AIR TRANSPORT AGREEMENT BETWEEN THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA <u>AND</u> THE GOVERNMENT OF THE STATE OF QATAR

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

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

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

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

Definitions

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

- a) the term "the Convention" means the Convention of International Civil Aviation, opened for signature at Chicago on December 7, 1944, including:
 - any amendment which has entered into force under Article 94 (a) of the Convention and has been ratified by both parties, and
 - any annex or any amendment thereto adopted under Article 90 of the Convention, insofar, as such annex or amendment is effective for both Contracting Parties.
- b) the term "aeronautical authorities" means: in the case of the People's Republic of China, the Civil Aviation Administration of China and any person or body authorized to perform any functions at present exercisable by the said Administration or similar functions; and in the case of the Government of the State of Qatar, the Minister of Communication and Transport and any person or body authorized to perform any functions at present exercisable by the said Minister or similar functions.
- c) the term "designated airline" means an airline which has been designated and authorized in accordance with Article 3 of this Agreement.
- d) the term "air service", "international air service", "airline" and "Stop for non-traffic purposes" have the meanings respectively assigned to them in Article 96 of the Convention.
- e) the term "tariff" means the prices to be paid for the carriage of passengers and cargo and conditions under which those prices apply, including priced and conditions for agency and other auxiliary services but excluding remuneration and conditions for the carriage of mail.

Grant of Rights

- 1. Each Contracting Party grants to the other Contracting Party the following rights in respect of its scheduled international air services:
 - a) to fly without landing across the territory of the other Contracting Party along the air routes prescribed by the aeronautical authorities of the other Contracting Party;
 - b) to make stops for non-traffic purposes in the said territory, at points to be agreed upon between the aeronautical authorities of both Contracting Parties.
- 2. Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement for the purpose of establishing scheduled international air services on the routes specified in the appropriate section of the Route Schedule annexed to this Agreement. Such services and routes are hereinafter called "the agreed services" and "the specified routes" respectively. While operating an agreed service on a specified route, the airlines designated by each Contracting Party shall enjoy in addition to the rights specified in paragraph 1 of this Article, the right to make stops in the territory of the other contracting Party at the points specified for that route in the Route Schedule to this Agreement for the purpose of taking on board and discharging passengers and cargo including mail, in combination or separately.
- 3. Nothing in paragraph (2) of this Article shall be deemed to confer on the airline of one Contracting Party the privilege of taking on board in the territory of the other Contracting Party, passengers and cargo including mail carried for hire or reward and destined for another point in the territory of the other Contracting Party.

Designation of Airlines

- 1. Each Contracting Party shall have the right to designate in writing to the other Contracting Party one or more airlines for the purpose of operating the agreed services on the specified route.
- 2. The aeronautical authorities of one Contracting Party may require the airline designated by the other Contracting Party to satisfy them that it is qualified to fulfill the conditions prescribed under the laws and regulations normally and reasonably applied to the operation of international air services by the said authorities.
- 3. The substantial ownership and effective control of the airline designated by each Contracting Party shall remain vested in such Contracting Party or its nationals. Each Contracting Party shall have the right to refuse to grant the operating authorizations referred to in paragraph 4 of this Article, or to impose such conditions as it may deem necessary on the exercise by the designated airline of the rights specified in Article 2 of this Agreement, in any case where the said Contracting Party is not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or in its nationals.
- 4. On receipt of such designation, the other Contracting Party shall, subject to the provisions of paragraphs 2 and 3 of this Article, without delay, grant to the airline designated the appropriate operating authorization.
- 5. After an airline has been so designated and authorized, it may commence operation of the agreed service from a date to be agreed upon between the two aeronautical authorities of the Contracting Parties.

Revocation or Suspension of Operating Authorizations

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

Applicability of Entry and Clearance Regulations

- 1. The laws, regulations and procedures of one Contracting Party relating to the admission to or departure from its territory of aircraft engaged in international air navigation or to the operation and navigation of such aircraft in the said territory shall be complied with by the designated airline of the other Contracting Party upon entrance into, departure from, and while within the said territory.
- 2. The laws and regulations of each Contracting Party relating to the arrival in, or departure from its territory of passengers, crews, and cargo and in particular regulations regarding passports, customs, health and quarantine formalities shall be applicable to passengers, crews and cargo arriving in or departing from the territory of one Contracting Party carried in the aircraft of the airline designated by the other Contracting Party.
- 3. Passengers in direct transit shall be subject to no more than very simplified form of control. Baggage and freight, if in direct transit, shall be exempt from customs duties, inspection fees and other duties and charges.

Exemption from Customs and other Duties

- 1. Aircraft operated on international services by the designated airline of either Contracting Party as well as their regular equipment, spare parts, supplies of fuels and oils (including hydraulic fluids) lubricants and aircraft stores (including food, beverages and tobacco) on board such aircraft shall be exempt from all customs duties, inspection fees and other similar charges on arriving in the territory of the other Contracting Party, provided such equipment and supplies remain on board the aircraft up to such time as they are re-exported.
- 2. Supplies of fuels, oils (including hydraulic fluids), lubricants, spare parts, regular equipment and aircraft stores introduced into the territory of each contracting Party by or on behalf of the designated airline of the other Contracting Party or taken on board the aircraft operated by such designated airline and intended solely for use in the operation of international air services shall be exempt from all duties and charges, including customs duties and inspection fees imposed in the territory of the first Contracting Party even when those supplies are to be used on the parts of journey performed over the territory of the Contracting Party in which they are taken on board. The materials referred to above may be required to be kept under customs supervision or control.
- 3. The regular airborne equipment, spare parts, aircraft stores, and supplies of fuels, oils (including hydraulic fluids), and lubricants retained on board the aircraft of either Contracting Party may be unloaded in the territory of the other Contracting Party only with the approval of the customs authorities of that Contracting Party, who may require that those materials be placed under their supervision and control up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.
- 4. Airline tickets, air waybills as well as airline publicity materials and give-away items of the designated airline of either Contracting Party introduced into the territory of the other Contracting Party shall be exempt from all customs duties, inspection fees and other duties or charges.

5. office supplies, vehicles for special use at airport or vehicles for carriage of crew members between the city and airport as well as electronic booking and communication equipment including their spare parts of the representation of the designated airline of one Contracting Party in the territory of the other Contracting Party, when introduced into the said territory, shall be exempt on the basis of reciprocity from customs duties and other duties and taxes on importation.

ARTICLE 7

Principles Governing Operation of Agreed Services

- 1. There shall be fair and equal opportunity for the designated airlines of both Contracting Parties to operate the agreed serviced on the specified routes.
- 2. In operating the agreed services, the airline of each Contracting Party shall take into account the interests of the 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. Frequency, type of aircraft, schedule and other matters pertaining to the operation of the agreed services shall be agreed upon between aeronautical authorities of both Contracting Parties.
- 4. The agreed services provided by the designated airlines of the Contracting Parties shall bear 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 carry the current and reasonably anticipated requirements for the carriage of passengers and cargo including mail originating from or destined for the territory of the Contracting Party which has designated the airline. Provision for the carriage of passengers and cargo including mail both taken on board and discharged at points on the specified routes in the territories of States other than that designating the airline 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 area through which the agreed service passes, after taking account of other transport services established by airlines of the States comprising the area; and
- c) the requirements of through airline operation.
- 5. Any charges that may be imposed or permitted to be imposed by either Contracting Party for the use of its airports and air navigation facilities by the aircraft of the designated airline of the other Contracting Party engaged in scheduled international operations shall not be higher than those that would be paid by its national aircraft engaged in similar operations.

<u>Tariffs</u>

- 1. The tariffs to be charged by the airline of one Contracting Party for carriage to or from the territory of the other Contracting Party shall be established at reasonable levels, due regard being paid to all relevant factors, including cost of operation, characteristics of service, reasonable profit and tariffs of the other airlines.
- 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 whole or part of that route.
- 3. The tariffs so agreed shall be subject to the approval of the aeronautical authorities of both Contracting Parties and shall be submitted to the respective aeronautical authorities at least 60 days prior to the proposed date of introduction of these tariffs. This period can be reduced in certain cases upon agreement between the said authorities.
- 4. If the designated airlines cannot agree on any of these tariffs, the aeronautical authorities of the Contracting Parties shall try to determine the tariffs by agreement between themselves.
- 5. 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 matter shall be referred to the Contracting Parties for settlement in accordance with the provisions of Article 15 of this Agreement.

6. Pending the determination of the new tariff in accordance with the provision of this Article, the tariffs already in force shall prevail. Nevertheless, a tariff shall not be prolonged by virtue of this paragraph for more than 12 months after the date on which it otherwise would have expired.

ARTICLE 9

Commercial Activities

Each Contracting Party shall permit the designated airline of the other Contracting Party to bring and maintain in the territory of the other Contracting Party, employees and other responsible personnel for the administration, technical and operations of their air services activities in accordance with the entry, residence and employment rules and regulations of the other Contracting Party.

ARTICLE 10

Transfer of Earnings

Each Contracting Party shall grant to the designated airline of the other Contracting Party, the right of transfer of the excess of receipts over expenditure earned in the territory of the respective Contracting Party. Such remittances, however, shall be made in accordance with the foreign exchange regulations of the Contracting Party in the territory of which the revenue accrued. Such transfer shall be effected on the basis of official exchange rates or where there are no official exchange rates at the prevailing foreign exchange market rates for current payment.

Aviation Security

- 1. In accordance with their rights and obligations under 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 civil 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, singed 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, to the extent that these provisions are ratified by the Contracting Parties.
- 4. The Contracting Parties shall, in their mutual relations act in conformity with the Aviation Security Standards (except to the extent to which a Contracting Party has filed a difference thereto in accordance with the Convention on International Civil Aviation) and, so far as they are applied by them, the recommended practices established by the International Civil Aviation Organization and designated as annexes to the Convention on International Civil Aviation; and shall require that operators of aircraft of their registry, operators who have their principal place of business or permanent residence in their territory, and 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 prior to and during boarding or loading and to inspect passengers, crew, their carry-on items as well as cargo and aircraft stores prior to 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 civil aircraft or other unlawful acts against the safety of passengers, crew, aircraft, airports and other navigation facilities occurs, the Contracting Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.

ARTICLE 12

Provision of Statistics

The aeronautical authorities of one Contracting Party shall supply, to the aeronautical authorities of the other Contracting Party at their request such periodic or other statements of statistics as may be reasonably required for the purpose of reviewing the capacity provided on the agreed services by the designated airline of the First Contracting Party referred to in this Article.

ARTICLE 13

Consultations

- 1. In a spirit of close co-operation, the aeronautical authorities of Contracting Parties shall consult each other from time to time with a view to ensuring the implementation of, and satisfactory compliance with the provisions of this Agreement and shall consult when necessary to provide for modifications thereof.
- 2. Either Contracting Party may request consultation with the other Contracting Party in writing which shall begin within a period of 60 days of the date of receipt of the request, unless both Contracting Parties agree to an extension of this period.

Amendment

- 1. If either of the Contracting Parties considers it desirable to modify any provision of this Agreement including the Route Schedule, it may request consultation in accordance with Article 13 of this Agreement. Such consultations shall take place through discussion or by correspondence and shall begin within a period of 60 days from the date of receipt of the request. Modification so agreed shall come into effect when confirmed by an exchange of notes, through the diplomatic channel.
- 2. If the amendment relates to the provisions of the Agreement other than those of the annexed Route Schedule, the amendment shall be approved by each Contracting Party in accordance with its legal or constitutional procedures.
- 3. If the amendment relates only to the provisions of the annexed Route Schedule, it shall be agreed upon between the aeronautical authorities of both Contracting Parties.

ARTICLE 15

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 endeavour to settle the dispute by negotiation.
- 2. If the aeronautical authorities of the Contracting Parties fail to reach a settlement of the said dispute, it shall be settled through diplomatic channels.

Route Schedule

The Route Schedule to this Agreement shall be deemed to be part of this Agreement and all reference to the Agreement shall include reference to the Route Schedule except where otherwise expressly provided.

ARTICLE 17

Termination

Either Contracting Party may at any time give notice to the other Contracting Party of its decision to terminate this Agreement. The Agreement shall then terminate twelve (12) months after the date of receipt of the notice by the other Contracting Party, unless the notice to terminate is withdrawn by agreement before the expiry of this period.

Entry into Force

This Agreement may be applied provisionally as from the date of its signature and shall come into force on the date of exchange of diplomatic notes confirming that the Contracting Parties have completed their respective legal or constitutional procedures.

Done at Beijing on 9/4/1999 in duplicate in the Chinese, Arabic and English languages, all three texts being equally authentic. In case of divergent interpretations of the Chinese and Arabic texts, the English text shall prevail.

For the Government of the People's Republic of China

For the Government of the State of Qatar

Route Schedule

1. The route of the designated airline of the Government of the State of Qatar shall be as follows in both directions:

Points in Qatar – Bangkok and another intermediate point – Beijing and another point in China – one point in Japan and another point beyond in Asia.

- Notes: The unspecified points on the above route shall be subject to agreement between the aeronautical authorities of the two Contracting Parties.
- 2. The route of the designated airline of the Government of the People's Republic of China shall be as follows in both directions:

Points in China – two intermediate points – points in Qatar – two points beyond in Europe.

- Notes: The unspecified intermediate and beyond points on the above route shall be subject to agreement between the aeronautical authorities of the two Contracting Parties.
- 3. In the operation of the agreed services on the specified routes the designated airline of either Contracting Party shall be entitled to 5th Freedom Traffic Rights at beyond points only.
- 4. Any point(s) may, at the option of the designated airline, be omitted on any or all flights, provided the services originate and terminate in the territory of the Contracting Party designating the airline.
- 5. In case the designated airline(s) of either Contracting Party desires to operate additional flights on the specified route, it shall, under normal circumstances, submit a request to the aeronautical authorities of the other Contracting Party before the departure of the aircraft in question, and the flight can be commenced only after approval has been obtained.