

**Order of the General Civil Aviation Administration of China, the Ministry of
Commerce of the People's Republic of China and the National Development and
Reform Commission of the People's Republic of China**

No. 189

Supplement III to the Provisions on Foreign Investment in Civil Aviation

Supplement III to the Provisions on Foreign Investment in Civil Aviation, which was adopted by the Executive Meeting of the General Civil Aviation Administration of China on August 31, 2007 and approved by the Ministry of Commerce and the National Development and Reform Commission, is hereby promulgated and shall enter into force as of January 1, 2008.

Yang Yuanyuan

Administrator of the General Civil Aviation Administration of China

Bo Xilai

Minister of Commerce

Ma Kai

Director of the National Development and Reform Commission

October 12, 2007

Supplement III to the Provisions on Foreign Investment in Civil Aviation

Subject to Supplement IV to the Mainland and Hong Kong Closer Economic Partnership Arrangement and Supplement IV to the Mainland and Macao Closer Economic Partnership Arrangement as approved by the State Council, supplementary provisions to the Provisions on Foreign Investment in Civil Aviation (Order No. 110 of the General Civil Aviation Administration of China, the Ministry of Foreign Trade and Economic Cooperation and the State Development Planning Commission) are hereby given as follows:

1. An eligible Hong Kong or Macao service provider shall be allowed to establish in the Mainland an equity joint venture with a computer reservation system (CRS) service provider from the Mainland. The Mainland service provider shall have a controlling stake in the joint venture. The business permit for starting an equity joint venture shall be based on an economic needs test.
2. The General Civil Aviation Administration of China, the Ministry of Commerce of the People's Republic of China and the National Development and Reform Commission shall be responsible for the interpretation of the present Supplement according to their respective functions.
3. The present Supplement shall enter into force as of January 1, 2008.