

No. 12915

**DENMARK
and
CHINA**

Civil Air Transport Agreement (with annex and exchange of letters). Signed at Peking on 18 May 1973

Authentic texts: English and Chinese.

Registered by Denmark on 18 December 1973.

**DANEMARK
et
CHINE**

Accord relatif aux transports aériens civils (avec annexe et échange de lettres). Signé à Pékin le 18 mai 1973

Textes authentiques : anglais et chinois.

Enregistré par le Danemark le 18 décembre 1973.

CIVIL AIR TRANSPORT AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE KINGDOM OF DENMARK AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA

The Government of the Kingdom of Denmark and the Government of the People's Republic of China, with a view to facilitating the friendly contacts between the peoples of Denmark and China, developing the mutual relations between the two countries in respect of 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, and with regard to the establishment and operation of scheduled air services between and beyond their respective territories,

Have agreed as follows:

Article I. DEFINITIONS

For the purpose of the present Agreement:

- 1) The term "Aeronautical Authorities" means, in the case of the Kingdom of Denmark, the Ministry of Public Works, and in the case of the People's Republic of China, the General Administration of Civil Aviation of China, or in both cases any person or body authorized to perform functions in connection with the present Agreement;
- 2) The term "designated airline" means an airline which has been designated and authorized in accordance with the provisions of article III of the present Agreement;
- 3) The term "air service" means any scheduled air service performed by aircraft for the public transport of passengers, baggage, cargo and mail;
- 4) The term "international air service" means an air service which passes through the air space over the territory of more than one State;
- 5) The term "airline" means any air transport enterprise operating international air services;
- 6) The term "stop for non-traffic purposes" means a stop for any purpose other than taking on or discharging passengers, baggage, cargo and mail;
- 7) 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 II. TRAFFIC RIGHTS

- 1) Each Contracting Party grants to the other Contracting Party the right to establish and operate scheduled air services (hereinafter referred to as "the agreed services") on the route specified in the annex to the present Agreement (hereinafter referred to as "the specified route").
- 2) The designated airline of each Contracting Party shall enjoy the right to overfly without landing the territory of the other Contracting Party along the air route prescribed by the Aeronautical Authorities of the other Contracting Party after approval of its seasonal schedule has been obtained from the said Authorities.

¹ Came into force on 18 May 1973 by signature, in accordance with article XXII.

3) Subject to the provisions of the present Agreement, the designated airline of each Contracting Party, while operating the agreed services on the specified route, shall enjoy the following rights:

- a) subject to the approval of the Aeronautical Authorities of the other Contracting Party, to make stops for non-traffic purposes at the points on the specified route in the territory of the other Contracting Party;
- b) to make stops at the points on the specified route in the territory of the other Contracting Party for the purpose of putting down and taking on international traffic in passengers, baggage, cargo and mail.

4) The designated airline of each Contracting Party shall not have the right to take up at one point in the territory of the other Contracting Party traffic in passengers, baggage, cargo and mail destined for another point in the same territory except the personnel of the said airline as well as their families and baggage.

5) Each Contracting Party shall notify the other Contracting Party at least sixty days in advance of the date of the commencement of operation of the agreed services by its designated airline.

Article III. DESIGNATION OF AIRLINE AND OPERATING AUTHORIZATION

1) Each Contracting Party shall have the right to designate, by diplomatic note to the other Contracting Party, one airline to operate the agreed services on the route 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 citizens.

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 designated airline of the first Contracting Party the appropriate operating authorization.

Article IV. REVOCATION, SUSPENSION AND IMPOSITION OF CONDITIONS

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 rights specified in article II of the present Agreement by the said airline, or to impose such conditions as it may deem necessary on the exercise of these rights, 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 citizens; 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 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 V. COMPLIANCE WITH LAWS AND REGULATIONS

1) 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

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 supply the other Contracting Party information relevant to the above-mentioned laws and regulations in time.

2) Each Contracting Party undertakes to avoid any unnecessary delay to the aircraft of the designated airline of the other Contracting Party.

Article VI. EXEMPTION FROM CUSTOMS AND OTHER DUTIES

1) Aircraft operated on the specified route by the designated airline of either Contracting Party, as well as the regular equipment, spare parts, fuel, oil, lubricants and aircraft stores retained on board the aircraft shall be exempt on a basis of reciprocity from any customs duties, inspection fees and other duties and taxes by the other Contracting Party on arrival in and departure from the territory of the other Contracting Party.

2) There shall also be exempt from customs duties, inspection fees and other duties and taxes, with the exception of charges corresponding to the service performed:

- a) aircraft stores taken on board in the territory of either Contracting Party, within limits fixed by the competent authorities of the said Contracting Party, and for use on board aircraft engaged in the operation of the agreed services of the designated airline of the other Contracting Party;
- b) aircraft stores, oil, lubricants, and spare parts entered into the territory of either Contracting Party for use by the designated airline of the other Contracting Party in the operation of the agreed services; however, they shall be kept under the supervision and control of the customs authorities of the first Contracting Party, subject to storage charges;
- c) fuel and lubricants destined to supply aircraft operated on international air services by the designated airline of the other Contracting Party, even when these supplies are to be used on the part of the journey performed over the territory of the Contracting Party in which they are taken on board.

Article VII. STORAGE OF AIRBORNE EQUIPMENT AND SUPPLIES

The regular airborne equipment, as well as the materials and supplies retained on board the aircraft of the designated airline of either Contracting Party 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 case, they may be placed under the supervision of said authorities, subject to any storage charges, up to such time as they are re-exported or otherwise disposed of in accordance with the regulations of such authorities.

Article VIII. PROVISION OF TECHNICAL SERVICES AND RATE OF CHARGES

1) Each Contracting Party shall designate in its territory regular airports and alternate airports 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. Detailed arrangements for the above 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, equipment and technical services of the other Contracting Party at rates not higher than those paid by airlines of other States.

Article IX. CAPACITY PROVISIONS

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

2) 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. The designated airlines of both Contracting Parties shall consult each other on the modalities of their respective services. Any matter relating to schedules (including type of aircraft and frequency) of the designated airline of one Contracting Party shall be subject to approval of the Aeronautical Authorities of the other Contracting Party.

3) The agreed services provided by the designated airlines of both Contracting Parties shall bear close relationship to the requirements of the public for transportation on the specified routes and shall have as their primary objective the provision of capacity adequate to satisfy the current and reasonably anticipated requirements for 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 of passengers, baggage, cargo and mail both taken up and put down at points on the specified route in the territory of the third country 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 services pass, after taking account of other air services established by airlines of other States comprising the area, and
- c) the requirements of through airline operations.

Article X. ESTABLISHMENT OF TARIFFS

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 upon by the designated airlines of both Contracting Parties. Where possible and necessary, consultations may be held with other airlines operating over the whole or part of the same route.

3) The tariffs so agreed shall be submitted to the Aeronautical Authorities of both Contracting Parties for approval at least 90 days before the proposed date of their introduction.

In special cases, this period may be shortened subject to agreement of the said Authorities.

4) 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 after consultation with the Aeronautical Authorities of other States concerned.

5) 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 4 of this article, the difference of opinion shall be settled through diplomatic channels.

6) A tariff established in accordance with the provision of this article shall remain in force until a new tariff has been established. Nevertheless, a tariff shall not be prolonged by virtue of this paragraph for more than twelve months after the date on which it otherwise would have expired.

Article XI. FINANCIAL PROVISIONS

Either Contracting Party shall grant the other Contracting Party free transfer, at the official rate of exchange, of the excess of receipts over expenditure achieved on its territory in connection with the carriage of passengers, baggage, cargo and mail by the designated airline of the other Contracting Party. Wherever the payments system between the Contracting Parties is governed by a special agreement, this agreement shall apply.

Article XII. PROVISION OF STATISTICS

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 XIII. REPRESENTATIVE OFFICES

1) For the operation of the specified route, the designated airline of each Contracting Party shall have the right to set up its representative offices at the points of call on the specified route in the territory of the other Contracting Party. The staff of such representative offices shall be citizens of the Kingdom of Denmark and 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 must observe the laws and regulations in force in the country where such offices are located.

2) Each Contracting Party shall extend assistance and convenience to the representative offices and their staff members of the designated airline of the other Contracting Party.

Article XIV. SECURITY OF AIRLINE OPERATIONS

Each Contracting Party shall endeavour to safeguard, to the extent possible, the security of airline operations within its territory.

Article XV. DOCUMENTS

1) The aircraft operated by the designated airline of each Contracting Party on the agreed services shall bear the nationality and registration marks of such Contracting Party. Aircraft of another nationality may be used for operation upon application from the designated airline of one Contracting Party with the approval of the Aeronautical Authorities of the other Contracting Party.

2) The following documents shall be carried on board:

- 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) if passengers are carried, list of passengers giving the places of their departure and destination,
- g) if cargo and mail are carried, manifest of cargo and mail,
- h) general declaration in conformity with international standard, if required by either Contracting Party.
- i) necessary permits if the aircraft carries any cargo subjected to restriction under the regulation of the other Contracting Party.

3) Each Contracting Party shall recognize the above-mentioned valid certificates and licences issued by the other Contracting Party.

Article XVI. NATIONALITY OF CREW

The crew members of the designated airline of either Contracting Party flying on the specified route shall be citizens of their respective countries. Crew members of other nationalities may be employed to operate the agreed services subject to approval by the Aeronautical Authorities of the other Contracting Party.

Article XVII. ACCIDENTS AND EMERGENCIES

1) Should an aircraft of the designated airline of one Contracting Party experience an accident or an emergency in the territory of the other Contracting Party, the latter Party shall immediately provide necessary search, rescue and assistance to the aircraft as well as its crew and passengers.

2) In cases where an accident of an aircraft of the designated airline of one Contracting Party in the territory of the other Contracting Party involves death or serious injury of persons or serious damage to the aircraft, the other Contracting Party shall take the following measures:

- a) inform by fastest means the first Contracting Party,
- b) protect evidences and secure the safety of the aircraft and its contents,
- c) carry out investigation into the accident,
- d) permit the representatives of the first Contracting Party access to the aircraft and participation in the investigation as observers,
- e) release the aircraft and its contents as soon as they are no longer necessary for the investigation,
- f) communicate in writing to the Aeronautical Authorities of the first Contracting Party the results of the investigation.

3) Normal expenses incurred in connection with the above-mentioned investigation shall be borne by the Party in whose territory the accident has occurred.

Article XVIII. CONSULTATIONS AND SETTLEMENT OF DIFFERENCES OF OPINION

1) In a spirit of close cooperation, the Aeronautical Authorities of the Contracting Parties shall consult each other from time to time with a view to ensuring the implementation of, and satisfactory compliance with, the provisions of the present Agreement and the annex thereto.

2) If any difference of opinion arises in respect of the interpretation or implementation of the present Agreement, the Aeronautical Authorities of the Contracting Parties shall endeavour to settle it directly through consultation in a spirit of friendly cooperation and mutual understanding. If the Aeronautical Authorities fail to reach agreement, the matter shall be submitted to the Contracting Parties which shall endeavour to settle in through diplomatic channels.

Article XIX. AMENDMENTS

If either of the Contracting Parties considers it desirable to amend any provision of the present Agreement or its annex, it may at any time request consultation with the other Contracting Party. Such consultation, which may be between the Aeronautical Authorities and which may be through discussion or by correspondence, shall begin within a period of sixty days from the date of the receipt of the request by the other Contracting Party.

Any amendment to the present Agreement or its annex shall come into force when they have been confirmed by exchange of diplomatic notes between the two Contracting Parties.

Article XX. ANNEX

The annex to the present Agreement and the notes exchanged in connection hereto shall be an integral part of the present Agreement.

Article XXI. TERMINATION

Either Contracting Party may at any time give notice to the other Contracting Party of its desire to terminate the present Agreement. The present Agreement shall then terminate twelve months after the date of receipt of the notice by the other Contracting Party. If the above notice is withdrawn before the expiry of this period, the present Agreement shall continue to be in force with the concurrence of the other Contracting Party.

Article XXII. ENTRY INTO FORCE

The present Agreement shall come into force from the date of its signature.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments, have signed the present Agreement.

DONE at Peking on this 18th day of May 1973 in duplicate in the English and Chinese languages, both texts being equally authentic.

For the Government of the Kingdom of Denmark:
K. B. ANDERSEN

For the Government of the People's Republic of China:
CHI PENG-FEI

ANNEX

I. ROUTES

1) The route of the agreed services operated by the designated airline of the Government of the Kingdom of Denmark shall be as follows in both directions:

Points in Denmark — Moscow and/or Irkutsk — Peking and/or Shanghai — Tokyo and/or other points beyond to be agreed upon by the Aeronautical Authorities of both Contracting Parties.

2) The route of the agreed services operated by the designated airline of the Government of the People's Republic of China shall be as follows in both directions:

Points in China — intermediate points to be agreed upon by the Aeronautical Authorities of both Contracting Parties — Copenhagen and/or another point in Denmark to be agreed upon between the Aeronautical Authorities of both Contracting Parties — points beyond to be agreed upon by the Aeronautical Authorities of both Contracting Parties.

II. RIGHT OF OMISSION

The aircraft of the designated airlines of both Contracting Parties operating the agreed services on their respective specified routes may omit calling at any intermediate point and point beyond.

III. ADDITIONAL FLIGHTS

In case the designated airline of either Contracting Party desires to operate additional flights on the specified route, it shall, under normal circumstances, submit a request to the Aeronautical Authorities of the other Contracting Party forty-eight hours before the departure of the aircraft in question, and the flight can be commenced only after approval has been obtained therefrom.

EXCHANGE OF LETTERS — ÉCHANGE DE LETTRES

I

Peking, May 18, 1973

Your Excellency,

With reference to the Civil Air Transport Agreement between the Government of the Kingdom of Denmark and the Government of the People's Republic of China, signed today, I have the honour to notify Your Excellency that, in accordance with article III of the Agreement, the Government of Denmark designates Det Danske Luftfartselskab A/S (DDL) to operate the route specified in the annex to the said Agreement.

In this connection I have the honour to confirm, on behalf of my Government, the following understanding reached in the course of the negotiations preceding the signature of the said Agreement:

1. Det Danske Luftfartselskab A/S (DDL) co-operating with Det Norske Luftfartselskab A/S (DNL) and AB Aerotransport (ABA) under the designation of Scandinavian Airlines System (SAS) may operate the services assigned to it under the said Agreement with aircraft, crews and equipment of either or both of the other two airlines.

2. In so far as Det Danske Luftfartselskab A/S (DDL) employs aircraft, crews and equipment of the other airlines participating in the Scandinavian Airlines System (SAS), the provisions of the Agreement shall apply to such aircraft, crews and equipment as though they were the aircraft, crews and equipment of Det Danske Luftfartselskab A/S (DDL), and the competent Danish authorities and Det Danske Luftfartselskab A/S (DDL) shall accept full responsibility under the said Agreement therefor.

Accept, Your Excellency, the assurance of my highest consideration.

K. B. ANDERSEN
Minister of Foreign Affairs
of the Kingdom of Denmark

H. E. Mr. Chi Peng-fei
Minister of Foreign Affairs
of the People's Republic of China
Peking

[TRANSLATION¹ — TRADUCTION²]

Peking, May 18, 1973

Your Excellency,

I have the honor to acknowledge receipt of your letter today relating to the Civil Air Transport Agreement between the Government of the People's Republic of China and the Government of the Kingdom of Denmark signed today.

On behalf of the Government of the People's Republic of China I have the honor to confirm the following understanding reached in the course of the negotiation preceding the signature of the said Agreement:

[*See letter I*]

Accept, Your Excellency, the assurance of my highest consideration.

Minister of Foreign Affairs
of the People's Republic of China:
CHI PENG-FEI

H. E. Mr. K. B. Andersen
Minister of Foreign Affairs
of the Kingdom of Denmark

¹ Translation supplied by the Government of Denmark.

² Traduction fournie par le Gouvernement danois.