

AGREEMENT
BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM
OF GREAT BRITAIN AND NORTHERN IRELAND AND THE
GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA
RELATING TO CIVIL AIR TRANSPORT

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China;

Wishing to facilitate friendly contacts between the peoples of the United Kingdom and China;

Desiring to conclude an agreement, for the purpose of developing mutual relations between the two countries in respect of air transportation and establishing and operating scheduled air services between and beyond their respective territories, 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 co-operation;

Have agreed as follows:

ARTICLE 1

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

- a) the term "aeronautical authorities" means, in the case of the United Kingdom of Great Britain and Northern Ireland, the Secretary of State for Trade, and in the case of the People's Republic of China, the General Administration of Civil Aviation of China, or in either case any person or body authorized to perform a particular function to which the present Agreement relates;

- b) the term “designated airline” means an airline which has been designated and authorized in accordance with Article 3 of the present Agreement;
- c) 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;
- d) the term “air service” means any scheduled air service performed by aircraft for the public transport of passengers, baggage, cargo or mail;
- e) the term “international air service” means an air service which passes through the air space over the territory of more than one State;
- f) the term “airline” means any air transport enterprise offering or operating international air services;
- g) the term “stop for non-traffic purposes” means a landing for any purpose other than taking on or discharging passengers, baggage, cargo or mail.

ARTICLE 2

(1) Each Contracting Party grants to the other Contracting Party the right to establish and operate scheduled air services on the routes specified in the Annex to the present Agreement. Such services and routes shall hereinafter be referred to as “the agreed services” and “the specified routes” respectively.

(2) Subject to the provisions of the present Agreement, the designated airline of each Contracting Party, while operating the agreed service on the specified routes, shall enjoy the following rights:

- a) to overfly, without landing, the territory of the other Contracting Party along the air routes prescribed by the aeronautical authorities of the other Contracting Party after approval of the relevant part of the designated airline’s seasonal schedule has been obtained from the said authorities;
- b) subject to the approval of the aeronautical authorities of the other Contracting Party, to make stops for non-traffic purposes at points on the specified routes in the territory of the other Contracting Party;
- c) to make stops at points on the specified routes in the territory of the other Contracting Party for the purpose of taking on board and discharging

international traffic in passengers, baggage, cargo and mail.

ARTICLE 3

(1) Each Contracting Party shall have the right to designate through the diplomatic channel to the other Contracting Party one airline to operate the agreed services on the routes specified in the Annex to the present Agreement.

(2) The substantial ownership and effective control of the airline designated by each Contracting Party shall remain vested in such Contracting Party or its nationals.

(3) On receipt of such designation, the other Contracting Party shall, subject to the provisions of paragraph (2) of this Article, grant without delay to the airline so designated the appropriate operating authorization.

(4) The aeronautical authorities of the other Contracting Party may require the airline designated by the first Contracting Party to satisfy them that it is qualified to fulfil the conditions prescribed under the laws and regulations normally and reasonable applied to the operation of air services by the said authorities.

(5) When an airline has been so designated and authorized it may commence operation of the agreed services.

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 by the said designated airline of the rights specified in Article 2 of the present Agreement, or to impose such conditions as it may deem necessary on the exercise of these rights, in any 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 the present 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

The laws and regulations of either Contracting Party relating to the admission to, stay in, departure from and flight over its territory of aircraft engaged in the operation of international air services as well as the laws and regulations relating to the admission to, stay in 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 as well as the passengers, baggage, cargo and mail carried by such aircraft, while in the territory of the first Contracting Party. Each Contracting Party shall promptly supply to the other Contracting Party at the latter's request the texts of the above-mentioned laws and regulations.

ARTICLE 6

(1) Aircraft of the designated airline of either Contracting Party engaged in the operation of the agreed services on the specified routes as well as the regular equipment, spare parts, fuel, oils (including hydraulic fluids), lubricants and aircraft stores (including food, beverages and tobacco) retained on board such aircraft shall be exempt from all customs duties, inspection fees and other similar charges on arrival in and departure from the territory of the other Contracting Party.

(2) The following supplies shall also be exempt from customs duties, inspection fees and other similar charges, with the exception of charges corresponding to the service performed:

- (a) aircraft stores (including food, beverages and tobacco) taken on board aircraft in the territory of either Contracting Party, within limits fixed by the competent authorities of the said Contracting Party, and for use on board such aircraft of the designated airline of the other Contracting Party engaged in the operation of the agreed services;
- (b) aircraft stores (including food, beverages and tobacco), fuel, oils (including hydraulic fluids), lubricants and spare parts introduced into the territory of either Contracting Party for use by aircraft of the designated airline of the other Contracting Party engaged in the operation of the agreed services: provided, however, that they shall be

kept under the supervision and control of the customs authorities of the first Contracting Party and shall be subject to fair and reasonable storage charges;

- (c) fuel, oils (including hydraulic fluids) and lubricants supplied in the territory of one Contracting Party to the aircraft of the designated airline of the other Contracting Party engaged in the operation of the agreed services, even when these supplies are for use on the part of the journey performed over the territory of the first Contracting Party.

ARTICLE 7

The regular airborne equipment as well as the material and supplies, referred to in Article 6 of the present Agreement, retained on board the aircraft of the designated airline of either Contracting Party engaged in the operation of the agreed services may be unloaded in the territory of the other Contracting Party only with the approval of the customs authorities of the other Contracting Party. In such event, they shall be placed under the supervision of the said authorities, subject to fair and reasonable storage charges, up to such time as they are re-exported or otherwise disposed of in accordance with the regulations of such authorities.

ARTICLE 8

(1) The minimum formalities only shall be required in respect of passengers, baggage, cargo and mail carried in direct transit across the territory of one Contracting Party by aircraft of the designated airline of the other Contracting Party engaged in the operation of the agreed services.

(2) Baggage, cargo and dutiable objects carried through the mail, carried in direct transit, shall be exempt from customs duties and other similar duties or charges.

ARTICLE 9

(1) Each Contracting Party shall designate in its territory regular airport and alternate airports to be used by the designated airline of the other Contracting Party for the operation of the specified routes, and shall provide the latter with such communications, navigational, meteorological and other auxiliary services in its territory as are required for the operation of the agreed services. Detailed arrangements relating to the above shall be agreed between the aeronautical authorities of both Contracting Party.

(2) The designated airline of one Contracting Party shall be charged for the use of airports, equipment and technical services of the other Contracting Party at fair and reasonable rates prescribed by the appropriate authorities of the other Contracting Party. Such rates shall not be higher than those paid by airlines of other States engaged in international air services.

ARTICLE 10

(1) The designated airlines of both Contracting Parties shall have fair and equal opportunity in operating the agreed services on the specified routes.

(2) Matters relating to frequency, type of aircraft, schedule, additional flights, conditions of carriage, sales representation and other matters pertaining to the operation of the agreed services shall be agreed upon through consultation between the designated airlines of both Contracting Parties and 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 provided by the latter on the whole or part of the same routes.

(4) The agreed services provided by the designated airlines of both Contracting Parties shall bear a close relationship to the requirements of the public for transportation on the specified routes and shall have as their primary objective the provision, at the reasonable load factor, of capacity adequate to satisfy the current and reasonably anticipated requirements for the carriage of passengers, baggage, cargo and mail originating in or destined for the territory of the Contracting Party which has designated the airline. Provision for the carriage of passengers, baggage, cargo and mail both taken up and put down at points on the specified routes in the territory of a third State shall be made in accordance with the general principle that capacity shall be related to:

- (a) traffic requirements to and from the territory of the Contracting Party which has designated the airline;
- (b) traffic requirements of the area through which the agreed service passes, after taking account of other air services established by airlines of other States comprising the area; and
- (c) the requirements of through airline operation.

ARTICLE 11

(1) The tariffs to be charged by the designated 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, reasonable profit and the tariffs of other airlines.

(2) The tariffs referred to in paragraph (1) of this Article shall be agreed by the designated airlines of both Contracting Parties. If appropriate, the said airlines shall hold consultations with other airlines operating over the whole or part of the route.

(3) The tariffs so agreed shall be submitted to the aeronautical authorities of both Contracting Parties for approval at least ninety (90) days before the proposed date of their introduction. In special cases, this period may be shortened subject to the agreement of the said authorities.

(4) This approval may be given expressly. If neither of the aeronautical authorities has expressed disapproval within thirty (30) days from the date of submission, in accordance with paragraph (3) of this Article, these tariffs shall be considered as approved. In the event of the period for submission being reduced, as provided for in paragraph (3), the aeronautical authorities may agree that the period within which any disapproval must be notified shall be less than thirty (30) days.

(5) If a tariff cannot be agreed between the designated airlines of both Contracting Parties in accordance with the provisions of paragraph (2) of this Article, or if the aeronautical authorities of one Contracting Party give the aeronautical authorities of the other Contracting Party notice of their disapproval of a tariff agreed in accordance with the provisions of paragraph (2) of this Article, the aeronautical authorities of the two Contracting Parties shall endeavour to determine the tariff through mutual consultation.

(6) If the aeronautical authorities of the two Contracting Parties cannot agree on any tariff submitted to them under paragraph (3) of this Article, or on the determination of any tariff under paragraph (5) of this Article, the difference of opinion shall be settled in accordance with the provisions of Article 16 of the present Agreement.

(7) A tariff established in accordance with the provisions of this Article shall remain in force until a new tariff has been established.

ARTICLE 12

Each Contracting Party grants to the designated airline of the other Contracting Party the right to transfer freely the excess of receipts earned in the territory of the first Contracting Party over its expenditure therein. Such transfers shall be effected in convertible currency at the foreign exchange rate applicable at the time of transfer.

ARTICLE 13

The aeronautical authorities of each Contracting Party shall supply to the aeronautical authorities of the other Contracting Party, at their request, statistics relevant to the traffic to or from the territory of the other Contracting Party carried on the agreed services of the designated airline of the first Contracting Party.

ARTICLE 14

(1) For the operation of the agreed services on the specified routes, the designated airline of each Contracting Party shall have the right to set up its representative offices at the points on its specified routes within the territory of the other Contracting Party. The staff of such representative offices shall be nationals of the United Kingdom of Great Britain and Northern Ireland and /or of 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 shall be subject to the approval of the aeronautical authorities of both Contracting Parties. The staff of such representative offices shall be subject to the laws and regulations in force in the country where such offices are located.

(2) Each Contracting Party shall take all necessary steps to facilitate and to assist the setting up and operation of the representative offices referred to in paragraph (1) of this Article.

(3) Each Contracting Party shall use its best endeavours to safeguard, within its territory, the airline operations and personnel of the other Contracting Party.

(4) The crew members of the designated airlines of both Contracting Parties flying on their specified routes shall be nationals of their respective countries. If the designated airline of either Contracting Party desires to utilise crew members who are nationals of any third State for the operation of the agreed services, it shall obtain prior approval from the other Contracting Party through the diplomatic channel.

ARTICLE 15

The Contracting Parties reaffirm their grave concern about acts or threats against the security of aircraft, which jeopardize the safety of persons or property, adversely affect the operation of air services and undermine public confidence in the safety of civil aviation. The Contracting Parties agree to provide any necessary aid to each other with a view to preventing hijackings and sabotage to aircraft, airports and air navigation facilities and threats to aviation security. When incidents or threats of hijacking or sabotage against aircraft, airports or air navigation facilities occur, the Contracting Parties shall assist each other by facilitating communications intended to terminate such incidents rapidly and safely. Each Contracting Party shall give sympathetic consideration to any request from the other Contracting Party for special security measures for its aircraft or passengers to meet a particular threat.

ARTICLE 16

(1) The Contracting Parties shall ensure the correct implementation of, and satisfactory compliance with, the provisions of the present Agreement in a spirit of close co-operation and mutual support. To this end, the aeronautical authorities of the Contracting Parties shall consult each other from time to time.

(2) Either Contracting Party may request consultation with the other Contracting Party, which may be either oral or in writing, and which shall begin within a period of sixty (60) days from the date of receipt of the request, unless both Contracting Parties agree to an extension of this period.

(3) If any difference of opinion arises in respect of the interpretation or implementation of the present Agreement, the designated airlines of both Contracting Parties shall, where appropriate, endeavour to settle it directly through consultation in a spirit of friendly co-operation and mutual understanding. If the airlines fail to reach a settlement, or if the matter at issue does not lie within their competence, the aeronautical authorities of the Contracting Parties shall endeavour to settle it through consultation. If a settlement still cannot be reached, the Contracting Parties shall endeavour to settle it through the diplomatic channel.

ARTICLE 17

(1) If either of the Contracting Parties considers it desirable to modify or amend any provision of the present Agreement or the Annex thereto, it may at any time request consultation with the other Contracting Party and such

consultation, which may be either oral or in writing, shall begin within a period of sixty (60) days from the date of receipt of the request by the other Contracting Party unless both Contracting Parties agree to an extension of this period.

(2) Any modification or amendment to the present Agreement shall come into force when it has been confirmed by an Exchange of Notes, through the diplomatic channel, except as provided in paragraph (3) of this Article.

(3) Modifications or amendments to the Annex to the present Agreement may be agreed between the aeronautical authorities of the Contracting Parties and shall be applied provisionally and confirmed as soon as possible by an Exchange of Notes, through the diplomatic channel.

ARTICLE 18

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

ARTICLE 19

The present Agreement shall enter into force on the date of its signature.

In witness whereof the undersigned being duly authorized thereto by their respective Governments, have signed the present Agreement.

Done in duplicate at London this 1st day of November 1979 in the English and Chinese languages, both texts being equally authentic.

For the Government of the United
Kingdom of Great Britain and
Northern Ireland:

For the Government of People's
Republic of China:

ANNEX

I. Route Schedule

SECTION 1

Routes to be operated by the designated airline of the United Kingdom:

London-Rome-Tehran-Bahrain-Dubai-Oman-Kuwait-Rawalpindi or Karachi – Bombay-Delhi-Calcutta-Peking.

Notes

- (i) Any point or points may be omitted on any or all flights provided that the agreed services originate at a point in the territory of the United Kingdom. Any such omission shall be notified to the designated airline of China as soon as possible.
- (ii) Not more than two points outside the territories of the Contracting Parties may be served as intermediate points on any one flight.
- (iii) Not more than one point in the Gulf and not more than one point in India may be served on any one flight.

SECTION 2

Routes to be operated by the designated airline of China:

Peking-Rawalpindi or Karachi-a point in India- a point in the Gulf -Tehran-Bucharest-Athens-Rome-Zurich-Frankfurt-Paris-London.

Notes

- (i) Any point or points may be omitted on any or all flights provided that the agreed services originate at a point in the territory of China. Any such omission shall be notified to the designated airline of the United Kingdom as soon as possible.
- (ii) Not more than two points outside the territories of the Contracting Parties may be served as intermediate points on any one flight.
- (iii) Not more than one point in Europe may be served as an intermediate

point on any one flight.

II. Non-Scheduled Services

Any airline of either Contracting Party may submit a request to the appropriate authorities of the other Contracting Party to operate charter flights to or from the territory of the latter Contracting Party. The authorities to whom such a request is submitted shall consider it promptly in the light of their charterworthiness rules, applying the principle of reciprocity. The following provisions of the present Agreement shall apply to such operations: Articles 5, 6, 7, 9, 12, 14 (3) and (4) and 15.