate measures intended to terminate as rapidly as commensurate with minimum risk to life such incident or threat thereof.

(4) Each Contracting Party shall take all measures it deems practicable to ensure that an aircraft subjected to an act of unlawful seizure or other acts of unlawful interference which is on the ground in its territory is detained on the ground unless its departure is necessitated by the overriding duty to protect the lives of its crew and passengers. Wherever practicable, such measures shall be taken on the basis of mutual consultations.

(5) The Contracting Parties shall, in their mutual relations, act in conformity with the aviation security provisions adopted by the International Civil Aviation Organization and designated as Annexes to the Convention to the extent that such aviation security provisions are applicable to the Contracting Parties; the Contracting Parties shall require that

- 1. operators of aircraft registered in their registry or
- 2. operators of aircraft who have their principal place of business or permanent residence in the territory of the Contracting Parties or, in the case of the Federal Republic of Germany, operators of aircraft who are established in its territory under the EU Treaties and have valid operating licences in accordance with European Union law and

3. operators of airports in their territory

act in conformity with such aviation security provisions.

(6) Each Contracting Party agrees that such operators of aircraft may be required to observe the material aviation security provisions referred to in paragraph 5 above which the other Contracting Party has stipulated as required for entry into its territory. For departure from, or while within the territory of the Republic of El Salvador operators of aircraft shall be required to observe aviation security provisions in conformity with the law in force in that country. For entry into, departure from, or while within, the territory of the Federal Republic of Germany, operators of aircraft shall be required to observe aviation security provisions in conformity with German and European Union law. Each Contracting Party shall ensure that measures are effectively applied within its territory to protect aircraft and to screen passengers, crew, checked and carry-on baggage and to carry out appropriate security controls on baggage, cargo, mail and aircraft stores prior to and during boarding or loading. Each Contracting Party shall look favourably on any request from the other Contracting Party for reasonable special security measures to meet a particular threat.

(7) Should a Contracting Party depart from the aviation security provisions of this Article, the aeronautical authoritiy of the other Contracting Party may request immediate consultations with the aeronautical authoritiy of the first Contracting Party. Failure to reach a satisfactory agreement within one month after the submission of such request shall constitute grounds for refusing, withholding, revoking, limiting, suspending, or imposing conditions on the operating authorisations for international air services of one or several of the designated airlines of the first Contracting Party. If required by a serious emergency, either Contracting Party may take interim action prior to the expiry of the month.

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Article 18

Examination of Travel Documents and of Inadmissible Persons

(1) Each Contracting Party shall permit, in its territory, the designated airlines of the other Contracting Party to take measures to ensure that only persons with the travel documents required for entry into or transit through the territory of the other Contracting Party are carried.

(2) Each Contracting Party shall admit for the purposes of examination a person found inadmissible and thus denied entry at his or her point of disembarkation in the territory of the other Contracting Party if this person had been present in its territory before embarkation. However, a Contracting Party shall not return to the country of the other Contracting Party a person admitted for the purposes of examination if this person had previously been denied entry by the other Contracting Party.

(3) Where a person who has been found to be inadmissible is not or is no longer in possession of his or her travel documents or if their travel documents have been destroyed, a Contracting Party shall accept instead a document attesting to the circumstances of embarkation and arrival issued by the authorities of the other Contracting Party.

(4) Paragraph 2 above shall not preclude the further examination of a returned inadmissible person by the authorities of one Contracting Party, especially to determine whether there are grounds to admit the person or to make arrangements for his or her transfer, removal or deportation to a state of which the person is a national or where the person may otherwise be admitted.

[(5) Each Contracting Party further agrees to exchange operational information related to falsified travel documents and to cooperate with the other, to strengthen resistance to document fraud, including the falsification of travel documents, the use of falsified

documents, the use of valid documents by imposters, the misuse of travel documents by legitimate holders in pursuit of the commission of an offense, the use of travel documents that have expired or have been revoked, and the use of fraudulently obtained travel documents.]

Article 19

Exchange of Views

Exchanges of views shall take place as needed between the aeronautical authorities of the Contracting Parties in order to achieve close cooperation and agreement in all matters pertaining to the application of this Agreement.

Article 20

Consultations

Consultations may be requested, without prejudice to the procedures referred to in Articles 11, 16 and 17 of this Agreement, at any time by either Contracting Party for the purpose of discussing amendments to this Agreement or to the route schedule, questions relating to interpretation or competition-related behaviour affecting the aviation markets of the Contracting Parties. Discussions concerning the application of this Agreement may likewise be requested if either Contracting Party considers that an exchange of views within the meaning of Article 19 of this Agreement has not produced any satisfactory results. Such consultations shall begin within two months of the date of receipt by the other Contracting Party of any such request.

Article 21 Settlement of Disputes

(1) Where any disagreement concerning the interpretation or application of this Agreement cannot be settled in accordance with Article 20 above, it shall be submitted to an arbitral tribunal at the request of either Contracting Party.

(2) Such arbitral tribunal shall be constituted ad hoc as follows: each Contracting Party shall appoint one member, and these two members shall agree upon a national of a third state as their chairman to be appointed by the Governments of the Contracting Parties. Such members shall be appointed within two months, and such chairman within three months, of the date on which either Contracting Party has informed the other Contracting Party of its intention to submit the disagreement to an arbitral tribunal.

(3) If the periods specified in paragraph 2 above have not been observed, either Contracting Party may, in the absence of any other relevant arrangement, invite the President of the Council of the International Civil Aviation Organization to make the necessary appointments. If the President is a national of either Contracting Party or if he is otherwise prevented from discharging this function, the Vice-President deputising for him should make the appointments.

(4) The arbitral tribunal shall reach its decisions by a majority of votes. Such decisions shall be binding on the Contracting Parties. Each Contracting Party shall bear the cost of its own member and of its representatives in the arbitral proceedings. The cost of the chairman and the remaining costs shall be borne in equal parts by the Contracting Parties. In all other respects, the arbitral tribunal shall determine its own procedure.

Article 22

Multilateral Conventions

If a general multilateral air transport convention accepted by both Contracting Parties enters into force, the provisions of such convention shall prevail. Any discussions with a view to determining the extent to which the present Agreement is terminated, superseded, amended or supplemented by the provisions of the multilateral convention shall take place in accordance with Article 20 above.

Article 23 Entry into Force, Duration

(1) This Agreement shall enter into force one month from the date on which the Contracting Parties have notified each other that the national requirements for such entry into force have been fulfilled. The relevant date shall be the day on which the last notification is received.

(2) This Agreement shall be concluded for an unlimited period. [Unless either of the Contracting Parties expresses its decision to denounce it, by means of a written notification, addressed to the other Contracting Party through diplomatic channels, six (6) months in advance. This notification must be communicated simultaneously to the International Civil Aviation Organization (ICAO).]

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Article 24

Registration with the International Civil Aviation Organization and with the United Nations

(1) This Agreement and any amendments thereto shall be communicated by the Federal Republic of Germany to the International Civil Aviation Organization for registration.

(2) Registration of this Agreement with the Secretariat of the United Nations, in accordance with Article 102 of the Charter of the United Nations, shall be initiated immediately following its entry into force by the Contracting Party in whose territory this Agreement was signed. The other Contracting Party shall be informed of registration, and of the UN registration number, as soon as this has been confirmed by the Secretariat of the United Nations.

Article 25

Termination

Either Contracting Party may terminate this Agreement at any time by notification to the other Contracting Party. Such notice of termination shall be simultaneously communicated to the International Civil Aviation Organization. In such case this Agreement shall cease to have effect twelve months after the date of receipt of the notification by the other Contracting Party, unless the notice of termination is withdrawn by agreement before the expiry of this period. In the absence of an acknowledgment of receipt of the notification by the other receipt of the communication by the International Civil Aviation Organization.

on Done at the German, Spanish and Englisch languages, all three texts being equally authentic. In case of divergent interpretations of the German and Spanish texts, the English text shall prevail.

For the Government of the Federal Republic of Germany

For the Government of the Republic of El Salvador

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in duplicate in

Route Schedule

I. Routes to be operated by the airlines designated by the Government of the Federal Republic of Germany:

Points of Origin	Intermediate Points	Points in El Salvador	Points Beyond
Points in the Federal Republic of Germany	any points	one (1) point	any points in the Americas
*			/ Infortous

II. Routes to be operated by the airlines designated by the Government of El Salvador:

Points of Origin	Intermediate Points	Points in the Federal Republic of Germany	Points Beyond
Points in El Salvador	any points	one (1) point	any points in Europe

III. A designated airline may, if it so desires, omit one or more of the points on the specified routes, provided that the point of origin of such route lies in the territory of the Contracting Party that has designated the airline.