AGREEMENT BETWEEN THE GOVERNMENT OF THE KINGDOM OF MOROCCO

AND

THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF

CHINA

RELATING TO CIVIL AIR TRANSPORT

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The Government of the Kingdom of Morocco and the Government of the People's Republic of China (hereinafter referred to as the "Contracting Parties");

BEING parties to the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944, and

DESIRING to conclude an agreement which supplements the abovementioned Convention for the purpose of establishing and developing air services between and beyond their respective territories

HAVE agreed as follows:

ARTICLE 1: DEFINITIONS

For the purpose of this Agreement, unless the context otherwise requires:

(a) the term "Convention" means the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944 and includes any Annexes adopted under Article 90 of the Convention and any amendment of the Convention in accordance with Article 94, so far as those Annexes and amendments have been ratified or adopted by both Contracting Parties ;

(b) the term "Agreement" means the present Agreement including its Annex and each modification which will be applied to them;

(c) the term "aeronautical authorities" means: For the Government of the Kingdom of Morocco, the Minister responsible for Civil Aviation (Direction de l'Aéronautique Civile);

For the Government of the People's Republic of China, the Minister responsible for Civil Aviation;

and in the two cases any person or body authorised to perform Civil Aviation functions or similar functions;

(d) the term "agreed services" means the air services established on the specified routes pursuant to Article 2 paragraph 1 of this Agreement;

(e) the terms "air service", "International air service, "Airline" and "stop for non-traffic purposes" have the meaning respectively assigned to them in Article 96 of the Convention;

(f) the term "aircraft equipment" means articles, ocher than stores and spare parts of a removable nature, for use on board an aircraft during flight, including first-aid and survival equipment;

(g) the term "designated airlines" means one or more airlines which have been designated by a Contracting Party and authorised by the other Contracting Party in accordance with Article 3 (Designation of Airlines) of this Agreement;

(h) the term "spare parts" means articles of a repair or replacement nature for incorporation in an aircraft, including engines and propellers;

(i) the term "specified routes" means the routes specified in the Annex to this Agreement;

(j) the term "stores" means articles of a readily consumable nature for use or sale on board aircraft during flight, including commissary supplies;

(k) the term "tariffs" means the prices to be paid for the carriage of passengers ,baggage , cargo and the conditions under which these prices apply, including prices, commissions and conditions of agency and other auxiliary services, but excluding remuneration and conditions for the carriage of mail;

(l) the term "territory" means in relation to a State the land areas, internal waters, and territorial seas adjacent thereto under the sovereignty of such State.

ARTICLE 2: GRANTING OF RIGHTS

1. Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement to enable the designated airline(s) of the other Contracting Party to establish and operate air services on the routes specified in the appropriate section of the Annex.

2. Each Contracting Party grants to the other Contracting Party the following rights in respect of operating scheduled international air services by the designated airline(s) of the other Contracting Party:

(a) the right to fly without landing across the territory of the first Contracting Party along the air route(s) prescribed by the first Contracting Party;

(b) the right to make stops for non-traffic purposes at point(s) on the specified route in the territory of the first Contracting Party, subject to the approval of the aeronautical authorities of the first Contracting Party; and,

(c) the right to make stops in the said territory at the points specified for that route in the Annex to this Agreement for the purpose of putting down and taking on international traffic in passengers, cargo and mail, in accordance with the provisions of this Agreement.

3. Nothing in this Article shall be deemed to confer on the designated airline(s) of one Contracting Party the privilege of taking on board, in the territory of the other Contracting Party, passengers, baggage, cargo and mail destined for another point in the territory of the other Contracting Party.

4. For the purpose of the application of this Article each Contracting Party may specify the airports in its territory which may be used.

ARTICLE 3: DESIGNATION OF AIRLINES

1. Each Contracting Party shall have the right to designate in writing to the other Contracting Party one or more (if traffic so justifies) airline(s) as the airline which shall operate the agreed services on the specified routes and to withdraw or alter such designation.

2. The substantial ownership and effective control of the airline designated by each Contracting Party shall remain vested in such Contracting Party or its nationals.

3. On receipt of notice of such designation, the aeronautical authorities of the other Contracting Party shall, subject to the provisions of the present Article and Article 4, without unreasonable delay grant to the airline(s) designated in accordance with paragraph 1 of the present Article the appropriate operating authorization.

4. For the purpose of granting the appropriate operating authorization under paragraph 3 of the present Article, the aeronautical authorities of one Contracting Party may require the airline(s) designated by the other Contracting Party to satisfy them that it is qualified to fulfil the conditions prescribed under the laws and the regulations normally applied to the operation of international air services by such authorities in conformity with the provisions of the Convention. 5. When an airline has been designated and authorised in accordance with this Article, it may operate the agreed services for which it is designated from the date prescribed in such authorization provided that tariffs established in accordance with the provisions of Articles 5 (Approval of Timetables) and 10 (Tariffs) of this Agreement are in force in respect of that service and shall at all times be adhered to by that designated airline(s).

ARTICLE 4: REVOCATION OR SUSPENSION OF OPERATING AUTHORIZATION

1. Each Contracting Party shall have the right to revoke an operating authorization or to suspend the exercise of the rights granted under Article 2 of this Agreement to a designated airline(s) of the other Contracting Party, or to impose such conditions as it may deem necessary on the exercise of such rights, if:

(a) the mentioned designated airline cannot prove that it is qualified to fulfil the conditions prescribed under the laws and the regulation normally applied to the operations of international air services by such authorities in conformity with the provisions of the Convention; or

(b) the said airline fails to operate in accordance with the conditions prescribed under this Agreement; or

(c) the designated airline fails to comply with the laws or regulations in force in the territory of the Contracting Party granting such rights; or

(d) the said airline cannot prove that a preponderant part of its ownership and effective control are vested in the Contracting Party designating the airline or in its nationals.

2. Unless immediate exercise of the right to revoke, suspend or impose conditions conferred by paragraph 1 of the present Article is essential to prevent further infringements of the laws or regulations or the provisions of this Agreement, such right shall be exercised only after consultation with the aeronautical authorities of the other Contracting Party in conformity with Article 16 of the present Agreement.

ARTICLE 5: APPROVAL OF TIMETABLES

1. The designated airline(s) of either Contracting Party shall, not later than sixty (60) days prior to the date of the operation of any agreed service, submit its

proposed timetables to the aeronautical authorities of the other Contracting Party for its approval.

Such timetables shall include the type of service, aircraft to be used, the flight schedule, tariffs, general conditions of carriage and all relevant information.

2. If the designated airline(s) wishes to operate supplementary or additional flights besides those covered in the approved timetables, it shall first obtain the permission of the aeronautical authorities of the Contracting Party concerned.

3. Any subsequent changes to the approved timetables of the designated airline(s) shall be submitted for approval to the aeronautical authorities of the other Contracting Party.

However, occasional change of aircraft type or / and flight schedule for a specific flight shall be given favourable consideration.

ARTICLE 6: PRINCIPLES GOVERNING THE OPERATION OF AGREED SERVICES

1. The designated airlines of the two Contracting Parties shall be afforded fair and equitable treatment in order that they may enjoy equal opportunity in the operation of the agreed services. However, in operating the agreed services, the designated airlines shall take into account their mutual interests so as not to affect unduly their respective services.

2. The operation of the third and fourth freedom traffic rights between the territories of the Contracting Parties in both directions along the specified routes constitutes a basic and primary right of each Contracting Party.

3. For the operation of the agreed services:

(a) the total capacity provided on each of the specified routes shall be determined having regard to the actual and reasonably anticipated traffic requirements;

(b) the designated airlines of the two Contracting Parties shall share in equal proportion the capacity referred to in paragraph (a) of the present Article.

4. In order to meet seasonal fluctuations of traffic or unexpected traffic demands of a temporary character, the designated airlines of the two Contracting Parties shall consult between themselves on suitable measures to be adopted in

such situations. Any arrangements concluded in this regard between the airlines and any amendment thereto shall be submitted for approval to the aeronautical authorities of the two Contracting Parties.

5. In case of one of the Contracting Party doesn't desire to operate on one or more routes, a part or totality of transport capacity which has been conceeded, it shall agree with the other Contracting Party to transfer to the other Contracting Party for a determinated period of time the totality or one part of transport capacity which is provided for it.

The Contracting Party which has transferred all or one part of its rights can take back them at the end of the said period.

ARTICLE 7: APPLICATION OF LAWS AND REGULATIONS

1. The laws and regulations of one Contracting Party relating to admission to, flight within or departure from its territory of an aircraft of its designated airline(s) engaged in international air navigation, or to the operation or navigation of such aircraft while within its territory, shall likewise apply to the aircraft of designated airline(s) of the other Contracting Party and shall be complied with by such aircraft upon entering or departing from or while within the territory of that Contracting Party.

2. The laws and regulations of one Contracting Party relating to admission to, stay in, or departure from its territory of passengers, baggage, crew, cargo or mail, such as laws and regulations relating to entry, exit, emigration, immigration, passports as well as customs and health or sanitary measures, shall apply to passengers, baggage, crew, cargo and mail carried by the aircraft of the designated airline(s) of the other Contracting Party upon entry into or departure from or while within the territory of the said Contracting Party. Such laws and regulations shall equally apply to the designated airline(s) of one Contracting Party as they apply to the designated airline(s) of the other Contracting Party.

ARTICLE 8: USER CHARGES OF AIRPORTS, INSTALLATIONS AND SERVICES

When utilizing the airports and other facilities offered by one Contracting Party, the aircraft of the designated airline of the other Contracting Party shall pay the same level of fees as those which have to be paid by aircraft of any other foreign airline on similar scheduled international services in the territory of the first Contracting Party.

ARTICLE 9: REPRESENTATION OF AIRLINES

1. Each Contracting Party shall grant, on a basis of reciprocity, to the designated airline(s) of the other Contracting Party the right to maintain at point(s) on the specified route in its own territory representation with the technical, administrative and commercial personnel indispensable for its operations.

2. The technical, administrative and commercial personnel for the operation of its agreed services in the representation of the designated airline of one Contracting Party in the territory of the other Contracting Party shall be nationals of either Contracting Party; the number of such staff shall be determined between the aeronautical authorities of both Contracting Parties. Such staff shall be subject to the laws and regulations of the other Contracting Party.

3. Each Contracting Party shall extend assistance and facilities to the representation and its staff members of the designated airline of the other Contracting Party necessary for the efficient operation of the agreed services.

4. The crew members of the designated airline of either Contracting Party on the agreed services shall be nationals of the said Contracting Party. If a designated airline of either Contracting Party desires to employ crew members of any other nationality on the agreed services, prior approval shall be obtained from the other Contracting Party.

ARTICLE 10 : TARIFFS

1. The tariffs to be charged by the designated airline(s) of one Contracting Party for carriage to or from the territory of the other Contracting Party while operating the agreed services shall be established at reasonable levels with due regard being paid to all relevant factors, including cost of operation, profit and the tariffs of other airlines.

2.The tariffs referred to in paragraph 1 of the present Article, shall, wherever possible, be agreed by the designated airlines of both Contracting Parties and such agreement shall, wherever possible, be reached by following the procedures of the International Air Transport Association for the calculation of tariffs.

3. The tariffs so agreed shall be submitted, for the approval of the aeronautical authorities of both Contracting Parties, at least sixty (60) days before the proposed date of their introduction (hereinafter referred to as the "period of notice"). In special cases, the period of notice may be reduced, subject to the agreement of the said authorities.

4. The approval referred to in paragraph 3 of the present Article may be given expressly. If neither of the aeronautical authorities has expressed disapproval of the tariffs within thirty (30) days from the date of submission in accordance with paragraph 3, the tariffs shall be considered as approved. In the event of the period of notice being reduced as provided for in paragraph 3, the aeronautical authorities of both Contracting Parties may agree that the period within which any disapproval must be notified shall be less than thirty (30) days.

5. If the aeronautical authorities of both Contracting Parties cannot agree on any tariff submitted to them under paragraph 3 or on the determination of any tariff under paragraph 4,the dispute shall be settled in accordance with the provisions of Article 20 (Settlement of Disputes) 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 the present paragraph:

a) where such tariff has a terminal date, for more than twelve (12) months after that date and;

b) where such tariff has no terminal date, for more than twelve (12) months after the date on which the designated airline(s) of one Contracting Party, in writing to the aeronautical authorities of the Contracting Parties, proposes a new tariff in accordance with the provisions of this Agreement.

7. Each Contracting Party shall ensure that all the airlines operating services to or from its territory respect strictly the tariffs approved in accordance with the provisions of the present Article.

ARTICLE 11: EXCHANGE OF STATISTICAL INFORMATION

The aeronautical authorities of each Contracting Party shall supply to the aeronautical authorities of the other Contracting Party, on request by the latter, information relating to the traffic carried on the agreed services by the respective designated airline(s). Such information shall include statistics and other information required in determining the amount of traffic carried by those airlines on the agreed services.

ARTICLE 12: RECOGNITION OF CERTIFICATES AND LICENCES

Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one Contracting Party and still in force, shall be recognized as valid by the other Contracting Party for the purpose of operating the routes and services provided for in this Agreement, provided that the requirements under which such certificates or licenses were issued or rendered valid are equal to or above the minimum standards which are or may be established pursuant to the Convention.

Each Contracting Party reserves the right, however, not to recognize as valid, for the purpose of flights over its own territory, certificates of competency and licences granted to its own nationals or rendered valid for them by the other Contracting Party or by any other state.

ARTICLE 13: AVIATION SECURITY

1. Consistent with their rights and obligations under international law, the Contracting 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 Contracting Parties shall in particular act in conformity with the provisions of the Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16 December 1970, the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971 and any other multilateral agreement governing Civil aviation security binding upon both Contracting Parties.

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 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.

3. The Contracting Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by the International Civil Aviation Organization and designated as Annexes to the Convention on International Civil Aviation to the extent that such security provisions are applicable to the Contracting Parties; they shall require that operators of aircraft of their registry, or operators of aircraft who have their principal place of business or permanent residence in their territory, and the operators of airports in their territory, act in conformity with such aviation security provisions.

4. Each Contracting Party agrees that such operators of aircraft may be required to observe the aviation security provisions referred to in paragraph 3

above required by the other Contracting Party to entry into, departure from, or while within, the territory of that other Contracting Party. Each Contracting 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 Contracting Party shall also give sympathetic consideration to any request from the other Contracting 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 act against the safety of such aircraft, their passengers and crew, airports and air navigation facilities occurs, the Contracting Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.

ARTICLE 14: EXEMPTION FROM CUSTOMS DUTIES, INSPECTION FEES AND OTHER SIMILAR CHARGES

1. Aircraft operated on the agreed services by the designated airline(s) of either Contracting Party, as well as any aircraft equipment, supplies of fuels and lubricants, 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 Contracting Party, provided that such equipment, supplies and stores remain on board the aircraft up to such time as they are re-exported or are used on the part of the journey performed over that territory.

2. Subject to paragraph 3 of the present Article, there shall also be exemption from customs duties, inspection fees and similar charges, with the exception of charges corresponding to the services performed:

(a) aircraft stores taken on board in the territory of a Contracting Party; within limits fixed by the aeronautical authorities of that Contracting Party, and for use on board outbound aircraft engaged on an agreed service of the other Contracting Party;

(b) spare parts (including engines) introduced into the territory of either Contracting Party for the maintenance or repair of an aircraft used on the agreed services by the designated airline(s) of the other Contracting Party;

(c) fuel and lubricants to be supplied to an inbound / transiting/ outbound aircraft operated on agreed services by the designated airline(s) of the other Contracting Party, even when such supplies are to be used on the part of the

journey performed over the territory of the Contracting Party in which they are taken on board.

3. Material and supplies referred to in paragraphs 2 (a), (b) and (c), may be subject to Customs surveillance or control, of the two Contracting Parties.

4. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes provided that these will be under Customs surveillance or control.

5. The regular airborne equipment, as well as the materials and supplies retained on board an aircraft of the designated airline(s) of either Contracting Party, may be unloaded in the territory of the other Contracting Party only with the approval of the Customs authorities of that other Contracting Party and such Customs authorities may require that such equipment, materials and supplies be placed under their surveillance up to such time as they are re-exported or otherwise disposed of in accordance with Customs laws and regulations.

ARTICLE 15: SALES, RECEIPTS AND TRANSFER OF EARNINGS

1. Each designated airline has the right to proceed to the sale of air transport tickets on the other Contracting Party territory directly and, as one likes, by the intermediate of its agents. These sales must be operated in a local currency.

2. Each Contracting Party grants to the designated airline(s) of the other Contracting Party the right of free transfer of the excess of receipts over expenditure earned by the designated airline(s) in the territory of such Contracting Party in connection with the carriage of passengers, baggage, cargo and mail, as well as from any other activities related to air transport which may be permitted under national regulations. Such transfers shall be effected at the rate of exchange in accordance with the respective applicable national laws and regulations governing current payments, but where there is no official exchange rate such transfers shall be effected at the prevailing foreign exchange market rate for current payments.

ARTICLE 16: CONSULTATIONS

1. In a spirit of close co-operation the aeronautical authorities of the Contracting Parties shall consult from time to time with a view to ensuring the implementation of, and satisfactory compliance with, the provisions of this Agreement and the Annex attached hereto and shall consult whenever necessary to provide for modification to this Agreement or the Annex.

2. Either Contracting Party may request consultations which may be through discussion or by correspondence.

In the case of discussion, they shall begin within a period of sixty (60) days of the date of the request unless both Contracting Parties agree to an extension of this period.

ARTICLE 17: AMENDMENTS

Any amendment of this Agreement shall be effected by an Exchange of Diplomatic Notes and shall enter into force on such date as is provided for in such Exchange of Diplomatic Notes.

ARTICLE 18: ADAPTATION TO MULTILATERAL TREATIES

This Agreement shall be amended, if both Contracting Parties agree, so as to conform to any multilateral agreement which may become binding on both Contracting Parties.

ARTICLE 19: SETTLEMENT OF DISPUTES

1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall in the first place endeavour to settle it by direct negotiations.

2. If the aeronautical authorities of the Contracting Parties fail to reach a settlement of the said dispute, the Contracting Parties shall settle such dispute through diplomatic channels.

ARTICLE 20: TERMINATION OF AGREEMENT

Either Contracting Party may at any time give notice in writing to the other Contracting Party of its intention to terminate this Agreement. Such notice shall be communicated simultaneously to the International Civil Aviation Organisation. In such case this Agreement shall terminate twelve (12) months after the date on which the notice was received by the other Contracting Party unless the notice to terminate is withdrawn by agreement before the expiry of this period. In the absence of acknowledgement of receipt by the other Contracting Party, the notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by International Civil Aviation Organization.

ARTICLE 21:REGISTRATION OF AGREEMENT AND AMENDMENTS

This Agreement and any subsequent amendments thereto shall be registered with the International Civil Aviation Organization by the Contracting Parties.

ARTICLE 22: ENTRY INTO FORCE

This Agreement shall enter into force on the date when the two Contracting Parties have notified to each other by an Exchange of Diplomatic Notes the fulfilment of their respective legal procedures.

IN WITNESS WHEREOF THE UNDERSIGNED DULY AUTHORISED BY THEIR RESPECTIVE GOVERNMENTS, HAVE SIGNED THIS AGREEMENT.

Done at BEIJING on December 3, 1998 in duplicate in the Arabic, Chinese and English languages, all texts being equally authentic. In case of any divergence, the English text shall prevail.

FOR THE GOVERNMENT OF THE KINGDOM OF MOROCCO

FOR THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA

ANNEX

(Route Schedule)

I- The Route of the Agreed services operated by the airline designated by the Government of Morocco shall be as follows in both directions:

points in Morocco--intermediate points to be specified--one point in China--points beyond to be agreed upon

II- The Route of the Agreed services operated by the airline designated by the Government of the People's Republic of China shall be as follows in both directions:

points in China--intermediate points to be specified--one point in Morocco--points beyond to be agreed upon

III- The designated airline of either Contracting Party may omit, as its own discretion, any point on the specified route on any or all flights, provided that the agreed services begin and terminate in the territory of the Contracting Party designating the airline.