

CIVIL AIR TRANSPORT AGREEMENT
BETWEEN THE GOVERNMENT OF THE
PEOPLE'S REPUBLIC OF CHINA AND
THE GOVERNMENT OF THE FEDERAL
REPUBLIC OF GERMANY

The Government of People's Republic of China and the Government of the Federal Republic of Germany, with a view to facilitating friendly contacts between the peoples of China and Federal Republic of Germany and developing the mutual relations between the two countries in respect of air transportation, in accordance with the principles of mutual respect for independence and sovereignty, non-interference in each other's internal affairs, equality and mutual benefit as well as friendly cooperation,

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

Article 1

1. Each Contracting Party grants to the other Contracting Party the right to operate scheduled air services (hereinafter referred to as "the agreed services") on the route to be agreed upon and confirmed by an exchange of diplomatic notes between the two Contracting Parties (the route and diplomatic notes shall hereinafter be respectively referred to as "the specified route" and "the Exchange of Notes on Route Schedule").
2. Subject to the provisions of the present Agreement, aircraft of the airline designated by each Contracting Party (hereinafter referred to as "the designated airline") operating on the agreed services over the specified route shall have the right to make stops at the point on the specified route in the territory of the other Contracting Party for the purpose of putting down or taking on international traffic in passengers, baggage, cargo and mail coming from or destined for the territory of the first Contracting Party as well as that coming from or destined for the intermediate points between the territories of the two Contracting Parties.
3. Each Contracting Party shall notify the other Contracting Parties not later than sixty days in advance of the date of the commencement of operation of the agreed services by its designated airline.

Article 2

1. Each Contracting Party shall have the right to designate one airline to operate the agreed services on the route specified by the Exchange of Notes on Route Schedule and shall notify the other Contracting Party of such designation through diplomatic channels.
2. The substantial ownership and effective control of the airline designated by each Contracting Party shall remain vested in such Contracting Party or its citizens.
3. On receipt of such notification, the other Contracting Party shall, subject to the provisions of

paragraph 2 of this Article, grant without delay to designated airline of the first Contracting Party the appropriate operation permission.

4. The airline designated and authorized in accordance with the provisions of paragraphs 1, 2 and 3 of this Article may begin to operate the agreed services provided that tariffs established in accordance with the provisions of Article 8 of the present Agreement are in force in respect of those services.

Article 3

1. Each Contracting Party shall have the right to revoke the operating permission already granted to the designated airline of the other Contracting Party, or to suspend the exercise of the rights specified in Article 1 of the present Agreement by the said airline, or to impose such conditions as it may deem necessary on the exercise of these rights, in case:
 - a) where it is not satisfied that the substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or its citizens; or
 - b) where that airline fails to comply with the laws and regulations of the first Contracting Party; or
 - c) where that airline otherwise fails to operate in accordance with the conditions prescribed under the present Agreement.
2. Unless immediate revocation, suspension or imposition of conditions mentioned in paragraph 1 of this Article is essential to prevent further infringements of laws and regulations, such right shall be exercised only after consultation with the other Contracting Party.

Article 4

The laws and regulations of either Contracting Party relating to the admission to, stay in, departure from and operation in its territory of aircraft engaged in the operation of international air services as well as the laws and regulations relating to the admission to, stay in, departure from its territory of passengers, crew, baggage, cargo and mail shall be applicable to the aircraft of the airline designated by the other Contracting Party, its crew as well as the passengers, baggage, cargo and mail carried by such aircraft, while in the territory of the first Contracting Party. Each Contracting Party shall supply the other Contracting Party information relevant to the above-mentioned laws and regulations in time.

Article 5

1. Aircraft operated on the agreed services by the designated airline of the either Contracting Party, as well as the regular equipment, spare parts, supplies of fuel and lubricants and aircraft stores (including food, beverages and tobacco) retained on board such aircraft shall be exempt from all customs duties applicable to the importation, exportation or transit of goods, inspection fees and other similar charges on arrival in and departure from the territory of the other Contracting Party, provided that such equipment and supplies remain on board the aircraft up to such time as they are re-exported or are used on part of the journey performed over that territory;
2. There shall also be exempt from the same duties, inspection fees and similar charges, with the exception of charges corresponding to the service performed:
 - a) aircraft stores taken on board in the territory of the either Contracting Party within limits

- fixed by the authorities of the said Contracting Party, and for use on board outbound aircraft engaged in the agreed services operated by the designated airline of the other Contracting Party;
- b) aircraft spare parts, regular equipment and stores temporarily brought into the territory of either Contracting Party for use in the operation of the agreed services by the designated airline of the other Contracting Party;
 - c) fuel and lubricants destined to supply outbound aircraft operated on the agreed services by the designated airline of the other Contracting Party, even when these 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. The regular airborne equipment, as well as the materials and supplies retained on board the aircraft of the designated airline of either Contracting Party as well as those temporarily brought into the territory of the other Contracting Party may be unloaded in the territory of the other Contracting Party only with the approval by the customs authorities of the other Contracting Party. In such case, they shall be placed under the supervision of the said authorities and shall not be sold or used for other purposes in the above territory until such time as they are re-exported or otherwise disposed of in accordance with customs regulations.

Article 6

1. Each Contracting Party shall designate in its territory regular airport and alternate airport to be used by the designated airline of the other Contracting Party for the operation of the specified route, and provide the latter with communications, navigational, meteorological and other auxiliary services in its territory as are required for the operation of the agreed services. Detailed arrangements for the above shall be agreed upon between the Aeronautical Authorities of both Contracting Parties. (For the purpose of the present Agreement, the term "Aeronautical Authorities" means, in case of China, the General Administration of Civil Aviation of China, and in case of the Federal Republic of Germany, the Federal Minister of Transport.)
2. The designated airline of one Contracting Party shall be charged for the use of airport(s), equipment, technical services and air navigational facilities 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 normally paid by airlines of the other States.

Article 7

1. The designated airlines of both Contracting Parties shall have fair and equal opportunities in operating 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 which the latter provides on the whole or part of the same route.
3. Matters relating to the operation of the specified routes such as frequency, type of aircraft, timetable, sales representation and ground handling shall be agreed upon through discussion between the designated airlines of both Contracting Parties. Frequencies, type of aircraft as well as timetable so agreed shall be subject to the approval of their respective Aeronautical Authorities.

4. The agreed services provided by the designated airlines of both Contracting Parties shall satisfy the current and anticipated requirements for the carriage of passengers, baggage, cargo and mail coming from or destined for the territory of the Contracting Party which has designated the airline. Provision for the carriage of passengers, baggage, cargo and mail both taken up and put down at points on the specified routes in the territories of third countries shall be made in accordance with the general principle 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 area through which the agreed services pass, after taking account of the other air services established by airlines of the States comprising the area; and
 - c) The requirements of through airline operation.

Article 8

1. In the following paragraphs, 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 services, but excluding remuneration or conditions for the carriage of mail.
2. The tariffs to be applied on the specified on the specified routes between the territory of one Contracting Party and that of the other Contracting Party shall be agreed upon between the designated airlines of both Contracting Parties. Such tariffs shall be established at reasonable levels, due regard being paid to all relevant factors, including cost of operation, reasonable profit and the tariffs of the other airlines.
3. The tariffs so agreed shall be submitted for the approval of the respective Aeronautical Authorities at least sixty days before the proposed date of their introduction. In special cases, this period may be reduced, subject to the agreement of the said Authorities.
4. If a tariff cannot be agreed in accordance with paragraph 2 of this Article, or if, during the period applicable in accordance with paragraph 3 of this Article, the Aeronautical Authorities of one Contracting Party give the Aeronautical Authorities of the other Contracting Party notice of their disapproval of any tariff agreed in accordance with the provisions of paragraph 2, the Aeronautical Authorities of the two Contracting Parties shall endeavour to determine the tariff by mutual agreement.
5. If the Aeronautical Authorities of both Contracting Parties cannot agree on any tariff submitted to them under paragraph 3 of this Article, or on the determination of any tariff under paragraph 4 of this Article, the difference of opinion shall be settled in accordance with the provisions of Article 13 of the present Agreement.
6. A tariff established in accordance with the provisions of this Article shall remain in force until a new tariff has been established.
7. The tariff to be applied on the specified route between one Contracting Party and third countries shall be the tariffs approved by this Contracting Party and the government of the respective third country.

Article 9

The Revenue derived from the transportation of international traffic by the designated airline of

each Contracting Party in the territory of the other Contracting Party shall be permitted to be transferred, at the official rate of exchange, by the other Contracting Party.

Wherever the payments system between the Contracting Parties is governed by a special agreement, that agreement shall apply.

Article 10

1. For the operation of the specified route, the designated airline of each Contracting Party shall have the right to set up its representative office at the point of call on the specified route in the territory of the other Contracting Party. The staff of such representative office shall be subject to the approval of the other Contracting Party and the number of staff shall be agreed upon through discussion between the designated airlines of both Contracting Parties, and shall be subject to the approval of the Aeronautical Authorities of both Contracting Parties. The staff of such representative office must observe the laws and regulations in the country where such office is located.
2. Each Contracting Party shall extend assistance and convenience to the representative office and its staff members of the designated airline of the other Contracting Party and ensure their safety.
3. Each Contracting Party shall endeavour to ensure the safety of the aircraft, stores and other properties in its territory used on the agreed services by the designated airline of the other Contracting Party.
4. The crew members of the designated airline of either Contracting Party flying on the specified route shall be citizens of such Contracting Party. In case where the designated airline of each Contracting Party desires to utilize crew members of other nationalities for the operation on the specified route, approval shall be obtained from the other Contracting Party.

Article 11

1. Should an aircraft of the designated airline of one Contracting Party experience an accident or be in distress in the territory of the other Contracting Party, the other Contracting Party shall instruct its appropriate authorities to immediately inform the Aeronautical Authorities of the first Contracting Party and provide necessary assistance to the crew and passengers on board the aircraft.
2. In case where the accident involves death or serious injury of persons or serious damage to aircraft, the other Contracting Party shall instruct its appropriate authorities to take further the following measures:
 - a) immediately provide search and rescue operation;
 - b) protect evidences and secure the safety of the aircraft and its contents;
 - c) carry out investigation into the accident;
 - d) permit the observers of the first Contracting Party access to the aircraft and to be present in the investigation;
 - e) release the aircraft and its contents as soon as they are no longer necessary for the investigation;
 - f) communicate in writing to the Aeronautical Authorities of the first Contracting Party the result of the investigation.

Article 12

In a spirit of close co-operation, exchange of views shall take place from time to time between the two Contracting Parties, with a view to ensuring the implementation of, and satisfactory compliance with the provisions of the present Agreement and the Exchange of Notes on Route Schedule.

Article 13

If any dispute arises between the Contracting Parties relating to the interpretation or implementation of the present Agreement, the Contracting Parties shall in the first place instruct their respective Aeronautical Authorities to settle it by negotiation. If the said Authorities fail to reach an agreement, each Contracting Party may request consultation with the other Contracting Party. Such consultation shall begin within a period of sixty days from the date of the request.

Article 14

If either of the Contracting Parties considers it desirable to modify or amend any provision of the present Agreement, it may request consultation with the other Contracting Party. Such consultation shall begin within a period of sixty days from the date of request. Modifications and amendments so agreed upon shall come into force after the two Contracting Parties have notified each other that their respective internal procedures to make the modifications or amendments effective have been fulfilled.

Article 15

1. The present Agreement shall come into force after both Contracting Parties have respectively completed their legal or constitutional formalities and notified each other to this effect through exchange of diplomatic notes.
2. Either Contracting Party may at any time give notice to the other Contracting Party of its decision to terminate the present Agreement. The present Agreement shall then terminate twelve) months after the date of receipt of the notice by the other Contracting Party. If the above notice is withdrawn before the expiry of this period, the present Agreement shall continue to be in force with the concurrence of the other Contracting Party.

Done in Peking on this thirty-first day of October, 1975, in duplicate in the Chinese, German and English languages, the three texts being equally authentic. In case of any diversion in interpretation, the English text shall prevail.

For the Government of the
People's Republic of China

For the Government of the
Federal Republic of Germany