AGREEMENT BETWEENTHE GOVERNMENT OF

THE PEOPLE'S REPUBLIC OF BANGLADESH

AND

THE GOVERNMENT OF PEOPLE'S REPUBLIC OF CHINA

RELATING TO CIVIL AIR TRANSPORT

The Government of the People's Republic of Bangladesh and the Government of the People's Republic of China (hereinafter referred to as the Contracting Parties),

With a view to facilitating the friendly contacts between the people of Bangladesh and China and developing the mutual relations between the two countries in respect 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 of scheduled air services between and beyond their respective territories as follows:

ARTICLE 1

For the purpose of the present Agreement;

- (a) The term "Civil Aeronautical Authorities" means, in the case of the People's Republic of Bangladesh, the Director General of Civil Aviation, and in the case of the People's Republic of China, the General Administration of Civil Aviation of China, or in both cases, any authorities or body authorized to perform the functions presently exercised by the said Authorities;
- (b) The term "designated airline" means an airline which has been designated and authorized in accordance with the provisions of Article 3 of the present Agreement:
- (c) The term "air service" means any scheduled air service performed by aircraft for the public transport of passengers, baggage, cargo and mail;
- (d) The term "international air services" means an air services which passes through the air space over the territory of more than one State;
- (e) The term "airline" means any air transport enterprise operating international air services;
- (f) The term "stop for non-traffic purposes" means a technical stop for any purpose other than taking on or discharging passengers, baggage, cargo or mail;
- (g) 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;

ARTICLE 2

- 1. Each Contracting Party grants to the other Contracting Party the rights to establish and operate scheduled air services (hereinafter referred to as "the agreed services") on the route specified in the Annex to this Agreement (hereinafter referred to as "the specified route").
- 2. Subject to the provisions of this Agreement, the aircraft of the airline designated by each Contracting Party (hereinafter referred to as "the designated airline"), in operating the agreed services on the specified route, shall have the right to make stops at points on the specified route in the territory of the other Contracting Party for the purpose of taking on and putting down international traffic in passengers, baggage, cargo or mail coming from or destined for the territory of the first Contracting Party and those for the intermediate points between the territories of both Contracting Parties.
- 3. The aircraft operated on the agreed services over the specified routes of the designated airline of each Contracting Party, may over-fly the territory of the other Contracting Party along the airways prescribe by the Civil Aeronautical Authorities of the Contracting Party, after approval has been obtained therefrom.
- 4. Subject to the approval of the Civil Aeronautical Authorities of the other Contracting Party, the designated airline of each Contracting Party shall be allowed to make stops for non-traffic purpose at the point on the specified route in the territory of the other Contracting Party.
- 5. The aircraft of the designated airline of each Contracting Party, while flying in the territory of the other Contracting Party, shall comply with the regulations governing the air route and air corridor at the boundary line prescribed by the other Contracting Party.
- 6. Each Contracting Party shall notify the other Contracting Party at least sixty days in advance of the inauguration of the agreed services by its designated airline on the prescribed route.
- 7. In case where the designated airline of either Contracting Party desires to operate an additional or charter flight on the specified route, the civil aeronautical authorities of the first Contracting Party shall submit request to the civil aeronautical authorities of the other Contracting Party, and the flight shall be operated only after approval is obtained the request shall be submitted seventy-two hours prior to the departure of the aircraft for the flight.

ARTICLE 3

- The Government of the People's Republic of Bangladesh designates "Bangladesh Biam Corporation" as its airline and the Government of the People's Republic of China designates "Department of International Affairs of the General Administration of Civil Aviation of China" as its airline to operate their respective agreed services on the specified route.
- 2. The substantial ownership and effective control of the airline designated by each Contracting Party must be vested in such Contracting Party.
- 3. On receipt of such designation, the other Contracting Party shall subject to the provision of paragraph 2 of this Article, grant without delay to the designated airline of the fist Contracting Party the appropriate operation authorization.

ARTICLE 4

- 1. Each Contracting Party shall have the right to revoke the operating authorization already granted to the designated airline of the other Contracting Party or to suspend the exercise of the right specified in Article 2, paragraph2, 3 and 4 of the present Agreement by the said airline, or impose such conditions as it may deem necessary on the exercise of these right, 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 nationals, or
 - b) where that airline fails to comply with the laws and regulations of the Contracting Party granting these rights, or
 - c) where that 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 and regulations, such right shall be exercised only after consultation with the other Contracting Party.

ARTICLE 5

- 1. The designated airlines of both Contracting Parties shall have fair and reasonable opportunities in operating the agreed services on the specified routes.
- 2. Matters relating to the operation of the specified routes, i.e., frequency, type of aircraft, schedule, sales representation and ground handling, shall be agreed upon through consultation between the designated airlines of both Contracting Parties. Frequency, type of aircraft and schedule so agreed upon shall be subject to the approval of their respective Aeronautical Authorities
- 3. 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.
- 4. The services provided by the designated airlines of both Contracting Parties shall have as their primary objective, the carriage of passengers, baggage, cargo and mail originating from or destined for the territory of the Contracting Party which has designated the airline. Provision for the carriage for passengers, baggage, cargo and mail both taken up and put down at points on the specified routes in the territory of a third country shall be made in accordance with the primary objective.

ARTICLE 6

1. The tariffs to be charged 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 services and the tariffs of other airlines for operation of scheduled air services on same or similar route or sectors.

- 2. The tariffs applicable to the agreed services between the territories of both Contracting Parties shall be agreed upon between their designated airlines and shall be subject to the approval of their aeronautical authorities at least sixty (60) days in advance of its introduction. In special cases, this period can be reduces with the agreement of such authorities.
- 3. If the designated airline cannot agree on a tariff or the aeronautical authorities of either Contracting Parties refuses to give approval to any tariff agreed upon between the designated airlines, the aeronautical authorities of the Contracting Parties shall try to agree upon an appropriate tariff between themselves.
- 4. The tariffs established in accordance with the provisions of this Article shall remain in force until new tariffs have been established.

ARTICLE 7

- 1. Each Contracting Party shall designate in its territory the airport and alternate airport(s) 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. The detailed arrangement shall be agreed upon between the aeronautical authorities of both Contracting Parties.
- 2. The designated airline of one Contracting Party shall be charged for the use of airports and technical facilities of the other Contracting Party at the reasonable rates specified by the other Contracting Party. Such rates shall not be higher than those normally paid by airlines of other countries.

ARTICLE 8

- 1. Aircraft operated on the specified route by the designated airline of either Contracting Party, as well as their regular equipments, spare parts, fuels, oils, lubricants and aircraft stores (including food, beverages tobacco, etc.) retained on board the aircraft shall be exempted from any customs duties, inspection fees and other charges by the other Contracting Party on arriving in and departure from the territory of the other Contracting Party. However such articles shall not be unloaded without approval of the customs authorities of the other Contracting Party and the unloaded part shall be kept in bond by such authorities.
- 2. The fuels, oils, lubricants and aircraft stores for consumption replenished to or taken on board the aircraft in the territory of the other Contracting Patty by the designated airline of the territory of the other Contracting Party by the designated airline of the first Contracting Party for operation of the specified route shall be exempt from customs duties, inspection fees and other charges.
- 3. Spare parts and regular airborne equipment, fuel, oil, lubricants and aircraft stores (including

food, beverage, tobaccos, etc.) introduced into the territory of the other Contracting Party for the maintenance and repair of aircraft operated on the specified route by the designated airline of the first Contracting Party shall also be exempted from customs duties, inspection fees and other charges. However, such articles shall be unloaded only with approval of the customs authorities of the other Contracting Party and shall be kept in bond. They shall not be sold or used for other purpose in the territory of the other Contracting Party, and shall be subject to storage charges as per the regulations of the other Contracting Party.

ARTICLE 9

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 operation of international air services as well as the law and regulations relating to the admission to, stay in and 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 and 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 abovementioned laws and regulations in time.

ARTICLE 10

- 1. For the operation of the specified route, the designated airline of each Contracting Party has the right to set up its office of representative at the point of call on the specified route in the territory of the other Contracting Party. The staff of such office of representation shall be citizens of the People's Republic of Bangladesh and the People's Republic of China, and the number of staff shall be agreed upon through consultation between the designated airlines of both Contracting Parties, and subject to the approval of the civil aeronautical authorities of both Contracting Parties. The staff of such office must observe the applicable laws and regulations of the country where such office is located.
- 2. Each Contracting Party shall extend assistance and facilities to the office of representative of the designated airline of the other Contracting Party and ensure the safety of the office and its staff as well as the safety of the aircraft, stores and other properties used on agreed services in the territory of the first Contracting Party
- 3. Expatriate staff of the office of the representative of the designated airline of each Contracting Party shall be exempted from personal income tax by the other Contracting Party.

ARTICLE 11

The excess of receipts over expenditure 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 in freely convertible currency on reciprocal basis subject to the regulations of foreign exchange of the two Contracting Parties.

ARTICLE 12

- 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 certificates and documents:
 - a. certificate of registration
 - b. certificate of airworthiness
 - c. journey log sheet
 - d. aircraft radio station licence
 - e. licences or certificates for each member of the crew
 - f. list of crew members
 - g. list of passengers giving the places of departure and destination
 - h. manifest of cargo and mail
 - i. general declaration

Each Contracting Party shall recognize as valid the certificates and licences mentioned above (a-e) of the other Contracting Party.

2. The crew members of the designated airline of either Contracting Party flying on the specified route shall be citizens of its respective country. In case, where the designated airline or either Contracting Party desires to utilize crew members of other nationalities for the operation of the specified route, approval shall be obtained through diplomatic channel form the other Contracting Party.

ARTICLE 13

In case the aircraft of the designated airline of one Contracting Party is in distress or meets with an accident in the territory of the other Contracting Party, the other Contracting Party shall:

- a) inform without delay the first Contracting Party of the accident;
- b) immediately alert search and rescue operations;
- c) render assistance to the passengers and crew;
- d) provide all security measures for aircraft and its contents;
- e) carry out investigation into the accident;
- f) permit the representatives of the first Contracting Party access to the aircraft and participate in the investigation as observers;
- g) give clearance to the aircraft and its contents as soon as they are no longer necessary for the investigation;
- h) communicate in writing to the first Contracting Party the result of the investigation.

ARTICLE 14

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 designated airlines of both Contracting Parties or their competent authorities shall endeavour to settle it directly through consultation in a spirit of friendly cooperation and mutual understanding. If agreement cannot be reached, the Contracting Parties shall settle it through diplomatic channels.

ARTICLE 15

If either of the Contracting Parties considers it desirable to modify or amend any provision of this Agreement or its annex, 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 receipt of the suggestion by the other Contracting Party.

Any modifications or amendments to this Agreement or it Annex shall come in to force when they have been confirmed through exchange of notes between the two Contracting Parties.

ARTICLE 16

The present Agreement shall come into force on the day it is signed.

Either Contracting Party may at any time give notice on the other Contracting Party, if it desires to terminate the present Agreement. The present Agreement shall terminate twelve months after the date of receipt of notice, unless it is withdrawn by the first Contracting Party with agreement by the latter, in which case the present Agreement shall remain in force.

Signed at Beijing on this day of 24 July 1980 in duplicated, in the English and Chinese languages, both texts being equally authentic.

FOR THE GOVERNMENT OF PEOPLE'S REPUBLIC OF BANGLADESH FOR THE GOVERNMENT OF PEOPLE'S REPUBLIC OF CHINA ANNEX (Referred to in Article 2 paragraph 1) To be worked out later