

No. 135

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**UNITED KINGDOM OF GREAT BRITAIN AND  
NORTHERN IRELAND  
and  
CHINA**

**Air Transport Agreement (with Annex and Exchanges of  
Notes). Signed at Nanking, on 23 July 1947**

*English and Chinese official texts communicated by the Permanent United Kingdom Representative to the United Nations. The registration took place on 31 October 1947.*

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**ROYAUME-UNI DE GRANDE-BRETAGNE ET  
D'IRLANDE DU NORD  
et  
CHINE**

**Accord (avec annexe et échanges de notes) relatif aux trans-  
ports aériens. Signé à Nankin, le 23 juillet 1947**

*Textes officiels anglais et chinois communiqués par le représentant permanent du Royaume-Uni auprès de l'Organisation des Nations Unies. L'enregistrement a eu lieu le 31 octobre 1947.*

No. 135. AIR TRANSPORT AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE REPUBLIC OF CHINA. SIGNED AT NANKING, ON 23 JULY 1947

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The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of China,

Desiring to conclude an Agreement for the purpose of establishing air services as soon as possible between their respective territories, have agreed as follows:—

*Article 1*

Each Contracting Party grants to the other the rights specified in the Annex to this Agreement for the purpose of the establishment of the air services therein described (hereinafter referred to as “agreed services”).

*Article 2*

(1) The agreed services may be inaugurated immediately or at a later date at the option of the Contracting Party to whom the rights are granted, but not before (a) the Contracting Party to whom the rights are granted has designated an airline or airlines for the specified route or routes; and (b) the Contracting Party granting the rights has given the appropriate operating permission to the airline or airlines concerned (which, subject to the provisions of paragraph (2) of this Article and of Article 7, it shall do as soon as possible); provided that in areas of hostilities or of military occupation, or in areas affected thereby, such inauguration shall be subject to the approval of the competent military authorities.

(2) Every designated airline, before being permitted to engage in the operations contemplated by this Agreement, may be required to qualify before the aeronautical authorities of the Contracting Party granting the rights under the laws and regulations normally applied by these authorities to the operation of commercial airlines.

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<sup>1</sup> Came into force on 23 July 1947 as from the date of signature, in accordance with article 14.

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<sup>1</sup> Entré en vigueur dès sa signature, le 23 juillet 1947, conformément à l'article 14.

*Article 3*

In the operation of the agreed services by the designated airlines of either Contracting Party, the interests of the designated airlines of the other Contracting Party shall be taken into consideration so as not to affect unduly the services which the latter provides on the same routes.

*Article 4*

(1) The charges which either of the Contracting Parties may impose, or permit to be imposed, on the designated airline or airlines of the other Contracting Party for the use of airports and other facilities shall be just and reasonable and shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

(2) Fuel, lubricating oil and spare parts introduced into or taken on board aircraft in the territory of one Contracting Party by, or on behalf of, the other Contracting Party or its designated airlines and intended solely for use of the aircraft of the other Contracting Party, shall be accorded, with respect to customs duties, inspection fees or other charges imposed by the former Contracting Party, treatment not less favourable than that granted to national airlines engaged in international air transport or the airline of the most favoured nation.

(3) Aircraft of the one Contracting Party operated on the agreed services and supplies of fuel, lubricating oils, spare parts and regular equipment and aircraft stores retained on board such aircraft shall be exempt in the territory of the other Contracting Party from customs duties, inspection fees or similar duties or charges, even though such supplies be used by such aircraft on flights in that territory.

*Article 5*

Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one Contracting Party and still in force shall be recognised as valid by the other Contracting Party for the purpose of operating the agreed services. Each Contracting Party reserves the right, however, to refuse to recognise, for the purpose of flight above its own territory, certificates of competency and licences granted to its own nationals by the other Contracting Party or any other State.

*Article 6*

(1) The laws and regulations of one Contracting Party relating to the entry into or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall apply to the aircraft of the other Contracting Party without distinction as to nationality, and shall be complied with by such aircraft upon

entering or departing from or while within the territory of that Contracting Party.

(2) The laws and regulations of one Contracting Party relating to the entry into or departure from its territory of passengers, crew or cargo of aircraft (such as regulations relating to entry, clearance, immigration, passports, customs and quarantine) shall be applicable to the passengers, crew or cargo of the aircraft of the designated airline or airlines of the other Contracting Party while in the territory of the first Contracting Party.

#### *Article 7*

Each Contracting Party reserves the right to withhold or revoke the exercise of the rights specified in the Annex to this Agreement by an airline designated by the other Contracting Party in any case in which it is not satisfied that substantial ownership and effective control of such airline are vested in nationals of either Contracting Party, or in case of failure by that airline to comply with the laws and regulations referred to in Article 6 hercof or otherwise to fulfil the conditions under which the rights are granted in accordance with this Agreement and its Annex.

#### *Article 8*

This Agreement shall be registered with the Provisional International Civil Aviation Organisation set up by the Interim Agreement on International Civil Aviation signed at Chicago on 7th December, 1944, or its successor. ♣

#### *Article 9*

(1) It is the intention of both Contracting Parties that there should be regular and frequent consultation between their respective aeronautical authorities and that there should thereby be close collaboration in the observance of the principles and the implementation of the provisions outlined in this Agreement and its Annex.

(2) If either of the Contracting Parties considers it desirable to modify the terms of the Annex to this Agreement, it may request consultation between the aeronautical authorities of the two Contracting Parties, such consultation to begin within a period of sixty days from date of the request. When these authorities agree to modifications to the Annex, these modifications shall come into effect when they have been confirmed by an Exchange of Notes through the diplomatic channel.

#### *Article 10*

Except as otherwise provided in this Agreement or in its Annex, any dispute between the Contracting Parties relating to the interpretation or application

of this Agreement or its Annex which cannot be settled through consultation shall be referred, for an advisory report, to the Interim Council of the Provisional Civil Aviation Organisation (in accordance with the provisions of Article III, section 6 (8), of the Interim Agreement on International Civil Aviation signed at Chicago on 7th December, 1944) or its successor, unless the Contracting Parties agree to refer the dispute for decision to an Arbitral Tribunal appointed by agreement between the Contracting Parties, or to some other person or body. The Contracting Parties undertake to comply with the award from such arbitration.

#### *Article 11*

If a general Multilateral Air Convention which is accepted by both Contracting Parties comes into force, this Agreement shall be amended so as to conform with the provisions of such Convention.

#### *Article 12*

For the purpose of this Agreement and its Annex, unless the context otherwise requires—

- (a) The term “aeronautical authorities” shall mean, in the case of the United Kingdom, the Minister of Civil Aviation for the time being, and any person or body unauthorised to perform any functions presently exercised by the said Minister or similar functions, and, in the case of the Republic of China, the Minister of Communications for the time being, and any person or body authorised to perform the functions presently exercised by the said Minister or similar functions.
- (b) The term “designated airlines” shall mean the air transport enterprises which the aeronautical authorities of one of the Contracting Parties have notified in writing to the aeronautical authorities of the other Contracting Party as the airlines designated by it in accordance with Article 2 of this Agreement for the routes specified in such notification.
- (c) The term “territory” shall have the meaning assigned to it by Article 2 of the Convention on International Civil Aviation signed at Chicago on 7th December, 1944<sup>1</sup>.
- (d) The definitions contained in paragraphs (a), (b) and (d) of Article 96 of the Convention on International Civil Aviation signed at Chicago on 7th December, 1944, shall apply.

<sup>1</sup> Great Britain “Miscellaneous No. 6 (1945),” Cmd. 6614.

- (e) The term "successor" shall mean the organisation which, on the coming into force of the Convention referred to in (d) above, will take the place of the Provisional International Civil Aviation Organisation.
- (f) The term "capacity" shall mean the total over any given period of the available passenger seats and freight and mail space of the aircraft operated over the routes.

#### Article 13

(1) This Agreement shall continue in force for a period of four years unless it is previously terminated in accordance with the procedure set out below, or renewed by an Exchange of Notes through the diplomatic channel.

(2) Either Contracting Party may at any time give notice to the other if it desires to terminate this Agreement; if such notice is given, this Agreement shall terminate twelve months after the date of receipt of such notice by the other Contracting Party, unless the notice to terminate is withdrawn by agreement before the expiry of this period.

(3) Such notice of termination shall be simultaneously communicated to the Provisional International Civil Aviation Organisation, or its successor. In the absence of acknowledgment of receipt by the other Contracting Party, such notice of termination shall be deemed to have been received fourteen days after the receipt of the notice by the Provisional International Civil Aviation Organisation or its successor.

#### Article 14

This Agreement shall enter into force on the date of signature.

IN WITNESS WHEREOF the undersigned, duly authorised by their respective Governments, have signed the present Agreement and have affixed thereto their seals.

DONE in duplicate in the English and Chinese languages, both equally authentic, at Nanking, this twenty-third day of July, one thousand nine hundred and forty-seven, corresponding to the twenty-third day of the seventh month of the thirty-sixth year of the Republic of China.

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

[L.S.] Ralph Skrine STEVENSON

For the Government of the Republic of China:

[L.S.] WANG Shih-Chieh

## ANNEX

## I

The Government of the United Kingdom grants to the Government of the Republic of China the right to operate air services by one or more airlines designated by the latter to or through points in United Kingdom territory on the routes specified in Schedule I attached, provided that only such route service patterns shall be adopted as provide a reasonably direct route between the point of departure and the destination.

## II

The Government of the Republic of China grants to the Government of the United Kingdom the right to operate air services by one or more airlines designated by the latter to or through points in Chinese territory on the routes specified in Schedule II attached, provided that only such route service patterns shall be adopted as provide a reasonably direct route between the point of departure and the destination.

## III

The airlines designated by each of the Contracting Parties shall, for the purposes of operating the agreed services and under the conditions prescribed in the Agreement and its Annex, be accorded in the territory of the other Contracting Party—

- (a) Rights of transit and of stops for non-traffic purposes (including the use of ancillary facilities) at airfields and water bases designated for international air services or otherwise agreed between the Contracting Parties from time to time;
- (b) The right to take refuge in emergency at any convenient airfield or water base;
- (c) At the points specified in the Schedules to this Annex rights of commercial entry and departure for international traffic in passengers, freight and mail, including the right to embark and disembark international traffic destined for and coming from third countries.

## IV

It is agreed between the Contracting Parties that the foregoing rights shall be subject to the observance of the following principles:—

- (a) The capacity provided shall be maintained in close relationship with the traffic offering.
- (b) There shall be a fair and equal opportunity for the airlines of the two Contracting Parties to operate on the routes specified in the Schedules.

- (c) The services provided under the Agreement and its Annex by a designated airline shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country by which such airline has been designated and the country of ultimate destination of the traffic.
- (d) The right to embark or disembark international traffic destined for or coming from third countries at a point or points on the routes specified in Schedules I and II to this Annex shall be applied in accordance with the general principles of orderly development to which both Governments subscribe and shall be subject to the principle that capacity should be related—
- (i) to traffic requirements between the country of origin and the countries of destination;
  - (ii) to the requirements of through airline operation; and
  - (iii) to the traffic requirements of the area through which the airline passes after taking account of local and regional services.
- (e) The aeronautical authorities of the Contracting Parties will consult together, at the request of either of them, to determine whether the principles set forth above are being complied with by the airlines designated by the Contracting Parties.
- (f) Where the onward carriage of traffic by an aircraft of different size from that employed on the earlier stage of the same route (hereinafter referred to as “change of gauge”) is justified by reason of economy of operation and where such change of gauge is to be made by the airlines of one Contracting Party either in its own territory or at any point of destination in the territory of the other Contracting Party, the smaller aircraft shall only operate in connection with the larger aircraft which has started from a point of departure in the territory of the first Contracting Party. The smaller aircraft shall not normally leave the change of gauge point until the larger aircraft has arrived and shall be operated for the primary purpose of carrying onwards to their ultimate destinations passengers who have travelled to the territory of the United Kingdom or of the Republic of China in the larger aircraft. The capacity of the smaller aircraft shall be determined with primary reference to the traffic travelling in the larger aircraft normally requiring to be carried onward. Vacancies in the smaller aircraft may be filled with passengers from the territory of the United Kingdom or of the Republic of China respectively without prejudice to the local traffic, exclusive of cabotage. Similarly in the reverse direction the principles set out in this sub-paragraph shall apply and the larger aircraft shall not normally leave the change of gauge point until the smaller aircraft has arrived.
- (g) Tariffs to be charged for the carriage of passengers and freight by the airlines referred to in this Annex shall be agreed in the first instance



between them in consultation with other airlines operating on the same routes or any section thereof. Any tariffs so agreed shall be subject to the approval of the Contracting Parties. In the event of disagreement between the airlines, the Contracting Parties themselves shall endeavour to reach agreement. If the Contracting Parties should fail to agree, the matter in dispute shall be referred to arbitration as provided for in Article 10 of this Agreement.

- (h) The tariffs to be agreed in accordance with (g) above shall be fixed at reasonable levels, due regard being paid to all relevant factors, including economical operation, reasonable profit, differences of characteristics of service (including standards of speed and accommodation) and the tariffs charged by any other air carriers on the route.

## SCHEDULE I

## ROUTES GRANTED TO AIRLINES OF THE REPUBLIC OF CHINA

(In both directions; omitting stops for non-traffic purposes)

Route Numbers	Points of Departure (Any one or more of the following)	Intermediate Points (Any one or more of the following if desired)	Destinations in United Kingdom territory (Any one or more of the following if desired)	Points beyond (Any one or more of the following if desired)
1	Kunming Canton Shanghai Tientsin	(a) Tokyo Kurile Islands Aleutian Islands Alaska Points in U.S.A. Points in Canada Newfoundland Rineanna (b) Hong Kong Manila Guam Wake Honolulu Points in U.S.A. Points in Canada Newfoundland Rineanna	Prestwick London	
2	Kunming Canton Shanghai Tientsin	Hong Kong Points in French Indo-China Points in Siam Points in Burma Points in India Bahrein Points in Iraq Lydda Points in N. Africa Points in France	London Prestwick	Rineanna Newfoundland Points in Canada Points in U.S.A.
3	Kunming Canton Shanghai Tientsin	Hong Kong Points in French Indo-China Points in Siam Points in Burma		Calcutta
4	Kunming Canton Shanghai Tientsin	Hong Kong Points in French Indo-China Points in Siam	Penang Singapore Kuching	Points in Netherlands East Indies
5	Kunming Canton Shanghai Tientsin	Hong Kong Manila	Jesselton Labuan	Points in Netherlands East Indies Points in Australia
6 7	Canton Shanghai	Foochow Amoy Swatow	Hong Kong Hong Kong	

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## EXCHANGES OF NOTES

No. 1

*His Majesty's Ambassador to the Chinese Minister for Foreign Affairs*

Sir,

Nanking, 23rd July, 1947

During the negotiations for the Air Transport Agreement signed to-day between the Government of the Republic of China and His Majesty's Government in the United Kingdom, the British Delegation drew the attention of the Chinese Delegation to the effect on Article 4, paragraph 2, of that Agreement, of the Revised Temporary Foreign Trade Regulations at present in force in the Republic of China.

The British Delegation pointed out that these Regulations may impede, and in some cases prohibit, the importation into China of items of equipment which are essential for the operation of the British air services contemplated under the Agreement. This is particularly the case having regard to the present intention of the British designated airlines concerned to employ flying boats for some at least of these services.

It is, therefore, desired that the British airlines shall receive, in regard to the Revised Temporary Foreign Trade Regulations, (a) treatment not less favourable than that granted to the Chinese designated airlines or to the airlines of the most favoured nation; and (b) in so far as such treatment does not permit the importation of the necessary equipment, a special dispensation from the application of the Revised Temporary Trade Regulations, in order that the British airlines, or their agents on their behalf, may import into China from time to time all that equipment which is, in their opinion, necessary for the safe and efficient operation of the air services for which they will be responsible either at regular or emergency landing grounds or water bases. A typical list of such equipment forms an Appendix to this Note but should not be considered as being comprehensive since the equipment required will vary with the development of the services.

The British airlines for their part will give an undertaking that any item of equipment which is imported into China under the above-mentioned special dispensation and is no longer required for the operation of the British air services, shall be re-exported by them or shall be subjected to the normal procedure of any import regulations in force at the time of disposal of such item.

I have the honour to request Your Excellency's good offices in securing the grant to the British designated airlines of the facilities specified in the above paragraphs; and to suggest that this Note and Your Excellency's reply thereto constitute an Exchange of Notes which will enter into force concurrently with the Air Agreement signed to-day.

I avail, &amp;c.

(Signed) Ralph Skrine STEVENSON

## APPENDIX

## LIST OF AIRLINE EQUIPMENT, &amp;C.

- (a) BOATS.—Motor and other launches, complete with equipment and beaching trolleys.
- (b) MOORINGS.—Aircraft buoys, launch buoys, flare path buoys, dinghies and floats, chains and connecting pieces, wires, anchors and sinkers, pontoons and flying boat docks complete with equipment. Lifting and laying equipment for above.
- (c) ELECTRICAL.—Electrical generators and batteries, searchlights, floodlights, warning and working lights. Electrical cables as necessary for above. Radio sets and equipment for the control of aircraft and launches on or near the alighting areas and for the provision of navigational aid in regard to the alighting areas. Electrical tools and ancillary equipment for above.
- (d) MOTOR VEHICLES.—Passenger coaches, crew cars, lorries, cars, vans and motor bicycles.
- (e) SPARES AND MAINTENANCE.—Spare units and parts, maintenance equipment, test equipment, general spares and materials required for (a), (b), (c) and (d) above.
- (f) PYROTECHNICS.—Véry lights and flares. Véry pistols and other ancillary apparatus.
- (g) FUEL.—Fuel and lubricating oil for (c) and (d) above.
- (h) SPECIALISED STATIONERY.—Printed forms, tickets, advertising matter, posters, &c.
- (i) STAFF EQUIPMENT.—Uniforms and material for uniforms, office equipment.

## No. 2

*The Chinese Minister for Foreign Affairs to His Majesty's Ambassador*

Sir,

Nanking, 23rd July, 1947

I have the honour to acknowledge receipt of Your Excellency's Note of to-day's date reading as follows:—

[As in Note No. 1]

In reply I have the honour to state that the Government of the Republic of China is agreeable in principle to the grant of the facilities proposed in Your Excellency's Note. In order to receive these facilities, however, the British designated airlines will be required to submit for prior approval to the Civil Aeronautics Administration of the Ministry of Communications particulars of such equipment as they desire to import, so as to enable that Administration to certify such equipment as falling within the scope of this Exchange of Notes.

I avail, &c.

(Signed) WANG Shih-Chieh

## No. 3

*His Majesty's Ambassador to the Chinese Minister for Foreign Affairs*

Nanking, 23rd July, 1947

Sir,

I have the honour to seek Your Excellency's good offices for the grant of permission, required under paragraph III of the Annex to the Sino-British Air Agreement signed to-day, to use airfields at the following points for non-traffic purposes:—

Haikow (Hoihow)  
Amoy

Tsingtao

In abnormal circumstances use of the airfields at Swatow and Foochow will also be required for non-traffic purposes so that, when flight plans are being prepared, account can be taken of the availability of these airfields in the event of the airfield at Amoy being closed or an aircraft bound for Hong Kong or Shanghai finding itself unable to land at the airfield to which it is proceeding.

During the course of the recent negotiations it was explained that at least one of the British airlines to be designated under the Agreement would use flying boats, and I take this opportunity to inform Your Excellency that the rights of commercial entry for these flying boats under the Agreement will be exercised at Shanghai. Permission is, however, required, under paragraph III of the Annex, for such aircraft to use water bases at the following points for non-traffic purposes:—

Kwang Chow Wan  
Swatow

Quemoy  
Wenchow

Normally these points will be used only in the event of emergency, in particular when typhoon conditions make such landings necessary in the interests of safety, and for that purpose the positioning and use of certain specialised equipment will be required there. In abnormal circumstances, similar to those described in the second paragraph of this Note, emergency use of a water base at Gaalong Bay will be required, but no specialised equipment is necessary at that point.

I should be grateful to have Your Excellency's assurance that permission to exercise the above rights in accordance with the terms and conditions of the Agreement, at the points specified herein, will be forthcoming on application to the appropriate authorities.

I avail, &amp;c.

(Signed) Ralph Skrine STEVENSON

## No. 4

*The Chinese Minister for Foreign Affairs to His Majesty's Ambassador*

Nanking, 23rd July, 1947

Sir,

I have the honour to acknowledge the receipt of Your Excellency's Note of to-day's date reading as follows:—

[*As in Note No. 3*]

I have the honour to inform you in reply that the Government of the Republic of China is agreeable in principle to such use of the airfields named in the first paragraph of the above Note, in accordance with the provisions contained in the Sino-British Air Agreement. At the present moment, however, it is necessary to withhold the use of Tsingtao under the provision of the final clause of the first paragraph of Article 2 of the Agreement. If His Britannic Majesty's Government will, however, raise the question of the use of Tsingtao again at a later date, the possibility of granting such approval will be sympathetically considered.

The Government of the Republic of China notes that the British designated airlines will use flying boats on certain routes and exercise rights of commercial entry with such aircraft in accordance with the terms of the Agreement at Shanghai, and that use of the points specified in paragraph 3 of the above Note will be required in emergency. It is agreeable to such use in accordance with the provisions contained in the Sino-British Air Agreement and to the positioning and operation there of the necessary specialised equipment by the British designated airline provided that such equipment is operated under the supervision of the Civil Aeronautics Administration, which shall at all times remain the controlling authority in regard to the use of these alighting areas by flying boat aircraft.

If the Government of the Republic of China should wish to withdraw permission for the use by the British designated airlines of any of the water bases specified in paragraph 3 of Your Excellency's Note it will give to the Government of the United Kingdom three months' notice of its intention to withdraw such permission and will make arrangements for the designation of some other place in substitution of the water base in respect of which permission is so withdrawn.

In the event of such withdrawal being necessary for reasons of national security, the requirement of three months' notice, as referred to in the preceding paragraph, shall not apply.

I avail, &c.

(Signed) WANG Shih-Chieh

## No. 5

*His Majesty's Ambassador to the Chinese Minister for Foreign Affairs*

Nanking, 23rd July, 1947

Sir,

I have the honour to refer to the Air Transport Agreement between the Government of the Republic of China and His Majesty's Government in the United Kingdom signed at Nanking to-day and to say that it is the understanding of His Majesty's Government in the United Kingdom that the Government of the Republic of China agrees to grant to airlines of the United Kingdom operating on scheduled international services between Hong Kong and Macao, the right to fly across and in the event of emergency to land for non-traffic purposes in Chinese territory (including territorial waters) between those two points.

I have the honour to request that Your Excellency will be so good as to confirm that this is also the understanding of the Government of the Republic of China.

I avail, &c.

(Signed) Ralph Skrine STEVENSON

## No. 6

*The Chinese Minister for Foreign Affairs to His Majesty's Ambassador*

Nanking, 23rd July, 1947

Sir,

I have the honour to acknowledge receipt of Your Excellency's Note of to-day's date reading as follows:—

[As in Note No. 5]

I have the honour to confirm that the understanding of His Majesty's Government in the United Kingdom recorded in Your Excellency's Note as quoted above is also the understanding of the Government of the Republic of China.

I avail, &c.

(Signed) WANG Shih-Chieh