AGREEMENT BETWEEN

THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF

<u>CHINA</u>

AND

THE GOVERNMENT OF IRELAND

ON CIVIL AIR TRANSPORT

AGREEMENT BETWEEN <u>THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA AND</u> <u>THE GOVERNMENT OF IRELAND</u> <u>ON CIVIL AIR TRANSPORT</u>

The Government of the People's Republic of China and the Government of Ireland, hereinafter referred to as the "Contracting Parties";

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

Being parties to the Convention on International Civil Aviation opened for signature at Chicago on December 7th, 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 authorised to perform any function presently exercised by the said Administration and in the case of Ireland, the Minister for Public Enterprise and the Irish Aviation Authority as appropriate to its functions or any other person or agency authorised to perform any function presently exercised by the said Authorities.
- (2) the term "Agreement" means this Agreement and its Annex as well as any amendment to this Agreement and/or its Annex made in accordance with Article 18 of this Agreement.
- (3) the term "airline" means any air transport enterprise offering or operating international air services.
- (4) the term "designated airline" means an airline which has been designated and authorised in accordance with Article 3 of this Agreement.
- (5) the term "aircraft" means civil aircraft.

- (6) the term "air service" means any scheduled air service performed by aircraft for the public transport 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. The Route Schedule forms an integral part of this Agreement.
- (12) the term "specified route" means the route specified in the Route Schedule.
- (13) 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 of the Convention under Articles 90 and 94 thereof insofar as those Annexes and amendments have been adopted by both Contracting Parties.
- (14) the term "territory" means the land areas, territorial seas, inland waters and air space above them under the sovereignty of the State.

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 of the other Contracting Party to establish and operate international air services on the routes specified in the Annex (hereinafter called

"the agreed services").

- (2) Subject to the provisions of this Agreement, the designated airline 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 Contacting Party; and
 - (b) to make stops for non-traffic purposes at point(s) on the specified route in the territory of the other Contracting Party, subject to the approval of the Aeronautical Authorities of the other Contacting 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) Airlines of each Contracting Party not designated under Article 3 of this Agreement shall enjoy the rights specified in paragraphs (2) (a) and (b) of this Article, subject to the approval of application in this regard by the aeronautical authorities of the other Contracting Party.
- (4) The right 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.
- (5) Nothing in this Agreement shall be deemed to confer on a designated airline of one Contracting Party the right of taking 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 that other Contracting Party (Cabotage).

ARTICLE 3

AIRLINE DESIGNATION AND AUTHORISATION

- Each Contracting Party shall have the right to designate in writing to the other Contracting Party one airline to operate the agreed services on the specified routes and to withdraw or alter such designations.
- (2) The substantial ownership and effective control of the airline designated by each Contacting 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 meet the conditions and the obligations prescribed under the laws and regulations normally and reasonably applied to the operation of international air services by such 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 so designated the appropriate operating authorisation without unreasonable delay.
- (5) The designated airline of one Contracting Party may commence when it has acquired operating authorisation, operation of the agreed services in accordance with the relevant provisions of this Agreement from the date prescribed in such authorisation.

ARTICLE 4

REVOCATION, SUSPENSION OF AUTHORISATION OR IMPOSITION OF CONDITION

- (1) Each Contracting Party shall have the right to revoke or suspend the operating authorisation granted to the designated airline of the other Contracting Party or to impose such conditions as it may deem necessary on the exercise by the said designated airline 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 are vested in the other Contracting Party designating that airline or its nationals; or
 - b) where the said designated airline 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 otherwise fails to operate in accordance with the conditions prescribed under this Agreement.
- (2) Unless immediate revocation, suspension of rights or imposition of conditions prescribed in paragraph (1) of this Article is essential to prevent further infringement of laws and regulations by the said designated airline, 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 navigation and international operation shall be applicable to the aircraft of the designated airline of the other Contracting Party, while entering, departing from or operating and navigating in the territory of the first Contracting Party.
- (2) The laws and regulations of one Contracting Party relating to 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 of the other Contracting Party while entering, staying in and departing from the territory of the first Contracting Party.
- (3) Other relevant laws and regulations relating to aircraft and provisions in respect of civil aviation of one Contracting Party shall be applicable to the designated airline of the other Contracting Party while operating the agreed services in the territory of the first Contracting Party.

Passengers, baggage, cargo and mail in direct transit across the territory of either Contracting Party and not leaving the area of the airport reserved for such purposes shall, except in respect of security measures against violence, hijack and smuggling of controlled drugs, be subject to no more than a simplified control.

ARTICLE 6

CAPACITY PROVISIONS

- (1) There shall be a fair and equal opportunity for the designated airlines of the Contracting Parties to operate the agreed services on the specified routes.
- (2) In operating the agreed services the designated airline of each Contracting Party shall take into account the interests of the designated airline of the other Contracting Party so as not to affect unduly the services provided by the latter on the whole or part of the same route.
- (3) The agreed services supplied by the designated airlines of the Contracting Parties shall provide at a reasonable load factor capacity adequate to meet the traffic requirements for the carriage of passengers, baggage, cargo and mail between the territories of the Contracting Parties.
- (4) Provision for taking on board and discharging passengers, baggage, cargo and mail by the designated airline of one Contracting Party at point(s) on the specified routes other than point(s) in the territory of either Contracting Party 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 passed, taking account of other air services established by airline(s) of the State of that region;
- (c) the requirements of through airline operation.

COMMERCIAL ARRANGEMENTS

- (1) Capacity, frequency, type of aircraft and flight schedule shall be agreed upon between the aeronautical authorities of the Contracting Parties.
- (2) The designated airline of either Contracting Party may, according to traffic requirements, apply for operation of extra section(s) on the specified routes. The application for such flight(s) shall be submitted to the aeronautical authorities of the other Contracting Party, at least three working days before its proposed operation, and the flight(s) can be operated only after approval has been obtained.

ARTICLE 8

TARIFFS

- (1) The tariffs to be charged by a designated airline of either Contracting Party on the agreed services shall be reasonably related to the long term fully allocated costs of the airline, while taking into account other relevant factors, including:
 - (a) the needs of consumers;
 - (b) the need for a satisfactory return on capital and for an adequate cost margin to ensure a satisfactory safety standard;
 - (c) the competitive market situation, including the tariffs of other airlines operating on the specified route;
 - (d) the need to prevent dumping.
- (2) The aeronautical authorities of either Contracting Party shall apply the following provisions for

the approval of tariffs to be charged by the designated airline of either Contracting Party for operating the agreed services:

- (a) any proposed tariff shall be agreed upon by the designated airlines of both Contracting Parties and submitted by or on behalf of the designated airline concerned with both aeronautical authorities for approval at least sixty (60) days before it is proposed that the tariff will take effect. This period may be reduced with the Agreement of those authorities.
- (b) subject to sub-paragraph (a), any tariff submitted will be treated as having been approved unless, within fifty (50) days of the tariff being submitted, the aeronautical authorities of both Contracting Parties have informed each other in writing that they do not approve the proposed tariff. The aeronautical authorities of both Contracting Parties may agree to reduce this period.

ARTICLE 9

TECHNICAL SERVICES AND RATE OF CHARGE

- (1) Each Contracting Party shall provide regular airport(s), alternate airport(s) and air navigation facilities in its territory and relevant services including communications, navigational, meteorological and other auxiliary facilities and services for the operation of the agreed services by the designated airline of the other Contracting Party.
- (2) The designated airline of each Contracting Party shall be charged for the use of airports and air navigation facilities of the other Contracting Party at fair and reasonable rates prescribed by the appropriate authorities of the other Contracting Party.

ARTICLE 10

PROVISION OF STATISTICAL DATA

The aeronautical authorities of either Contacting 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 of the first Contracting Party on the specified routes. Such data shall include all information required to determine the amount of traffic carried by the said designated airline on the agreed services.

REPRESENTATION AND PERSONNEL

- (1) For the operation of the agreed services on the specified routes, the designated airline of each Contracting Party shall have the right, on the reciprocal basis, to set up representation at the point(s) on the specified routes within the territory of the other Contracting Party.
- (2) The staff members of the representation of the designated airline 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 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 12

CUSTOMS CHARGES AND PROCEDURES

- (1) When an aircraft operated on the agreed services by the designated airline of one Contracting Party arrives in the territory of the other Contracting Party, the said aircraft and its 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 reciprocally to the fullest extent possible under that Contracting Party's national law and EU law, from all customs duties, import taxes, inspection fees and other similar fees and charges, 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 reciprocally to the fullest extent possible under that Contracting Party's national law and EU law from all customs duties, import 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) carried into the territory of the other Contracting Party and intended for use on aircraft operated at the agreed services by the designated airline, 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 the other Contracting Party for the maintenance or repair of aircraft operated on the agreed services by the designated airline.
- (3) 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.
- (4) The exemption provided for in paragraphs (1) and (2) of the Article shall also be available where a designated airline of one Contracting Party has contracted with other airline(s), which similarly enjoy(s) 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 paragraphs (1) and (2) of this Article.
- (5) Publicity materials introduced by the designated airline of one Contracting Party into the territory of the other Contracting Party, shall be exempt reciprocally to the fullest extent possible under each Contracting Party's national law and EU law from all customs duties, import taxes, inspection fees and other similar fees and charges.
- (6) Baggage, cargo and mail in direct transit shall be exempt reciprocally to the fullest extent possible under each Contracting Party's national law and EU law from all customs duties, import taxes, inspection fees and other similar fees and charges with the exception of the charges corresponding to the services provided.

ARTICLE 13

CONVERSION AND REMITTANCE OF REVENUE

- (1) All the accounts between the designated airlines shall be done in convertible currency.
- (2) Each Contracting Party shall grant to the airlines designated by the other Contracting Party permission to transfer in accordance with the rules and regulations existing with regard to currency exchange control, the profit arising in respect of its operation of the agreed services in the territory of the other Contracting Party.

AVIATION SECURITY

- (1) In accordance with international law, the Contracting Parties reaffirm that their obligation to protect, in their mutual relationship, the security of civil aviation against acts of unlawful interference forms an integral part of this Agreement.
- (2) The Contracting Parties shall provide upon request all necessary assistance to each other to prevent acts of unlawful seizure of aircraft and other unlawful acts against the safety of passengers, crew, aircraft, airports and air navigation facilities and any other threat to aviation security.
- (3) The Contracting Parties shall act in full 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, and relevant amendments and all other international instruments in the same field which may be ratified in the future by the Contracting Parties.
- (4) The Contracting Parties, in their mutual relations, shall act in conformity with the aviation security provisions established by the International Civil Aviation Organisation and designated as Annexes to the Convention to the extent that such security provisions are applied by the Contracting Parties; they shall require that operators of aircraft of their registry or operators 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.
- (5) Each Contracting Party agrees to observe the security provisions required by the other Contracting Party for entry into the territory of that other Contracting Party and to take adequate measures to protect aircraft and to inspect passengers, crew, their carry-on items as well as cargo and aircraft stores prior to and during boarding or loading. Each Contracting Party shall also give positive consideration to any request from the other Contracting Party for special security measures to meet a particular threat.
- (6) When an incident or threat of an incident of unlawful seizure of aircraft or other unlawful acts against the safety of passengers, crew, aircraft, airports and air navigation facilities occurs, the Contracting Parties shall assist each other by facilitating communications and such other appropriate measures as may be agreed intended to terminate rapidly and safely such incident or threat thereof.

(7) When a Contracting Party has reasonable grounds to believe that the other Contracting Party has departed from the aviation security provisions of this Article, the aeronautical authorities of that Contracting Party may request immediate consultations with the aeronautical authorities of the other Contracting Party. Failure to reach a satisfactory Agreement within thirty (30) days from the date of such request will constitute grounds to withhold, revoke, limit or impose conditions on the operating authorisation or technical permission of an airline or airlines of the other Contracting Party. When required by an emergency, a Contracting Party may take interim action prior to the expiry of thirty (30) days.

ARTICLE 15

RECOGNITION OF CERTIFICATES AND LICENCES

- (1) Certificates of airworthiness, certificates of competency, air operator's certificates and licences issued or rendered valid by one of the Contracting Parties shall, during the period of their validity, be recognised as valid by the other Contracting Party for the purpose of operating the agreed services on the specified routes, provided that the requirements under which such certificates or licences were issued or rendered valid are equal to or above the minimum standards established or which may be established from time to time pursuant to the Convention.
- (2) Each Contracting Party reserves the right, however, to refuse to recognise as valid, for the purpose of flights over its own territory, certificates of competency, air operator's certificates and licences granted to or rendered valid for its own nationals by the other Contracting Party or by any other State.

ARTICLE 16

CONSULTATION

- The Contracting Parties shall, in the spirit of close co-operation and mutual support, ensure the correct implementation of and satisfactory compliance with the provisions of this 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 this 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.
- (3) If any provision of the Agreement conflicts with an obligation which either Contracting Party

may have towards a third Party, both Contracting Parties shall enter into consultations to amend the Agreement in order to resolve any such conflict as soon as possible.

ARTICLE 17

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 this instance settle the dispute by negotiation.
- (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 18

AMENDMENT AND MODIFICATION

- (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 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) The consultation referred to in paragraph (1) of this Article may also be held between the aeronautical authorities of the Contracting Parties.
- (3) Any amendment to this Agreement or its Annex shall come into force when it has been confirmed by an exchange of notes through diplomatic channels.

ARTICLE 19

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.

REGISTRATION

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

ARTICLE 21

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 22

ENTRY INTO FORCE

Each Party shall notify the other in writing through diplomatic channels that the constitutional and legislative procedures required to give effect to the Agreement in their respective countries have been fulfilled. The Agreement shall enter into force thirty days after the date of the last of these notifications.

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

Done in Beijing on 14 September, 1998, in duplicate in the Chinese and English languages, all texts being equally authentic.

FOR THE GOVERNMENT FOR THE PEOPLE'S REPUBLIC OF CHINA FOR THE GOVERNMENT OF IRELAND

<u>ANNEX</u>

ROUTE SCHEDULE

(1) 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:

Any points in China - intermediate point(s) to be specified - Dublin and Shannon - beyond point(s) to be agreed upon.

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

Any points in Ireland - intermediate point(s) to be specified - Beijing and Shenzhen - beyond point(s) to be agreed upon.

(3) The designated airline of either Contracting Party may omit at 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.