

**AGREEMENT BETWEEN THE GOVERNMENT OF
THE PEOPLE'S REPUBLIC OF CHINA AND THE
GOVERNMENT OF THE ITALIAN REPUBLIC
RELATING TO CIVIL AIR TRANSPORT**

The Government of the People's Republic of China and the Government of the Italian Republic, with a view to facilitating the friendly contacts between the peoples of China and Italy 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, and with regard to the establishment of scheduled air services between and beyond their respective territories,

Have agreed as follows:

Article I

For the purpose of the present Agreement:

1. the term "Aeronautical Authorities" means, in the case of the People's republic of China, the General Administration of Civil Aviation of China, and, in the case of the Republic of Italy, the "Ministero dei Trasporti e dell'Aviazione Civile- Direzione Generale dell'Aviazione Civile", or in both cases, any authorities or body authorized to perform the functions at present exercised by the above-mentioned authorities;
2. the term "designated airline" means an airline which one Contracting Party shall have designated, by written notification to the other Contracting Party, in accordance with Article III of the present Agreement, for the operation of the agreed air services on the route specified in the Annex I to the present Agreement;
3. the term "air service" means any scheduled air service performed by aircraft for the public transport of passengers, mail or cargo;
4. the term "international air service" means an air service which passes through the airspace over the territory of more than one State;
5. the term "airline" means any air transport enterprise offering or operating an international air service;
6. the term "stop for non-traffic purposes" means a landing for any purpose other than taking on or discharging passengers, cargo or mail.

Article II

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 specified in the Annex I to this Agreement, hereinafter referred to as "the specified route", for carriage of international passengers, baggage, cargo and mail.
2. Subject to the provisions of the present Agreement the designated airline of each Contracting Party, while operating the agreed services on the specified route, shall enjoy the following rights:
 - a) to fly without landing across the territory of the other Contracting Party, subject to the approval of the seasonal schedules by the Aeronautical Authorities of the other Contracting Party;
 - b) to land in the territory of the other Contracting Party for non-traffic purposes;
 - c) to make stops in the territory of the other Contracting Party at the points on the specified route in the Annex I to the present Agreement, for the purpose of putting down and taking on international traffic in passengers, baggage, cargo and mail coming from or destined to the territory of the other Contracting Party or of a third country.
3. The designated airline of each Contracting Party shall not enjoy the right to take up at one point in the territory of the other Contracting Party revenue passengers, baggage, cargo and mail traffic destined to another point in the same territory.
4. Each Contracting Party shall notify the other Contracting Party at least sixty days in advance of the inauguration of its agreed services on the specified route. The date of starting of services shall be agreed upon between the two designated airlines subject to the approval of the Aeronautical Authorities of the two Contracting Parties.
5. The designated airline of each Contracting Party may operate special flights between the territories of both Contracting Parties provided that a request of at least five days before such flights is served to the other Contracting Party and the flights can be made only after permission is obtained through diplomatic channels.

Article III

1. The Government of the People's Republic of China and the Government of the Italian Republic shall designate, through diplomatic channels, the airlines to operate their respective agreed services on the specified routes.
2. The substantial ownership and effective control of the airline designated by each Contracting Party shall remain vested in such Contracting Party.
3. Each Contracting Party shall have the right to suspend the exercise of the rights specified in Article II of the present Agreement by the airline designated by the other Contracting Party, in case of failure by that airline to comply with the laws and regulations of the first Contracting Party, or of failure to operate in accordance with the conditions prescribed under the present Agreement and its Annex I. However, under normal circumstances, such right shall be exercised only after consultation with the other Contracting Party and this consultation shall commence within sixty days from the date of the request.

Article IV

1. The designated airlines of the two Contracting Parties shall have fair and equal opportunity in operating the agreed services on the specified routes.
2. Matters relating to time-tables, conditions of carriage, sales representation, ground handling, etc. in the operation of the specified routes shall be agreed upon through consultation between the two designated airlines of both Contracting Parties and shall be subject to the approval of their respective Aeronautical Authorities. Time-tables prepared by the designated airline of each Contracting Party including routes, type of services shall be submitted at least thirty days before their introduction to the Aeronautical Authorities of the other Contracting Party for approval through the designated airline of the latter Contracting Party.
3. The airline designated by each Contracting Party shall have in any case the right to operate the agreed services on the specified route with any type of aircraft. The introduction of supersonic aircraft shall be subject to agreement between the two designated airlines to be approved by the Aeronautical Authorities of the two Contracting Parties.

Article V

1. 1. The tariffs applicable on the agreed services shall be established at reasonable levels, due regard being paid to all relevant factors including cost of operation, reasonable profit, characteristics of services, such as standards of speed and comfort, and where it is deemed suitable, the tariffs of other airlines for any part of the specified route.
2. These tariffs shall be fixed in accordance with the following provisions of this Article.
3. The tariffs referred to in paragraph I of this Article shall be agreed upon between the designated airlines, where it is deemed suitable, in consultation with other airlines operating over the whole or part of that route.
4. Any tariff so agreed shall be submitted for approval to the Aeronautical Authorities of both Contracting Parties at least thirty days prior to the proposed date of their introduction. This period may be reduced in special cases if the Aeronautical Authorities so agree.
5. In the event of disagreement between the designated airlines concerning the tariffs, the Aeronautical Authorities of the Contracting Parties shall endeavour to determine them by agreement between themselves.
6. If the Aeronautical Authorities cannot agree on the approval of any tariff submitted to them under paragraph 3 of this Article or on the determination of any tariff under paragraph 4, the dispute shall be settled in accordance with the provisions of Article XIII of the present Agreement.
7. No tariff shall come into force if the Aeronautical Authorities of either Contracting Party disagree with it.
8. When tariffs have been established in accordance with the provisions of this Article, these tariffs shall remain in force until new tariffs have been established in the same manner.

Article VI

Each Contracting Party shall designate in its territory the airports and alternate airports 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.

Article VII

1. The laws and regulations of either Contracting Party relating to the admission to, stay in, departure from and navigation in its territory of aircraft engaged in the operation of international air services shall be applicable to the aircraft of the designated airline of the other Contracting Party.
2. The laws and regulations of each Contracting Party relating to the admission to, stay in and departure from its territory of passengers, crew, baggage, cargo and mail carried by aircraft shall be applicable to passengers, crew, baggage, cargo and mail carried by the aircraft of the airline designated by the other Contracting Party, while in the territory of the first Contracting Party.

Article VIII

1. The aircraft of the airline designated by one Contracting Party, engaged in operating the agreed services, shall be admitted into and out of the territory of the other Contracting Party free from customs duties, inspection fees and any other duties or taxes.
2. Fuel, lubricants, aircraft stores, spare parts and the regular airborne equipment on board the aircraft of the designated airline of one Contracting Party shall be admitted into and out of the territory of the other Contracting Party free from customs duties, inspection fees and any other duties and taxes. Goods so exempted may not be unloaded except with the approval of the customs Authorities of the other Contracting Party.
3. Fuel, lubricants, aircraft stores, spare parts and the regular airborne equipment introduced into the territory of one Contracting Party and intended solely for use by aircraft of the designated airline of the other Contracting Party operating the agreed services shall be exempted from customs duties, inspection fees and any other duties and taxes.
4. Fuel and lubricants taken on board the aircraft of the designated airline of one Contracting Party in the territory of the other Contracting Party shall be exempted from customs duties, inspection fees and any other duties and taxes even though they are partially consumed during the flight over that territory. The same exemption shall apply also to spare parts, regular equipment and aircraft stores, within the limits and conditions fixed by the competent Authorities of the other Contracting Party.
5. The supplies enjoying the exemptions provided for in the preceding paragraphs shall not be used for purposes other than air services and they shall be re-exported failing their use or

consumption unless they are disposed for other purposes in the territory of the Contracting Party concerned subject to the provisions of said Contracting Party. Pending their use and disposal, they shall be kept under customs supervision and control.

6. The exemptions stated in this Article may be subject to compliance with the formalities normally applicable in the territory of the Contracting Party granting the exemptions and they are not related to charges collected as an equivalent of services rendered.

Article IX

1. For the operation of the specified route, the designated airline of each Contracting Party shall have the right on reciprocity basis to set up its offices of representative at the points of call on the specified route in the territory of the other Contracting Party. The staff of such offices of representative shall be citizens of the People's Republic of China and of the Italian Republic and the number of staff shall be agreed upon on reciprocity basis through consultation between the designated airlines of both Contracting Parties, and subject to the approval of the Aeronautical Authorities of both Contracting Parties. The staff of such offices must observe the laws and regulations in force of the country where such offices are located.
2. Each Contracting Party shall extend assistance and facilities to the offices of representative of the designated airline of the other Contracting Party.

Article X

The revenue earned by the designated airline of each Contracting Party in the territory of the other Contracting Party shall be permitted to be transferred.

Article XI

1. The aircraft of the designated airline of each Contracting Party operating on the specified route shall bear its nationality and registration marks and carry on board the following documents:
 - 1) certificate of registration;
 - 2) certificate of airworthiness;
 - 3) journey log sheet;
 - 4) aircraft radio station licence;
 - 5) licences or certificates for each member of the crew;
 - 6) list of crew members;
 - 7) list of passengers giving the places of departure and destination;
 - 8) manifest of cargo and mail.

Each Contracting Party shall recognize the validity of the above-mentioned documents issued by the other Contracting Party.

Each Contracting Party reserves the right to refuse to recognize, for the purpose of flight over its

own territory, the certificates of competency and licences, granted to its own citizens by the other Contracting Party or by a third country.

2. The crew members of the designated airline of either Contracting Party flying on the specified route shall be citizens of its respective country.

As far as cabin crew is concerned, citizens of third countries may be employed subject to the approval of a list of names to be submitted to the other Contracting Party.

Article XII

In case the aircraft of the designated airline of one Contracting Party is in distress or meets an accident in the territory of the other Contracting Party, the latter Contracting Party shall instruct the Authorities concerned to:

- 1) render assistance to the passengers and crew;
- 2) inform without delay the first Contracting Party of the accident;
- 3) provide all security measures for the aircraft and its contents;
- 4) carry out investigation into the accident;
- 5) provide the observers of the first Contracting Party access to the aircraft and provide them with all the facilities;
- 6) give clearance to the aircraft and its contents as soon as they are no longer necessary for the investigation;
- 7) communicate in writing to the first Contracting Party the results of the technical investigation.

The expenses incurred for the activities mentioned above shall be borne by the party in whose territory the accident has occurred.

Article XIII

Both Contracting Parties shall ensure the correct implementation of the present Agreement in a spirit of close cooperation and mutual support. If any difference of opinion arises in respect of the interpretation or implementation of this Agreement, the Aeronautical Authorities of both Contracting Parties shall endeavour to settle it directly through consultation in a spirit of friendly cooperation and mutual understanding.

If agreement still cannot be reached, the Contracting Parties shall settle it through diplomatic channels.

Article XIV

If either of the Contracting Parties considers it desirable to modify or amend any provision of this Agreement, it may at any time request consultation with the other Contracting Party and such consultation shall begin within a period of sixty days from the date of the receipt of the suggestion by the other Contracting Party.

Any modification or amendment to this Agreement shall come into force when they have been confirmed through exchange of diplomatic notes between the two Contracting Parties.

Modifications to the routes specified in the Annex I as well as to Annex II to the present Agreement may be made by direct agreement between the Aeronautical Authorities of the Contracting Parties.

Article XV

Either Contracting Party may at any time give notice to the other Contracting Party of its desire to terminate this Agreement. The 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, this Agreement shall continue to be in force with the concurrence of the other Contracting Party.

Article XVI

The present Agreement shall come into force after both Contracting Parties have respectively fulfilled their legal formalities and notified each other to this effect through exchange of diplomatic notes.

Signed at Peking on this eighth day of January, 1973, in duplicate in the Chinese, Italian and English languages, all three texts being equally authentic.

For the Government of
the People's Republic
of China

For the Government of
the Italian Republic

ANNEX I

I. Routes

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

Points in China -- Karachi or Rawalpindi or Kandahar -- Teheran -- Ankara or Istanbul -- Bucharest or Belgrade -- Tirana -- Athens -- Cairo -- Rome and/or Milan -- Paris -- Points in other third countries in Europe

2. The route of the agreed services operated by the designated airline of the Government of the Italian Republic shall be as follows in both directions:

Points in Italy -- Bucharest or Belgrade -- Athens -- Istanbul or Ankara -- Cairo or Beirut -- Teheran -- Karachi -- New Delhi or Bombay -- Colombo -- Rangoon -- Shanghai and/or Peking -- Tokyo -- Points in other third countries in Asia

II. Frequencies of Flights

The designated airline of either Contracting Party shall have the right to operate three flights per week (mixed or cargo) on the specified route. Where it is deemed desirable to operate additional frequencies, agreement shall be reached through consultation between the Aeronautical Authorities of both Contracting Parties.

III. Right of Omission

Point or points in third countries on the specified routes may, at the opinion of the designated airlines, be omitted on any or all flights.

IV. Traffic Rights

The designated airline of each Contracting Party shall have the right to carry between all the points of call on the specified route on the one hand and the territory of the other Contracting Party on the other traffic in passengers, baggage, cargo and mail.

V. Additional Flights

In case the designated airline of each Contracting Party desires to operate additional flights on the

specified route, it shall submit request five days prior to each flight to the Aeronautical Authorities of the other Contracting Party and the flights can be operated only after permission has been obtained.

ANNEX II

RELATING TO THE MUTUAL PROVISION OF

NAVIGATIONAL, COMMUNICATIONS,

METEOROLOGICAL AND OTHER

AUXILIARY SERVICES

In pursuance of the provisions set forth in Article VI of the Agreement between the Government of the People's Republic of China and the Government of the Italian Republic relating to Civil Air Transport, and with respect to the mutual provision of navigational, communications, meteorological and other auxiliary services, both Contracting Parties have agreed as follows:

I. Aeronautical Information Services

1. The relevant Authorities of either Contracting Party shall provide the designated airline of the other Contracting Party the following aeronautical information necessary for the operation of the aircraft on the agreed services in the territory of the first Contracting Party:
 - 1) information on the air route;
 - 2) information on the airports of call and their alternates;
 - 3) information on radio communications and navigational facilities;
 - 4) rules of flight.

Alterations or additions to the above-mentioned information, if any, shall be sent in time to the designated airline of the other Contracting Party in the form of NOTAM. Urgent NOTAM shall be transmitted by means of telecommunication service (teletype or radioteletype etc.) and where necessary by radio directly to the aircraft concerned of the designated airline of the other Contracting Party and later on confirmed in writing.

Aeronautical information and NOTAMs shall be made available in English. NOTAM code of the international usage shall be used in the transmission of NOTAMs.

II. Meteorological Services

1. For the aircraft of the designated airline of one Contracting Party flying from its own country to the territory of the other Contracting Party on the specified route, the relevant Authorities of the other Contracting Party undertakes to provide the following meteorological information in its own territory to the relevant Authorities of the first Contracting Party three

hours before the departure of such aircraft from the last point of call outside the territory of the other Contracting Party:

- 1) weather forecast and weather report of the aerodrome of destination;
- 2) route weather forecast from the boundary line to the aerodrome of destination;
- 3) weather forecast and weather report of alternates.

The relevant Authorities of the other Contracting Party shall communicate to the aircraft SIGMET information, if any, occurring during its flight in the territory of the other Contracting Party.

2. For the aircraft of the designated airline of one Contracting Party departing from the territory of the other Contracting Party on the specified route, the relevant authorities of the latter shall do its best to provide to the first Contracting Party three hours before the departure of such aircraft the following meteorological information till the first airport of destination:

- 1) weather forecast and weather report of aerodrome of departure;
- 2) route weather forecast from aerodrome of departure to the boundary line;
- 3) weather forecast and weather report of alternates.

The relevant Authorities of the other Contracting Party shall communicate to the aircraft SIGMET information, if any, occurring during its flight in the territory of the other Contracting Party.

3. Plain language in English or international meteorological code currently in use shall be adopted by the relevant Authorities of both Contracting Parties in the preparation of the meteorological information.
4. The supply of weather forecast and weather report in a third country for aircraft of the designated airline of one Contracting Party in transit of such third country shall be taken up, as necessary, by the relevant Authorities of said Contracting Party with the appropriate authorities of such third country. The relevant Authorities of the other Contracting Party shall be responsible for the transmission of such meteorological information.
5. Prior to the departure of each flight the meteorological office at the aerodrome of departure shall provide meteorological briefing and a flight forecast folder to the pilot-in-command or his representative. After completion of the flight the folder shall be kept properly for surrender to the issuing office at regular intervals.

III. Air Traffic Control

1. The crew members of the aircraft of the designated airline of one Contracting Party flying the specified route shall be fully conversant and strictly compliant with the air traffic control procedures established by the relevant Authorities of the other Contracting Party.
2. Prior to departure the pilot-in-command or his representative shall file a flight plan to be approved by the air traffic control service of aerodrome of departure, and the flight should proceed according to the approved flight plan. Deviation from the flight plan will be allowed only after clearance has been obtained from the air traffic control service concerned; in emergency where immediate deviation from the flight plan is required and there is no enough time for obtaining clearance from the air traffic control service concerned, the pilot-in-command shall have the right to deviate from the flight plan and concurrently notify the air traffic control service concerned of such deviation. The air traffic control service concerned shall do its best to cooperate with the pilot-in-command who, however, shall be

responsible for any consequence arising therefrom.

3. Prior to each flight, the air traffic control service of each Contracting Party shall brief the crew members of the aircraft with the available information on the aerodrome of departure, aerodrome of first destination and alternates along the specified route, including radio communications and navigation facilities and others as may be required for the safe conduct of the flight.
4. The air traffic control service of one Contracting Party shall issue to the aircraft of the designated airline of the other Contracting Party instructions necessary for the safety and regularity of such flight when the aircraft is in its territory. Subject to the provisions set out in Article III of this Annex II the designated airline of the Government of the People's Republic of China in the operation of its air services over the territory of Italy shall follow the routes in controlled air space listed hereunder:
 - 1) Inbound route to Rome Fiumicino Airport from east
UA 14/G (40 ° 04 N 19 ° 00 E)--Brindisi -- Teano -- Frosinone -- Cam- pagnano -- Fiumicino
 - 2) Inbound route to Rome Fiumicino Airport from west
Monte Bianco -- Torino -- Genova -- Firenze -- Bolsena -- Cam- pagnano -- Fiumicino
 - 3) East bound route from Rome Fiumicino Airport
Ponza -- Sorrento -- Brindisi- UA14/G (40 ° 04 N 19 ° 00 E)
 - 4) West bound route from Rome Fiumicino Airport
Giglio -- Elba -- Torino -- Monte Bianco
 - 5) Route from Rome Fiumicino Airport to Milano Malpensa
Giglio -- Elba -- Genova -- Voghera -- Malpensa
 - 6) Inbound route to Milano Malpensa Airport from west
Monte Bianco -- Torino -- Voghera -- Malpensa
 - 7) West bound route from Milano Malpensa Airport
Romagnano -- UB4/E -- ST. Prex
 - 8) Route from Milano Malpensa Airport to Rome Fiumicino Airport
Saronno -- Trezzo -- Parma -- Firenze -- Bolsena -- Campagnano -- Fiumicino
 - 9) Inbound route to Milano Malpensa Airport from east
UA14/G (40 ° 04 N 19 ° 00 E) -- Brindisi -- Ancona -- Firenze -- G7A -- Genova -- Voghera -- Malpensa
 - 10) East bound route from Milano Malpensa
Saronno -- Trezzo -- Parma -- G7A -- Firenze -- Ancona -- Brindisi -- UA14/G (40 ° 04 N 19 ° 00 E)

Subject to the provisions set out in Article III of this Annex II the designated airline of the Government of the Italian Republic in the operation of its air services over the territory of China shall follow the routes in controlled air space listed hereunder:

- 1) Route from west to Shanghai Airport and vice versa
23 ° 28 N 98 ° 53 30"E -- Lingsang -- Kunming -- Sifung -- Chiwei -- Lingli -- Wuhan -- Molingkwan -- Wusih -- Shanghai
- 2) Route from west to Peking Airport and vice versa
23 ° 28 N 98 ° 53 30"E -- Lingsang -- Kunming -- Sifung -- Chiwei -- Lingli -- Wuhan -- Molingkwan -- Wusih -- Pih sien -- Potow -- Tawangchuang -- Peking
- 3) Route from east to Shanghai Airport and vice versa

Shehshan -- Hengsha -- Lunghwa -- Shanghai

4) Route from east to Peking Airport and vice versa

Shehshan -- Hengsha -- Lunghwa -- Hungchiao -- Wusih -- Pih sien -- Potow -- Tawangchuang
--Peking

5) Route from Shanghai Airport to Peking Airport and vice versa

Wusih -- Pih sien -- Potow --Tawangchuang -- Peking

The relevant Authorities of each Contracting Party shall notify in time the relevant Authorities of the other Contracting Party of modifications to the above-listed routes over its own territory, if any, and shall indicate the routes to be followed after such modification.

IV. Radio Communications and Navigational Services

1. The procedure of the transmission of messages between the two countries for the purpose of operating the specified routes by the designated airlines of the two Contracting Parties shall be observed in accordance with the provisions set forth in Addendum 1 to this Annex II.
2. Aircraft used in the operation of the specified route by the designated airline of one Contracting Party shall be provided to the greatest possible extent with equipment fit for operation on the radio communications and navigation facilities provided by the relevant Authorities of the other Contracting Party.
3. Aircraft used in the operation of the specified route shall be equipped with necessary radio frequencies to operate on the ground radio communications and navigation facilities.
4. Pilot-in-command shall maintain a continuous two-way communication on the specified frequency with the designated air traffic control service.
5. English language and aeronautical Q Code of the international usage shall be used in the air-ground radio telephony and point-to-point radio telegraphy communication.

V. Consultation

In case of necessity for consultation on matters pertaining to the Annex II, such consultation shall be carried out between the Aeronautical Authorities of both Contracting Parties.

ADDENDUM
PROCEDURE FOR TRANSMISSION OF MESSAGES

1. In view of non-availability of direct point-to-point communication link between the relevant authorities of the two Contracting Parties, the aeronautical messages between the two Parties shall be relayed via Hong Kong.
2. The alternative point-to-point communication link between Kunming and Rangoon and the alternative point-to-point communication link between Urumuchi and Karachi can be used.
3. In case ALITALIA representative office in Rangoon desires to transmit messages to CAAC, the above-mentioned link between Kunming and Rangoon can be used. However, ALITALIA shall take up this matter with the appropriate authorities of Burma and obtain approval therefrom.
4. Format of international usage shall be used in the transmission of messages.
5. The relevant authorities of both Contracting Parties shall use Greenwich Mean time in the transmission of messages.