

AIR SERVICES AGREEMENT
BETWEEN THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA
AND THE GOVERNMENT OF THE REPUBLIC OF ZAMBIA

Whereas, the Government of the People's Republic of China and the Government of the Republic of Zambia,

Desiring to facilitate friendly contacts between their two peoples and develop mutual relations between the two countries in the field of civil aviation; and

Being Parties to the Convention on International Civil Aviation opened for signature at Chicago on December 7, 1944;

Have agreed on the establishment and operation of air services between and beyond their respective territories as follows:

Article 1
Definitions

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

(1) the term "aeronautical authorities" means, in the case of the People's Republic of China, the General Administration of Civil Aviation of China or any person or agency authorized to perform the functions presently exercised by the said Administration; and in the case of the Republic of Zambia, the Minister of Communications and Transport or any person or agency authorized to perform the functions presently exercised by the Minister;

(2) 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 Annex adopted under Article 90 of that Convention, and any amendment of the Annexes or Convention under Articles 90 and 94, insofar as such Annexes and amendments have become effective for both Parties;

(3) the term "Agreement" means this Agreement, its Annexes and any amendments to this Agreement and/or its Annex made in accordance with Article 18

of this Agreement;

(4) the term “airline” means any air transport enterprise offering or operating international air services;

(5) the term “designated airline” means an airline which has been designated and authorized in accordance with Article 3 of this Agreement;

(6) the term “air service” means any scheduled air service performed by aircraft for the public transportation of passengers, baggage, cargo or mail;

(7) the term “international air service” means an air service which passes through the air space over the territory of more than one State;

(8) the term “stop for non-traffic purposes” means a landing for any purpose other than taking on or discharging passengers, baggage, cargo or mail;

(9) the term “capacity” means:

(a) in relation to an aircraft, the payload of that aircraft available on a route or section of a route.

(b) in relation to an air service, the capacity of the aircraft used on such service multiplied by the frequency operated by such aircraft over a given period on a route or section of a route;

(10) the term “tariff” means 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 auxiliary service, but excluding prices and conditions for the carriage of mail;

(11) the term “Route Schedule” means the Route Schedule annexed to this Agreement or as amended in accordance with the provisions of Article 18 of this Agreement.

Article 2

Grant 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 international air services on the route specified in the Route Schedule (hereinafter called the “agreed services” and “the specified route” respectively).

(2) Subject to the provisions of this Agreement, the designated airline(s) of each Contracting Party shall enjoy, while operating an agreed service on a specified route, the following rights:

(a) to fly without landing across the territory of the other Contracting Party along the air route(s) prescribed by the aeronautical authorities of the other Contracting Party; and

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

(c) to make stops at the point(s) on the specified route in the territory of the other Contracting Party for the purpose of taking on board and discharging international traffic in passengers, baggage, cargo and mail originating in or destined for the first Contracting Party.

(3) The rights of the designated airline of one Contracting Party to take on board and discharge at point(s) in the territory of the other Contracting Party international traffic to or from a third country shall be agreed upon between the aeronautical authorities of the two Contracting Parties.

Article 3

Airline Designation and Authorization

(1) Each Contracting Party shall have the right to designate in writing to the other Contracting Party an airline or airlines to operate the agreed services on the specified route, and to withdraw or alter such designations.

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

(3) The aeronautical authorities of the other Contracting Party may require the airline designated by the first Contracting Party to satisfy them that it is qualified to fulfil the conditions and the obligations prescribed under the laws and regulations normally and reasonably applied by them to the operation of international air services by the said authorities.

(4) On receipt of such designation, the other Contracting Party shall, subject to the provisions of paragraphs (2) and (3) of this Article, grant to the airline(s) so designated the appropriate operating authorization without unreasonable delay.

(5) The designated airline of one Contracting Party may commence, when it has acquired operating authorization, operation of the agreed services in accordance with the relevant provisions of this Agreement from the date prescribed in such authorization.

Article 4

Revocation, Suspension of Authorization or Imposition of Conditions

(1) Each Contracting Party shall have the right to revoke or suspend the operating authorization granted to the designated airline(s) of the other Contracting Party or to impose such conditions as it may deem necessary on the exercise by the said designated airline(s) of the rights specified in Article 2 of this Agreement, in any of the following cases:

(a) where it is not satisfied that the substantial ownership and effective control of the said designated airline(s) are vested in the other Contracting Party or its nationals; or

(b) where the said designated airline(s) fails to comply with the laws and regulations of the first Contracting Party referred to in Article 5 of this Agreement; or

(c) where the said designated airline(s) otherwise fails to operate in accordance with the conditions prescribed under this Agreement.

(2) Unless immediate revocation, suspension of rights or imposition of the conditions mentioned in paragraph (1) of this Article is essential to prevent further infringements of laws and regulations by the said designated airline(s), such right shall be exercised only after consultation with the other Contracting Party.

Article 5

Application of Laws and Regulations

(1) The laws and regulations of one Contracting Party relating to the admission to, stay in and departure from its territory of aircraft engaged in the international operation shall be applicable to the aircraft of the designated airline(s) of the other Contracting Party, while entering, within, and departing from the territory of the first Contracting Party.

(2) The laws and regulations of one Contracting Party relating to the admission to, stay in or departure from its territory of passengers, crew, baggage, cargo or mail, such as laws and regulations relating to entry, clearance, immigration, passports, customs and quarantine, shall be applicable to the passengers, crew, baggage, cargo or mail carried by the aircraft of the designated airline(s) of the other Contracting Party while entering, staying in and departing from the territory of the first Contracting Party.

(3) Passengers, baggage, cargo and mail in direct transit and not leaving the areas of the airport reserved for such purpose shall be subject to no more than a simplified control.

Article 6

Capacity Provisions

(1) There shall be fair and equal opportunity for the designated airlines of the Contracting Parties to operate the agreed services on the specified route.

(2) In operating the agreed services the designated airline(s) of each

Contracting Party shall take into account the interests of the designated airline(s) of the other Contracting Party so as not to affect unduly the services the latter provides on the whole or part of the same routes.

(3) The agreed services provided by the designated airline(s) of the Contracting Parties shall bear a close relationship to the requirements of the public for transportation on the specified routes and shall have as their primary objective the provision at a reasonable load factor of capacity adequate to meet the current and reasonably anticipated requirements for the carriage of passengers, cargo and mail between the territories of the Contracting Parties.

(4) Provision for the carriage of passengers, cargo and mail, both taken on board and discharged at points on the specified routes other than points in the territory of either Contracting Party designating the airline(s) shall be made in accordance with the general principles that capacity shall be related to:

(a) traffic requirements to and from the territory of the Contracting Party which has designated the airline;

(b) traffic requirements of the country or region other than the Contracting Parties through which the agreed service passes, taking account of other air services established by airlines of the States or that region; and

(c) the requirements of through airline operation.

Article 7

Commercial Arrangements

(1) Capacity, frequency and type of aircraft shall be agreed upon between the aeronautical authorities of the Contracting Parties.

(2) Matters relating to sales agency and ground handling for the operation of the agreed services shall be agreed upon between the designated airlines of the Contracting Parties and approved by the aeronautical authorities of the two Contracting Parties.

(3) The designated airline(s) of either Contracting Party may, according to traffic requirements, apply for operation of extra flight on the specified route. The

application for such flight shall be submitted at least three days before its proposed operation to the aeronautical authorities of the other Contracting Party, and the flight can be operated only after approval has been obtained from such authorities.

Article 8

Tariffs

(1) The tariffs applicable to the agreed services on the specified route shall be established at reasonable levels, due regard being paid to all relevant factors including cost of operation, reasonable profit, characteristics of service (such as speed and standard of accommodation) and tariffs applicable to the services of other airline(s) on any section of the specified route.

(2) The tariffs referred to in paragraph (1) of this Article shall be agreed upon between the designated airlines of both Contracting Parties, in consultation when necessary and possible with other airlines operating over the same route or section. The tariffs so agreed shall be submitted to their respective aeronautical authorities at least sixty days prior to the proposed date of introduction of these tariffs and become effective after their approval by the aeronautical authorities of both Contracting Parties.

(3) If the designated airlines of the Contracting Parties cannot agree on any of these tariffs, the aeronautical authorities of the Contracting Parties shall determine the tariffs through consultation.

(4) If the aeronautical authorities cannot agree on the approval of any tariff submitted to them under paragraph (2) of this Article or on the determination of any tariff under paragraph (3) of this Article, the matter shall be referred to the Contracting Parties for settlement in accordance with the provisions of Article 19 of this Agreement.

(5) Pending determination of a new tariff in accordance with the provisions of this Article, the tariffs already in force shall prevail.

Article 9
Provision of Technical Services and Rates of Charges

(1) Each Contracting Party shall designate regular airport(s) and alternate airport(s) in its territory to be used by the designated airline(s) of the other Contracting Party for the operation of the agreed services, and shall provide that airline(s) with such communications, navigational, meteorological and other auxiliary facilities and services as are required for the operation of the agreed services.

(2) The designated airline(s) of each Contracting Party shall be charged for the use of airports (including the technical equipment and other facilities and services), communications and navigational facilities and other auxiliary services of the other Contracting Party at fair and reasonable rates prescribed by the appropriate authorities of the other Contracting Party. Such rates shall not be higher than those applicable to any airline of other States engaged in international air services for the use of similar equipment, facilities and services.

Article 10
Customs Duties

(1) Aircraft operated on international air services by the designated airline of one Contracting Party, as well as their regular equipment, spare parts (including engines), fuels, oil (including hydraulic fluids, lubricants) and aircraft stores (including food, beverages and tobacco) on board such aircraft shall be exempt on the basis of reciprocity from all customs duties, taxes, inspection fees and other similar fees and charges on arriving in the territory of the other Contracting Party, provided such equipment and items remain on board the aircraft up to such time as they are re-exported.

(2) The following equipment and items shall also be exempt on the basis of reciprocity from all the customs duties, taxes, inspection fees and other similar fees and charges, with the exception of charges corresponding to the services provided:

(a) regular equipment, spare parts (including engines), fuels, oil (including hydraulic fluids, lubricants) and aircraft stores(including food, beverages and

tobacco) introduced by the designated airline(s) of one Contracting Party into the territory of the other Contracting Party and exclusively intended for use or consumption by aircraft engaged in international services, even when such equipment and items are to be used on part of the journey performed over the territory of the other Contracting Party;

(b) spare parts (including engines) introduced into the territory of one Contracting Party by the designated airline(s) of the other Contracting Party for the maintenance or repair of aircraft engaged in operation of international services.

(3) Printed ticket stock, air waybills and publicity materials introduced into the territory of one Contracting Party by the designated airline(s) of the other Contracting Party shall be exempt on the basis of reciprocity from all customs duties, taxes, inspection fees and other similar fees and charges.

(4) The equipment and items referred to in paragraphs (1) and (2) of this Article may be unloaded in the territory of the other Contracting Party with the approval of the Customs authorities of the other Contracting Party. Such equipment and items shall be kept under the supervision or control of the Customs authorities of the other Contracting Party up to such time as they are re-exported, or otherwise disposed of in accordance with the Customs regulations of the other Contracting Party.

(5) The exemption provided for in paragraph (1) and (2) of this Article shall also be available where a designated airline of one Contracting Party has contracted with another airline, which similarly enjoys such exemptions in the territory of the other Contracting Party, for the loan or transfer in the territory of the other Contracting Party of the equipment and items specified in paragraph (1) and (2) of this Article.

(6) Baggage, cargo and mail in direct transit shall be exempt from all the customs duties, taxes, inspection fees and other similar fees and charges on the basis of reciprocity with the exception of the charges corresponding to the services provided.

Article 10 bis
Taxation

(1) The revenues and profit realized by the designated airline(s) of each Contracting Party within the territory of the other Contracting Party in connection with operation of the agreed services shall be exempt from all taxes.

(2) The property of the designated airline(s) of each Contracting Party within the territory of the other Contracting Party shall be exempt from all taxes on the basis of reciprocity.

(3) Wages, salaries and other similar remuneration received by the employees of the representation of the designated airline(s) of either Contracting Party, who are nationals of the first Contracting Party, shall be exempt from all taxes on the basis of reciprocity by the other Contracting Party.

Article 11
Representation and Personnel

(1) For the operation of the agreed services on the specified route, the designated airline(s) of each Contracting Party shall have the right, on reciprocal basis, to set up representation at the point(s) of call on the specified route within the territory of the other Contracting Party.

(2) The staff members of the representation of the designated airline(s) of each 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 in force 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(s) of the other Contracting Party necessary for the efficient operation of the agreed services.

(4) The crew members of the designated airline(s) of either Contracting Party on

the agreed services shall be nationals of the first Contracting Party. If a designated airline(s) 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 12

Recognition of Certificates and Licenses

(1) Certificates of airworthiness, certificates of competency and licences issued or rendered valid by either of the Contracting Parties shall, during the period of their validity, be recognized as valid by the other Contracting Party, provided that the requirements under which such certificates or licences were issued or rendered valid are equal to or above the minimum standards which are established pursuant to the Convention.

(2) Each Contracting Party reserves the right, however, to refuse to recognize as valid, for the purpose of flights over its own territory, certificates of competency and licences granted to or rendered valid for its own nationals by the other Contracting Party or by any other State.

Article 13

Conversion and Remittance of Revenue

(1) The designated airline(s) of each Contracting Party shall have on the reciprocal basis the right to remit to the Contracting Party designating the airline its revenue received in the territory of the other Contracting Party.

(2) The conversion and remittance of such revenue shall be effected in convertible currencies at the effective rate of exchange prevailing on the date of remittance.

(3) Each Contracting Party shall facilitate the conversion and remittance of the

revenue received in its territory by the designated airline(s) of the other Contracting Party, and assist the said airline(s) in attending to the relevant formalities.

Article 14 **Aviation 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 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 and the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971, its Supplementary Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, signed at Montreal on 24 February 1988 as well as with any other convention and protocol relating to the security of civil aviation which both Parties adhere to.

(2) 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.

(3) The Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by ICAO and designated as Annexes to the Convention; 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. Each Contracting Party shall advise the other Contracting Party of any difference between its national regulations and practices and the aviation security standards of the Annexes. Either Contracting Party may request immediate consultations with the other Contracting Party at any time to

discuss any such differences.

(4) Each Contracting Party agrees that such operators of aircraft shall be required to observe the aviation security provisions referred to in paragraph (3) above required by the other Contracting Party for 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 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 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) Each Contracting Party shall have the right, within sixty (60) days following notice (or such shorter period as may be agreed between the aeronautical authorities), for its aeronautical authorities to conduct an assessment in the territory of the other Contracting Party of the security measures being carried out, or planned to be carried out, by aircraft operators in respect of flights arriving from, or departing to the territory of the first Contracting Party. The administrative arrangements for the conduct of such assessments shall be agreed between the aeronautical authorities and implemented without delay so as to ensure that assessments will be conducted expeditiously.

(7) When a Contracting Party has reasonable grounds to believe that the other Contracting Party has departed from the provisions of this Article, the first Contracting Party may request consultations. Such consultations shall start within fifteen (15) days of receipt of such a request from either Contracting Party. Failure to reach a satisfactory agreement within fifteen (15) days from the start of consultations shall constitute grounds for withholding, revoking, suspending or imposing conditions on the authorizations of the airline or airlines designated by the other Party. When justified by an emergency, or to prevent further non-compliance with the provisions of this Article, the first Party may take interim action at any time.

Article 15

Safety

(1) Each Contracting Party may request consultations at any time concerning the safety standards maintained by the other Contracting Party in areas relating to aeronautical facilities, flight crew, aircraft and the operation of aircraft. Such consultations shall take place within thirty days of that request.

(2) If, following such consultations, one Contracting Party finds that the other Contracting Party does not effectively maintain and administer safety standards in the areas referred to in paragraph (1) that meet the Standards established at that time pursuant to the Convention, the other Contracting Party shall be informed of such findings and of the steps considered necessary to conform with the ICAO Standards. The other Contracting Party shall then take appropriate corrective action within an agreed time period.

(3) Pursuant to Article 16 of the Convention, it is further agreed that, any aircraft operated by, or on behalf of an airline of one Contracting Party, on service to or from the territory of another Contracting Party, may, while within the territory of the other Contracting Party be the subject of a search by the authorized representatives of the other Contracting Party, provided this does not cause unreasonable delay in the operation of the aircraft. Notwithstanding the obligations mentioned in Article 33 of the Convention, the purpose of this search is to verify the validity of the relevant aircraft documentation, the licensing of its crew, and that the aircraft equipment and the condition of the aircraft conform to the Standards established at that time pursuant to the Convention.

(4) When urgent action is essential to ensure the safety of an airline operation, each Contracting Party reserves the right to immediately suspend or vary the operating authorization of an airline or airlines of the other Contracting Party.

(5) Any action by one Contracting Party in accordance with paragraph 4 above shall be discontinued once the basis for the taking of that action ceases to exist.

(6) With reference to paragraph (2), if it is determined that one Contracting Party remains in non-compliance with ICAO Standards when the agreed time period has lapsed, the Secretary General of ICAO should be advised thereof. The latter

should also be advised of the subsequent satisfactory resolution of the situation.

Article 16
Provision of Statistical Data

The aeronautical authorities of either Contracting Party shall furnish to the aeronautical authorities of the other Contracting Party, at their request, statistical data as may be reasonably required for the purpose of reviewing the capacity provided by the agreed services operated by the designated airline(s) of the first Contracting Party on the specified route. Such data shall include all information required to determine the amount of traffic carried by the said airline(s) on the agreed services.

Article 17
Consultation

(1) The Contracting Parties shall, in the spirit of close cooperation and mutual support, ensure the correct implementation of and satisfactory compliance with the provisions of the Agreement. To this end, the aeronautical authorities of the Contracting Parties shall consult each other from time to time.

(2) Either Contracting Party may at any time request consultation with the other Contracting Party concerning the Agreement. Such consultation shall begin as soon as possible, and at least within sixty days from the date of receipt of the request by the other Contracting Party unless otherwise agreed to.

Article 18
Amendment

(1) If either of the Contracting Parties considers it desirable to amend any

provision of this Agreement or its Annex, it may at any time request consultation with the other Contracting Party, and such consultation, which may be between aeronautical authorities and which may be through discussion or by correspondence, shall begin within a period of ninety days from the date of receipt of the request by the other Contracting Party, unless both Parties agree to an extension of this period.

(2) Any amendment to this Agreement or its Annex agreed upon as a result of the consultation referred to in paragraph (1) of this Article shall come into force when it has been confirmed by an exchange of notes through diplomatic channels.

Article 19 Settlement of Disputes

(1) If any dispute arises between the Contracting Parties relating to the interpretation or implementation of this Agreement, the aeronautical authorities of the two Contracting Parties shall in the first place settle the dispute by negotiation.

(2) If the aeronautical authorities of the Contracting Parties fail to reach a settlement of the said dispute, the dispute shall then be settled through diplomatic channels.

Article 20 Termination

Either Contracting Party may at any time give notice to the other Contracting Party through diplomatic channels of its decision to terminate this Agreement. This Agreement shall then terminate twelve months after the date of receipt of the notice by the other Contracting Party unless such notice is withdrawn by agreement between the Contracting Parties before the expiry of this period.

Article 21
Registry

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

Article 22
Titles

The title of each article of this Agreement is for the purpose of reference and convenience and in no way to define, limit or describe the scope or intent of the provisions of this Agreement.

Article 23
Entry into Force

This Agreement shall come into force on the date when the Contracting Parties have notified each other through diplomatic channels that their respective legal procedures for entry into force of the Agreement have been completed.

In witness whereof, the undersigned, duly authorized by their respective Governments, have signed this Agreement.

Done in Lusaka on the third day of February, 2007 in original copies in the Chinese and English languages, both texts being equally authentic.

For
the Government of
the People's Republic of China

For
the Government of
the Republic of Zambia

Minister of
General Administration of Civil Aviation of China
Mr. Yang Yuanyuan

Minister of
Communications and Transport
Mr. Peter Daka

**Annex
Route Schedule**

(1) The route of the agreed services operated by the airline(s) designated by the Government of the People's Republic of China shall be as follows in both directions :

Points in China	Intermediate Points	Points in Zambia	Points Beyond
Any point or points	Three (3) points to be named by China	Lusaka, and another two (2) points to be named by China	Three (3) points to be named by China

(2) The route of the agreed services operated by the airline(s) designated by the Government of the Republic of Zambia shall be as follows in both directions:

Points in Zambia	Intermediate Points	Points in China	Points Beyond
Any point or points	Three (3) points to be named by Zambia	Beijing, and another two (2) points to be named by Zambia	Three (3) points to be named by Zambia

(3) The designated airline(s) of either Contracting Party may omit on any or all flights, any point on the specified route, provided that the agreed services begin and terminate in the territory of the Contracting Party designating the airline(s).