

**AIR TRANSPORT AGREEMENT BETWEEN  
THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF  
CHINA AND THE GOVERNMENT OF THE ISLAMIC  
REPUBLIC OF IRAN**

**PREAMBLE**

The Government of the People's Republic of China and The Government of the Islamic Republic of Iran (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, (16/09/1323).

In order to establish and operate scheduled air services between and beyond their respective territories;

Have agreed as follows:

**ARTICLE 1  
DEFINITIONS**

For the purpose of this Agreement:

1. The term "Convention" means the Convention on International Civil Aviation, opened for signature at Chicago, on the seventh day of December 1944 (16/09/1323) and includes its amendments adopted under Article 94 of that Convention and have become effective for both Contracting Parties and the Annexes of Convention and their amendments adopted under Article 90 thereof and have become effective for both Contracting Parties.

2. The term "aeronautical authorities" means in the case of the Government of the People's Republic of China, the General Administration of Civil Aviation of China and any person or body authorized to perform any functions at present exercised by the said Administration, and in the case of Islamic Republic of Iran, the Civil Aviation Organization and any person or body authorized to perform any functions at present exercised by the said Organization.

3. The term "designated airlines" means one or more airline(s) which have been designated and authorized in accordance with the provisions of Article 3 of the present Agreement.

4. The term "capacity" in relation to an aircraft means the payload of that aircraft available on a route or section of a route, and in relation to "an agreed service" means 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.

5. The term “territory” in relation to a State means the land areas, territorial seas and internal waters and air space above them under the sovereignty of that State.

6. The term “air service”, “international air service”, “airline” and “stop for non-traffic purpose” shall have the meaning respectively assigned to them in Article 96 of the Convention.

7. The term “tariff” means the prices to be paid for the carriage of passengers, baggage, cargo and the conditions under which those prices apply, including prices and conditions for agency and other auxiliary services excluding remuneration and conditions for the carriage of mail.

8. 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 15 of this Agreement.

9. The term “Route Schedule” means the Route Schedule annexed to this Agreement or as amended in accordance with the provisions of Article 15 of this Agreement. The Route Schedule forms as integral part of this Agreement.

10. The term “specified route” means the routes specified in the Route Schedule.

11. The term “agreed service” means the air service on the routes specified in the Annex to this Agreement, for the transport of passengers, cargo and mail, separately or in combinations.

## **ARTICLE 2**

### **GRANT OF RIGHTS**

1. Each Contracting Party grants to the other Contracting Party the following rights for the conduct of scheduled international air services by the designated airline(s) of the other Contracting Party:

- a. To fly, without landing, across the territory of the other Contracting Party along the route(s) prescribed by the aeronautical authorities of the other Contracting Party;
- b. To make stops in the said territory for non-traffic purposes subject to the approval of the aeronautical authorities of the other Contracting Party; and
- c. To make stops in the said territory at points specified in the route schedule annexed to this Agreement for the purpose of putting down and taking on international traffic in passengers, cargo and mail.

2. The exercise of traffic rights in intermediate and beyond points specified in the route schedule annexed to this Agreement is subject to the negotiation and Agreement of the designated airline(s) of the Contracting Parties and approval of their competent authorities.

3. Nothing in the provisions of this Article shall be deemed to confer on the airline(s) of

one Contracting Party the right to take on, in the territory of the other Contracting Party, passengers, cargo or mail carried for remuneration or hire and destined for another point in the territory of the other Contracting Party.

4. In areas of hostilities and/or military occupation, or areas affected thereby, the operation of such services shall be subject to the approval of the respective competent authorities.

### **ARTICLE 3 DESIGNATION AND AUTHORIZATIONS**

1. Each Contracting Party shall have the right to designate by a written notification to the other Contracting Party one or more airlines for the purpose of operating the agreed services on the specified routes and to withdraw or alter, any designated airline(s).

2. On receipt of such notification referred to in paragraph (1), the competent authorities of the other Contracting Party, shall, subject to the provisions of paragraph (3) and (4) of this Article, grant without delay to the airline(s) designated, the appropriate authorization.

3. The aeronautical authorities of one Contracting party may require the airline(s) designated by the other Contracting Party to satisfy them that it is qualified to fulfill the conditions prescribed under the laws and regulations, normally applied to the operation of international air services by such authorities in conformity with the provisions of the Convention.

4. Each Contracting party shall have the right to refuse to grant the operating authorization referred to in paragraph (2) of this Article, and or to impose such conditions as it may deem necessary on the exercise by the designated airline(s) of the rights specified in Article (2) of this Agreement, in any case, where the said Contracting Party is not satisfied that substantial ownership of that airline belongs to and effective control is vested in the Contracting Party designating the airline or its nationals.

5. At any time after the receipt of authorization referred to in paragraph (2) above, the designated airline(s) may begin to operate the agreed services provided that a tariff established in accordance with the provisions of Article (12) of this Agreement is in force in respect of those services.

### **ARTICLE 4 SUSPENSION AND REVOCATION**

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 these rights:

- a. Where it is not satisfied that substantial ownership of that airline belongs to and its

effective control is vested in the Contracting Party designating the airline or its nationals;  
or

- b. In the case of failure by that airline to comply with the laws and/or regulations of the Contracting Party granting these rights, or
- c. If airline otherwise fails to operate in accordance with the provisions of this Agreement.

2. Unless immediate revocation or suspension or imposition of the conditions mentioned in paragraph (1) of this Article is essential to prevent further infringements of laws and/or regulations and/or provisions of this Agreement it shall be exercised only after consultation with the other Contracting Party. Such consultation between the aeronautical authorities shall begin as soon as possible after the request is received, unless otherwise agreed between the aeronautical authorities.

## **ARTICLE 5**

### **APPLICABILITY OF LAWS AND REGULATIONS**

1. The laws and regulations of each Contracting Party relating to entry into, stay in or departure from its territory of aircraft engaged in international air navigation as well as operation and navigation of such aircraft above or within its territory shall apply to aircraft of the designated airline(s) of the other Contracting Party, while entering into, stay in or departing from the territory of the first Contracting Party.

2. The laws and regulations of each Contracting Party governing entry into, sojourn in, and departure of passengers, crew, cargo or mail from its territory, such as formalities regarding entry, exit, emigration and immigration, as well as customs and sanitary measures shall apply to passengers, crew, cargo or mail carried by the aircraft of the designated airline(s) of the other Contracting Party while they are within the said territory.

3. Each Contracting Party shall, upon request, to provide the other Contracting Party with copies of the relevant laws and regulations referred to in this Article.

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

## **ARTICLE 6**

### **AIRLINE REPRESENTATION**

1. Each Contracting Party grants to the designated airline(s) of the other Contracting Party, on a reciprocal basis, the right to establish and maintain airline representation at the point(s) on the specified route within its territory, with commercial, technical, operational and administrative personnel as may be necessary for requirements of the designated airline(s) concerned for

providing the agreed services.

2. The designated airline(s) of each Contracting Party shall have the right to sell its own transportation in the territory of the other Contracting Party, either through its own sales office or through duly authorized agents.

3. The staff employment of the airline representation office of the designated airline(s) of each Contracting Party in the territory of the other Contracting Party shall be subject to the laws, regulations or policies of the other Contracting Party.

## **ARTICLE 7 TRANSFER OF EARNINGS**

Each Contracting Party grants to the designated airline(s) of the other Contracting Party the right of free transfer of the excess of receipts over expenditure earned in the territory in connection with the carriage of passengers, baggage and cargo by the designated airline(s) of the other Contracting Party. Such transfer shall be made in a free convertible currency at the official rate of exchange on the day the transfer is made.

## **ARTICLE 8 EXEMPTION FROM CUSTOMS AND OTHER DUTIES**

1. Aircraft of the designated airline(s) of one Contracting party operating the agreed services and its supplies of fuel, lubricating oils, hydraulic fluids, spare parts (including engines), regular equipment, and aircraft stores and other products destined for sale to passengers during the flight, on board such aircraft shall, upon arriving in or leaving the territory of the other Contracting Party, be exempted, on the basis of reciprocity, from all customs duties, taxes, inspection fees and other similar charges and fees, provided that such equipment, supplies and stores remain on board the aircraft up to the time they are re-exported.

2. Fuel, lubricating oils, hydraulic fluids taken on board in the territory of the other Contracting Party, even if to be used on part of the flight performed over the territory in which they are taken on board, spare parts (including engines), regular equipment, and aircraft stores, introduced into the territory of the other Contracting Party and intended solely for use by the aircraft of designated airline(s) operating the agreed services, shall be exempted, on the basis of reciprocity from the same customs duties, inspection fees and other charges and fees, with the exception of charges corresponding to the services provided.

3. The regular airborne equipment, as well as the materials and supplies retained on board the aircraft of the designated airline(s) of each 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. In such a case, they may be placed under the supervision of the said authorities up to such

time as they are re-exported or otherwise disposed of in accordance with customs regulations.

4. Passengers, baggage and cargo in direct transit across the territory of one Contracting Party and not leaving the area of the airport reserved for such purpose, shall only be subject to a Simplified control. Baggage and cargo shall, up to such time that they are on direct transit, be exempted from customs duties and any taxes on the basis of reciprocity with the exception of the charges corresponding to the services provided.

5. The exemption provided for in paragraph (1), (2) and (3) of this Article shall also be available, on the basis of reciprocity, where the designated airline(s) of one Contracting Party has contracted with other airline(s), which similarly enjoys such exempting in the territory of the other Contracting Party, for the loan or transfer in the territory of the other Contracting Party of the equipment and items specified in paragraph (1), (2) and (3) of this Article.

6. There shall also be exempted from all customs duties, taxes, inspection fees and other similar fees and charges on a reciprocal basis for official documents bearing the badge of the airline such as luggage tags, air tickets, airway bills, boarding cards, promotion materials and timetables introduced into the territory of either Contracting Party for the exclusive use by the designated airline of the other Contracting Party.

7. Office supplies, vehicles for office use, vehicles for special use at airport, bus-type vehicles (excluding cars) for carriage of crew members and their baggage, as well as computer reservation system and communication equipment including their space parts of the representation of the designated airline(s) of either Contracting Party shall, when introduced into the territory of the other Contracting Party, be exempt from customs duties and other duties on importation on the basis of reciprocity provided these supplies are intended for the airline's own use and do not exceed reasonable limit.

## **ARTICLE 9**

### **AIRPORT FACILITIES AND CHARGES**

1. Each Contracting Party shall designate an airport or airports in its territory for the use of the designated airline(s) of the other Contracting Party on specified routes and provide designated airline(s) of the other Contracting Party with communicative, aviation and meteorological facilities and other services necessary for the operation of agreed services.

2. Each of the Contracting Parties may receive just and reasonable charges for the use of airports and other facilities by aircraft of the designated airline(s) of the other Contracting Party provided that such airports and facilities by any airline of other States engaged in the similar international service.

## **ARTICLE 10**

## **CAPACITY REGULATION AND APPROVAL OF TIMETABLES**

1. The designated airline(s) of the Contracting Parties shall be afforded fair and equal treatment in order that they may enjoy equal opportunities in the operation of tile agreed services on the specified routes.

2. In operating the agreed services, the designated airline(s) of each Contracting Party shall take into account the interests of the airline(s) of the other Contracting Party so as not to affect unduly tile services which the latter provides on the whole or part of the same routes.

3. The agreed services provided by the designated airline(s) of the Contracting Parties shall have as their primary objective the provision, at a reasonable load factor, of capacity adequate to carry the current and reasonably anticipated requirements for carriage of passengers, cargo and mail between the territory Of the Contracting Party designating the airline(s) and the territory of the other Contracting Party.

4. The right of designated airline(s) of one Contracting Party to carry traffic between points on the specified routes which are located in the territory of the other Contracting Party and points in third countries shall be exercised in accordance with the general principles that capacity shall be related to:

(One) Traffic demand between the territories of both Contracting Parties;

(Two) Traffic demand of the area through which the agreed services passed taking into account local and regional air services; and

(Three) The requirements of through airline operation.

5. The capacity to be provided including the frequency of services and the type of aircraft to be used by the designated airlines of the Contracting Parties on the agreed services may be suggested by the designated airlines. The designated airlines shall make such suggestion after due consultations and exchange of views between themselves taking into account the principles laid down in paragraphs (1), (2) and (3) of this Article. The said capacity shall be designated and enforced upon approval of aeronautical authorities of the Contracting Parties.

6. In case Of disagreement between the designated airlines of the Contracting Parties, the issues referred to in paragraph (5) above shall be resolved by agreement between the aeronautical authorities of the two Contracting Parties. Until such agreement has been reached, the capacity provided by the designated airlines shall remain unchanged.

7. The designated airline(s) of each Contracting Party shall submit for approval to the aeronautical authorities of the other Contracting Party not later than sixty (60) days prior to the introduction of services on the specified routes, flight timetables. This shall, likewise, apply to later changes. In special cases, this time limit may be changed subject to the approval of the said authorities.

**ARTICLE 11**  
**RECONITION OF CERTIFICATES AND LICENSES**

Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one Contracting Party, and are still in force, shall be recognized as valid by the other Contracting Party for the purpose of operating the routes and services provided for in this Agreement, provided that the requirements under which such certificates and licenses were issued or rendered valid are equal to or above the minimum standards which are or may be established pursuant to the Convention. Each Contracting party reserves the right, however, to refuse to recognize, for the purpose of flights above its own territory, certificates of competency and licenses granted to its own nationals or rendered valid for them by the other Contracting Party or by any other State.

**ARTICLE 12**  
**AIR TRANSPORT TARIFFS**

1. The tariffs to be charged by the airline(s) of the Contracting Party for 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 service and the tariffs of the other airlines operating scheduled services over the whole or part of the same routes.

2. The tariffs referred to in paragraph (1) of this Article shall be established according to the following rules:

- a. When the designated airlines of both Contracting Parties are members of an international airline association with a rate-fixing machinery and a tariff resolution already exists in respect of the agreed services, the tariffs shall be agreed upon by the designated airlines of the Contracting Parties in accordance with such tariff resolution.
- b. Where either or both of the designated airlines of the Contracting Parties are not members of the same airline association or when there is no tariff resolution referred to in sub-paragraph (a) above, the designated airlines of the Contracting Parties shall agree between themselves on the tariffs to be charged in respect of the agreed services.

3. The tariffs so agreed upon in accordance with sub-paragraphs (a) and (b) above shall be submitted for the approval of the aeronautical authorities of the Contracting Parties at least sixty (60) days before the proposed date of their introduction. This time limit may be reduced, subject to the consent of the said authorities.

4. In case the designated airlines of the Contracting Parties fail to agree on the tariffs to be charged, or where a Contracting Party has not designated its airline for the-operation of the agreed services, or where during the first (30) days of the (60) days period referred to in sub-paragraph (c) of this Article, the aeronautical authorities of a Contracting Party give the aeronautical authorities



of the other Contracting Party notice of their dissatisfaction with any tariff agreed between the designated airlines of the Contracting Parties in accordance with sub-paragraphs (a) and (b) of this Article, the aeronautical authorities of the Contracting Parties shall try to reach an agreement on the appropriate tariffs to be charged. As a general rule no tariff shall be charged before the approval of the aeronautical authorities of the Contracting Parties. However, the tariff shall be deemed approved if the aeronautical authorities of either Contracting Party have not given notice of their dissatisfaction with any tariff agreed between the designated airlines during the above mentioned (30) days period.

5. The tariffs established in accordance with this Article shall remain in force until new tariffs have been established.

### **ARTICLE 13**

#### **AVIATION SECURITY**

1. The Contracting Parties reaffirm their rights and obligations under international law to each other to protect the security of civil aviation against acts of unlawful interference. Without limiting the generality of their rights and obligations under international law, the contracting Parties shall in particular act in conformity with the provisions of the Convention on Offences and Certain Other Acts Committed on Board of an Aircraft, signed at Tokyo on 14 September 1963 (23/06/1342), the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at the Hague on 16 December 1970 (25/09/1349) and the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971 (01/07/1350).

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 such aircraft, their passengers and crew, airports and air navigation facilities, and any other threat to the security of civil aviation.

3. The Contracting Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by the International Civil Aviation Organization and designated as Annexes to the Convention on International Civil Aviation to the extent that such security provisions are applicable to the Contracting Parties. Either Contracting party shall require that operators of aircraft of their registry or operators of aircraft who have their principal place of business of permanent residence in their territory and the operators of airports in their territory act in conformity with such aviation security provisions.

4. Each Contracting Party may require such operators of aircraft to observe the aviation security provisions referred to in paragraph (3) above required by the other Contracting Party for entry into, departure from, or while within its territory. Each Contracting Party shall ensure that adequate measures are effectively applied within its territory to protect the aircraft and to inspect passengers, crew, carry-on items, baggage, cargo and aircraft stores prior to and during boarding or loading. Each Contracting Party shall also give sympathetic consideration to any request from

the other Contracting Party for reasonable special security measures to meet a particular threat.

5. When a civil aircraft is unlawful seizure and/or other unlawful acts against the safety of such aircraft, their passengers and crew, airports or air navigation facilities and/or a threat in this respect occurs, the Contracting Parties shall assist each other by facilitating communications and adopting other appropriate measures intended to terminate rapidly and safely such incident or foil the said threat.

#### **ARTICLE 14 SUPPLY OF STATISTICS**

The aeronautical authorities of either Contracting Party shall supply to the aeronautical authorities of the other Contracting Party, at their request, such information and statistics relating to the traffic carried on the agreed services by the designated airline(s) to and from the territory of the other Contracting Party as may normally be prepared and submitted by the designated airline(s) to their national aeronautical authorities. Submission of any additional statistical traffic data requested by the aeronautical authorities of a Contracting Party from the aeronautical authorities of the other Contracting Party shall, be subject to negotiation and agreement between the two Contracting Parties.

#### **ARTICLE 15 CONSULTATION, MODIFICATION AND AMENDMENT**

1. In order to properly implement this Agreement, the Contracting Parties shall cooperate with each other through their aeronautical authorities and to this end the aeronautical authorities of a Contracting Party may at any time request a consultation with the aeronautical authorities of the other Contracting Party.

2. A consultation requested by the aeronautical authorities of either Contracting Party shall begin within a period of sixty (60) days from the date of receipt of the request unless otherwise agreed to.

3. Each Contracting party may, at any time which deems necessary, request the modification or amendment of the provisions of this Agreement and in this case the Contracting Parties shall negotiate in this respect within a period of sixty (60) days from the date of receipt of the negotiation request unless both Parties agreed to an extension of this period.

4. Any modification or amendment of this Agreement shall enter into force subject to the provisions of article (20) of this Agreement.

5. Notwithstanding the provisions of paragraph (4), amendment of the route schedule annexed to this Agreement may be agreed directly between the aeronautical authorities of the Contracting Parties. They shall enter into force by an exchange of diplomatic notes.

**Article 16**  
**SETTLEMENT OF DISPUTE**

1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement and its Annex(es) the Contracting parties shall in the first place endeavor to settle it 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 17**  
**TERMINATION**

Either Contracting Party may, at any time, give written notice through diplomatic channels to the other Contracting Party of its intention to terminate this Agreement. Such notice shall simultaneously be communicated to the International Civil Aviation Organization and in such case the Agreement shall be deemed to be terminated twelve (12) months after the date of receipt of the notice by the other Contracting Party, unless the notice to terminate is withdrawn by an agreement between the Contracting Parties before the expire of this period. In the absence of acknowledgment of receipt of termination notice by the other Contracting Party, the notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization.

**Article 18**  
**CONFORMITY WITH MULTILATERAL AGREEMENT OR CONVENTIONS**

Any multilateral air transport agreement or convention comes into force in respect of both Contracting Parties, this Agreement and its Annexes shall be amended by negotiation referred to in Article (15) so as to make its provisions confirm with the provisions of such agreement or convention.

**ARTICLE 19**  
**REGISTRATION**

This Agreement and all amendments thereto shall be registered with the International Civil Aviation Organization.

**ARTICLE 20**

## **ENTRY INTO FORCE**

This Agreement shall enter into force on the date of the last notification by either Contracting Party to the other Contracting Party that it has fulfilled necessary measures in accordance with its laws and regulations for the entry into force of this Agreement.

In witness whereof the undersigned plenipotentiaries being duly authorized by their respective governments, have signed this Agreement, comprising one Preamble, twenty (20) Articles and One Annex.

Done in Beijing on 30 August 2001 corresponding to 81611380 in two original copies, in the Chinese, Persian and English languages, all texts being equally authentic. In the case of any divergence of interpretation the English text shall prevail.

For the Government  
of People's Republic of CHINA

For the Government  
of the Islamic Republic IRAN

**ANNEX**

**ROUTE SCHEDULE**

1. Routes on which air services may be operated by the designated airline(s) of the People's Republic of China:

Points of Departure	Intermediate Points	Points of Destination	Points Beyond
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Points In China	any points	Tehran and one point to be specified later by the Chinese side	any points
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2. Routes on which air services may be operated by the designated airline(s) of the Islamic Republic of Iran:

Points of Departure	Intermediate Points	Points of Destination	Points Beyond
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Points In Iran	any points	Beijing and Shanghai	any points
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**NOTES**

1. Each designated airline may serve intermediate points and points beyond specified in the Annex of the present Agreement on condition that no fifth freedom traffic rights shall be exercised between these points and the territory of the other Contracting Party, unless an agreement to that effect is made between the two Contracting Parties, based on the recommendations of the designated airlines.

2. Intermediate points and points beyond on any of the specified routes may, at the option of the

designated airlines, be omitted on any or all flights.

3. Frequencies of the designated airlines shall be agreed upon between the designated airlines, subject to the approval of aeronautical authorities of the Contracting Parties.