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

The Government of the People's Republic of China and the Government of Pakistan, for the purpose of establishing air services between and beyond their territories, have concluded this Agreement, the articles of which are as follows:

ARTICLE 1

(A) (i) Each Contracting Party grants to the other Contracting Party the right to operate scheduled air services on the route specified in the Schedule of this Agreement (hereinafter referred to as "the specified route").

(ii) The above mentioned right to operate scheduled air services on the specified route means the right to carry on the specified route international passenger, baggage, cargo and mail traffic between the territories of the Contracting Parties and between the territory of either Contracting Party and that of a third country.

(B) Based on the principle of mutual respect for sovereignty and territorial integrity, for the operation of the specified route by each Contracting Party, the point of entry and the point of exit across the boundary line of the other Contracting Party and the navigable air space in the territory of the other Contracting Party shall be prescribed by the other Contracting Party.

(C) Each Contracting Party shall designate in its territory the airports to be used by the designated airline of the other Contracting Party for the operation of the specified route. Each Contracting Party shall also designate appropriate alternate airports necessary for the safe operation of the specified route.

(D) Each Contracting Party shall provide the other Contracting Party with communications, navigational and other ancillary services in its territory as are required for the safe operation of the specified route.

(E) In the operation of the specified route, the aircraft of the designated

airline of one Contracting Party may choose to overfly and omit any point or points on the specified route.

ARTICLE 2

(A) The Government of the People's Republic of China designates the "General Administration of Civil Aviation of China" as its airline and the Government of Pakistan designates "Pakistan International Airlines" as its airline to operate each other's specified route (hereinafter referred to as "the designated airline").

(B) The substantial ownership and effective control of the airline designated by each Contracting Party shall remain vested in the Government or citizens of such Contracting Party.

ARTICLE 3

(A) The frequency, schedules and the type of aircraft of the designated airline of each Contracting Party in the operation of the specified routes shall be determined by consultation between the designated airlines of both Contracting Parties on the basis of equality and mutual benefit and shall be subject to approval of the Aeronautical Authorities.

(B) Each Contracting Party shall notify the other Contracting Party sixty days in advance of the inauguration of its scheduled air services.

ARTICLE 4

(A) The designated airlines of both Contracting Parties in the operation of the specified routes shall enjoy fair and equal opportunity and treatment in the use of airport and en-route services. The services so provided by each Contracting Party to the other Contracting Party, namely communications, navigational, meteorological and other airport ground services shall be the same as are made available by each Contracting Party to its own designated airline.

(B) The designated airlines shall be permitted by both Contracting Parties to use the Civil Aviation radio service for the transmission of messages relating to flight operations. The Contracting Parties agree that English language and the relevant portion of the Aeronautical Q Code of International usage shall be used in the air-ground radio telegraph and point to point radio telegraph.

ARTICLE 5

(A) The tariffs to be charged for the carriage of passengers, baggage and cargo on the specified routes shall be fixed at reasonable level, due regard being paid to all relevant factors, including cost of operations, reasonable profit and tariffs of other airlines. The tariffs on common and equivalent routes or sectors shall have the same minimum level for the designated airlines of the Contracting Parties.

(B) The minimum levels of tariffs of the specified routes and any sector thereof that may affect the other Contracting Party shall be agreed upon between the designated airlines and subject to the approval of the civil aeronautical authorities of both Contracting Parties. In the event of disagreement between the designated airlines or in case a minimum tariff level is not approved by the civil aeronautical authorities of both Contracting Parties, the Contracting Parties shall endeavour to reach agreement between themselves. Pending any new decision concerning a minimum tariff level, the prevailing minimum tariff level agreed upon by both Contracting Parties shall remain in force.

ARTICLE 6

(A) (i) The aircraft of the designated airline of each Contracting Party flying the specified route shall bear its nationality and registration marks as prescribed for international navigation and carry its certificate of registration, its certificate of airworthiness, its journey log book, its radio station licence, a list of crew members, a list of passengers and a manifest of cargo and mail. Its crew members shall each possess a valid licence and a certificate of competency issued or rendered valid by the Contracting Party to which they belong.

(ii) Each Contracting Party shall recognize the above mentioned documents issued or rendered valid by the other Contracting Party.

(B) The pilot-in-command and other crew members of the aircraft of the designated airline of one Contracting Party flying in the territory of the other Contracting Party on the specified route shall be the citizens of that Contracting Party.

ARTICLE 7

Any charges imposed by one Contracting Party for the use of airports and air navigation facilities by the aircraft of the other Contracting Party shall not be higher than the charges that would be paid by its national aircraft engaged in similar international services. Such charges shall be published and communicated to the Civil Aeronautical Authorities of the other Contracting Party.

ARTICLE 8

(A) The aircraft of the designated airline of one Contracting Party shall comply with the laws, orders and regulations of the other Contracting Party, in respect of civil aircraft engaged in international air navigation, relating to the admission to or departure from the territory of the other Contracting Party or relating to operation and navigation or relating to prohibited or restricted areas within the territory of such other Contracting Party.

(B) All laws, orders and regulations in force in the territory of one Contracting Party relating to admission, exit, customs, passports, immigration, prevention of spread of disease, quarantine and examination of aircraft shall be applicable to the aircraft of the other Contracting Party as well as to the crew members, passengers, baggage, cargo and mail carried therein. Either Contracting Party, in enforcing the above mentioned laws, orders and regulations, shall avoid any unnecessary delay to the aircraft of the other Contracting Party.

ARTICLE 9

(A) Each Contracting Party shall assist the designated airline of the other Contracting Party in making arrangements for the adequate supply in its territory of aviation fuel, oils and lubricants for the operation of the specified route. If it is impossible for one Contracting Party to make arrangements for the supply in its territory of aviation fuel, oils and lubricants required by the other Contracting Party, it shall permit the designated airline of the other Contracting Party to ship in aviation fuel, oils and lubricants as required.

(B) Each Contracting Party shall, at its airports, take measures to safeguard the aircraft, aviation fuel, oils, lubricants, stores and other properties of the other Contracting Party as extended to its own national airline.

ARTICLE 10

(A) The aircraft of the designated airline of one Contracting Party operating on the specified route and the aviation fuel, oils, lubricants, spare parts, regular equipment and aircraft stores retained on board the aircraft, including those to be used or consumed by such aircraft on flights in the territory of the other Contracting Party, shall, when arriving at or departing from the territory of the other Contracting Party, be exempted from customs duties, inspection fees or similar duties or charges. The supplies so exempted may be unloaded only with the approval of the customs authorities of the other Contracting Party and shall, when unloaded, be kept under the supervision of such customs authorities until they are reloaded.

(B) Each Contracting Party shall permit the introduction into its territory by or on behalf of the designated airline of the other Contracting Party of aviation fuel, oils, lubricants, spare parts, regular equipment and aircraft stores used for the operation of the specified route, in so far as they are intended solely for use by aircraft of such designated airline; such articles shall, under the principle of equality and mutual benefit, be exempted from customs duties, inspection fees or other similar Curies or charges by the first Contracting Party and shall be kept in bond until reexported under Customs supervision.

ARTICLE 11

Each Contracting Party shall grant to the designated airline of the other Contracting Party the right to station its representative and staff at the points of call on its specified route in the territory of the first Contracting Party. Such representative and staff shall be citizens of the other Contracting Party, except those who are locally employed, Each Contracting Party shall extend all assistance and facilities to the office of the representative of the designated airline of the other Contracting Party.

ARTICLE 12

Each Contracting Party shall permit the designated airline of the other Contracting Party to exchange into pound sterling and transfer its excess of revenue over expenditure in the territory of the first Contracting Party at the official rate in force on the date of transfer.

ARTICLE 13

The Contracting Parties shall cause their civil aeronautical authorities as well as their designated airlines to maintain contact and close collaboration in ensuring the observance of the principles and the implementation of the provisions of this Agreement.

ARTICLE 14

The civil aeronautical authorities of each Contracting Party shall cause its designated airline to supply, as promptly as possible, such information as may be required to satisfy the civil aeronautical authorities of the other Contracting Party that the requirements of this Agreement will be duly fulfilled by such airline.

Each Contracting Party shall cause its designated airline to supply to the Civil Aeronautical Authorities of the other Contracting Party statistics relating to the traffic carried during each month on its services to and from the territory of the other Contracting Party showing the origin and destination of the traffic.

ARTICLE 15

In the event that one Contracting Party or its designated airline fails to comply with the provisions of this Agreement, the other Contracting Party reserves the right to withhold or revoke the exercise by the designated airline of the rights specified in this Agreement. Such action shall be taken only after consultation between the two Contracting Parties.

ARTICLE 16

Matters relating to frequency, schedule, tariffs, conditions of carriage, sales representation and the rendering of services on each other's behalf shall be the subject of a separate agreement between the designated airlines of the two Contracting Parties.

ARTICLE 17

(A) Each Contracting Party undertakes to provide available technical facilities and afford search and rescue measures, as it may find practicable, to the aircraft in distress of the other Contracting Party in its territory and to permit, subject to the control of its own authorities, the other Contracting Party to take measures of assistance as may be necessitated by the circumstances.

(B) In the event of an accident to an aircraft of the designated airline of one Contracting party in the territory of the other' Contracting Party involving death or serious injury or indicating serious damage to the aircraft, the other Contracting Party shall initiate an investigation into the circumstances of the accident in accordance with its regulations. The first Contracting Party shall have the right to appoint observers to be present at the investigation and the Contracting Party holding the investigation shall communicate the report and findings of the investigation to the first Contracting Party.

ARTICLE 18

If either of the Contracting Parties considers it desirable to amend the provisions of this Agreement, it may request for consultations with the other Contracting Party. Such consultations shall begin within a period of sixty days from the date the request is made. New or revised provisions shall come into force after being mutually agreed upon by both Contracting Parties.

ARTICLE 19

The Schedule of this Agreement and all notes in relation to this Agreement exchanged between the Contracting Parties shall be deemed an integral part of this Agreement. All references to this Agreement shall imply references also to the Schedule and such notes.

ARTICLE 20

Any dispute relative to the interpretation or application of this Agreement, the Schedule and the notes exchanged in relation thereto shall be settled through consultations between the Contracting Parties in a spirit of friendship and mutual understanding. Such consultation shall begin within a period of sixty days from the date the request is made.

ARTICLE 21

The provisions of this Agreement shall become operative from the date it is signed. Either of the Contracting Parties may, after twelve months from the date of coming into force of this Agreement, notify the other Contracting Party in writing its intention to terminate this Agreement. In the event of such notice being given, this Agreement shall terminate twelve months after the date of receipt of the notice to terminate by the other Contracting Party.

Signed at Karachi this TWENTYNINTH day of AUGUST, 1963, in duplicate in the Chinese and English languages, both texts being equally authentic.

(Shen Tu)(Huameeduddin Ahmed)for THE GOVERNMENT OF THEfor THE GOVERNMENT OF PAKISTANPEOPLE'S REPUBLTC OF CHINAFor THE GOVERNMENT OF PAKISTAN

SCHEDULE

(A) The route of the designated airline of the Government of the People's Republic ox' China shall be as follows:

From a point in China via or not via third countries to Dacca or Lahore and Karachi in Pakistan and beyond to third countries,

(B) The route of the designated airline of the Government of Pakistan shall be as follows:

From a point in Pakistan via or not via third countries to Canton and Shanghai in China and beyond to third countries.

(C) The third countries referred to in the above routes shall be agreed upon by both Contracting Parties.

FULL POWER

WHEREAS it is expedient that a fit person should be invested with Full Power and Authority to sign on behalf of the Republic of Pakistan, the Air Than sport Agreement between the Republic of Pakistan and the People's Republic of China;

NOW THEREFORE I, Field Marshal Mohamed Ayud Khan, President of the Republic of Pakistan, do hereby certify that Hameeduddin Ahmed is, by these Presents, named, constituted and appointed as Plenipotentiary and Representative having Full Power and Authority to sign the Agreement mentioned above on behalf of the Republic of Pakistan.

IN WITNESS WHEREOF, I have signed these Presents and affixed thereto my seal.

DONE at Rawalpindi this 27th day of August in the year one thousand, nine hundred and sixty three.