



**AGREEMENT BETWEEN THE GOVERNMENT OF MACAU
AND THE GOVERNMENT OF THE REPUBLIC OF POLAND
CONCERNING AIR SERVICES**

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The Government of Macau and the Government of the Republic of Poland, the former being duly authorized by the competent sovereign institution of the Portuguese Republic, and with the consent of the Government of the People's Republic of China,

hereinafter referred to as "the Contracting Parties",

desiring to conclude an Agreement for the purpose of providing the framework for air services between Macau and Poland,

have agreed as follows:

ARTICLE 1

Definitions

For the purposes of this Agreement and of the Annex thereto:

- a) the term "aeronautical authority" shall mean, in the case of Macau, the Civil Aviation Authority, and in the case of the Republic of Poland, Minister of Transport and Maritime Economy, or in both cases, any person or body authorized to perform any functions being the responsibility of the said authorities;
- b) the term "designated airline" shall mean an airline which has been designated for the purpose of operating the agreed services on the route specified in the Annex to this Agreement and which has obtained the operating authorization, in accordance with the provisions of Article 4 of this Agreement;
- c) the term "Convention" means the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December, 1944 and includes any Annex adopted under Article 90 of that Convention and any amendment of the Annexes or of the Convention under Articles 90 and 94 thereof so far as those Annexes and amendments apply to both Contracting Parties;

- d) the term "area" in relation to Macau includes the Macau Peninsula and the Taipa and Coloane Islands and in relation to Poland has the meaning assigned to "Territory" in Article 2 of the Convention.

ARTICLE 2

Applicability of the Convention

In implementing this Agreement, the Contracting Parties shall act in conformity with the provisions of the Convention, including the Annexes and any amendments to the Convention or to its Annexes as they apply to both Parties, insofar as these provisions are applicable to international air transportation.

ARTICLE 3

Grant of the Rights

Each Contracting Party grants to the other Contracting Party the rights specified in the present Agreement for the purpose of establishing and operating scheduled international air services on the routes specified in the Annex thereto. Such services and routes are hereinafter called "the agreed services" and "the specified routes" respectively. The airline designated by each Contracting Party shall enjoy, while operating an agreed service on a specified route, the following rights:

- a) to fly without landing across the area of the other Contracting Party;
- b) to make stops in the said area for non-traffic purposes;
- c) to take on and to put down in international traffic passengers, mail and cargo at the specified points on the specified routes, subject to the provisions of this Agreement and the Annex thereto.

ARTICLE 4

Designation and Authorization of the Airlines

1. Each Contracting Party shall have the right to designate an airline for the purpose of operating the agreed services on the specified routes. This designation shall be notified by the aeronautical authorities of one Contracting Party to the aeronautical authorities of the other Contracting Party.
2. The Contracting Party having received the notification of designation shall, subject to the provisions of paragraphs 3 and 4 of this Article, without delay grant the appropriate operating authorization to the airline designated by the other Contracting Party.

3. The aeronautical authorities of one Contracting Party may require the designated airline of the other Contracting Party to satisfy them that it is qualified to fulfill the conditions prescribed under the laws and regulations normally applied to the operations of international air services by such authorities in conformity with the provisions of the Convention.
4.
 - a) the Government of Macau shall have the right to refuse to grant the operating authorizations referred to in paragraph 2 of this Article, or to impose such conditions as it may deem necessary on the exercise by a designated airline of the rights specified in Article 3 of this Agreement, in any case where it is not satisfied that substantial ownership and effective control of that airline are vested in the Government of the Republic of Poland or its nationals.
 - b) the Government of the Republic of Poland shall have the right to refuse to grant the operating authorizations referred to in paragraph 2 of this Article, or to impose such conditions as it may deem necessary on the exercise by a designated airline of the rights specified in Article 3 of this Agreement, in any case where it is not satisfied that that airline is incorporated and has its principal place of business in Macau.
5. When a designated airline has been so authorized under paragraph 2 of this Article, it may begin at any time to operate each agreed service provided that a tariff established in accordance with the provisions of Article 9 of this Agreement is in force in respect of that service.

ARTICLE 5

Revocation or Suspension of Operating Authorization

1. Each Contracting Party shall have the right to revoke an operating authorization or to suspend the exercise of the rights by an airline designated by the other Contracting Party or to impose such conditions as it may deem necessary on the exercise of those rights:
 - a)
 - (i) in the case of the Government of Macau, in any case where it is not satisfied that substantial ownership and effective control of that airline are vested in the Government of the Republic of Poland or its nationals;
 - (ii) in the case of the Government of the Republic of Poland, in any case where it is not satisfied that that airline is incorporated and has its principal place of business in Macau; or
 - b) in the case of failure by that airline to comply with the laws or regulations of the Contracting Party granting these rights; or

- c) in the case the airline fails to operate in accordance with the conditions prescribed in this Agreement and the Annex thereto.
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 or regulations, rights referred to in paragraph 1 shall be exercised only after consultation with the other Contracting Party.

ARTICLE 6

Principles Governing the Operation of the Agreed Services

1. There shall be fair and equal opportunity for the designated airlines of both Contracting Parties to operate 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.
3. The airlines designated by the Contracting Parties for the purpose of operating the agreed services shall provide capacity adequate to meet the current and reasonably anticipated requirements for the international carriage on these services.
4. If the regulations of one Contracting Party so require, the agreements, which may be concluded between the designated airlines for the purpose of operating the agreed services, shall be subject to the approval of the aeronautical authorities of the Contracting Parties.

ARTICLE 7

Customs and Duties

1. Aircraft engaged in international air services by the designated airline of either Contracting Party, as well as their regular equipment, supplies of fuel and lubricants and aircraft stores (including food, beverages, tobacco) on board such aircraft shall be exempt from customs duties, inspection fees and other duties or taxes on arriving in the area of the other Contracting Party, provided that the said aircraft are re-exported and such equipment, supplies and stores remain on board such aircraft up to such time as they are re-exported.
2. There shall also be exemption from the same duties, fees and taxes, with the exception of charges corresponding to the performed service:
 - a) aircraft stores taken on board in the area of either Contracting Party, within limits fixed by the competent authorities of the said Contracting Party and

destined for use on board outbound aircraft operated on an international service by the said designated airline of the other Contracting Party;

- b) spare parts and regular equipment entered into the area of one Contracting Party and destined for the maintenance or repair of aircraft engaged in international service by the designated airline of the other Contracting Party;
 - c) fuel and lubricants destined to supply aircraft engaged in an international service by the designated airline of the other Contracting Party even when these supplies are to be used on the part of the flight performed over the area of the Contracting Party in which they are taken on board;
 - d) advertising materials having no commercial value used by the designated airline on the area of the other Contracting Party.
3. If the laws or regulations of either Contracting Party so require, materials referred to in paragraphs 1 and 2 of this Article shall be kept under customs control of the said Contracting Party.
 4. The reliefs provided for by this Article shall also be available in situations where a designated airline of either Contracting Party has entered into arrangements with another airline or airlines for the loan or transfer in the area of the other Contracting Party of the items specified in paragraphs 1 and 2 of this Article, provided such other airline or airlines similarly enjoy such reliefs from such other Contracting Party.
 5. The regular airborne equipment, as well as materials and supplies retained on board the aircraft operated by the designated airline of either Contracting Party may be unloaded in the area of the other Contracting Party only with the approval of the customs authorities of such area. In such case, they may be placed under the supervision of the said authorities up to such time as they are re-exported or otherwise disposed of with the consent of the same authorities.
 6. Passengers, baggage and cargo in direct transit across the area of one Contracting Party and not leaving the area of the airport reserved for such purpose shall only be subject to a very simplified control. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes.

ARTICLE 8

Laws and Regulations

1. The laws and regulations of each Contracting Party governing the admission to, remaining in and departure from its area of aircraft engaged in international navigation and the operation and navigation of such aircraft while within the limits of its area, shall also be applied to the aircraft of the designated airline by the other Contracting Party.

2. The laws and regulations of each Contracting Party governing the admission to, remaining in and departure from its area of passengers, crew, mail and cargo on board aircraft and in particular those regarding passports, customs and sanitary control shall be applied to passengers, crew, mail and cargo carried by the aircraft of the designated airline of the other Contracting Party.

ARTICLE 9

Tariffs

1. The tariffs to be charged by the designated airline of one Contracting Party for carriage to or from the area of the other Contracting Party shall be established at reasonable levels, due regard being paid to all relevant factors, including costs of operations, reasonable profit and the tariffs of the other airlines.
2. The tariffs referred to in paragraph 1 of this Article shall, if possible, be agreed by the designated airlines concerned of both Contracting Parties, in consultation with other airlines operating over whole or part of the route. Such agreement shall, if possible, be reached through the rate-fixing machinery established by the International Air Transport Association.
3. The tariffs so agreed shall be submitted for the approval of the aeronautical authorities of the Contracting Parties at least forty-five days before the proposed date of their introduction. In special cases, this time limit may be reduced, subject to the agreement of the said authorities.
4. If the designated airlines cannot agree on any of these tariffs, or if for some reason a tariff cannot be fixed in accordance with the provisions of paragraph 2 of this Article or, if during the first thirty days of the forty-five period referred to in paragraph 3 of this Article, the aeronautical authorities of one Contracting Party give the aeronautical authorities of the other Contracting Party notice of their dissatisfaction with any tariff agreed in accordance with provision of paragraph 2 of this Article, the aeronautical authorities of both Contracting Parties shall try to determine the tariff by agreement between themselves.
5. No tariff shall come into force if the aeronautical authorities of the Contracting Parties have not approved it.
6. The tariffs established in accordance with the provisions of this Article shall remain in force until new tariffs have been established in accordance with the provisions of this Article.

ARTICLE 10

Provisions of Statistics

The aeronautical authorities of one Contracting Party shall supply to the aeronautical authorities of the other Contracting Party at their request such periodic or other statements of statistics as may be reasonably required for the purpose of reviewing the capacity provided on the agreed services by the designated airline of the first Contracting Party. Such statements shall include all information required to determine the amount of traffic carried by that airline on the agreed services.

ARTICLE 11

Settlement of Accounts

1. Accounts and payments between the designated airlines shall be settled in conformity with the provisions of the payment agreement being in force between both Contracting Parties and in conformity with currency regulations being in force in their areas.
2. In the absence of the appropriate provisions of payment agreement, the above mentioned accounts and payments shall be settled in convertible currency in accordance with the currency regulations being in force.

ARTICLE 12

Exemption of Taxes

1. Each Contracting Party exempts receipts coming from the operation of aircraft in international traffic by the designated airline of the other Contracting Party from any taxes, charges from profits as well as from other financial charges.
2. Each Contracting Party undertakes not to collect taxes from salaries of employees of the other Contracting Party delegated from its designated airline to work in the representations mentioned in Article 13 of this Agreement.

ARTICLE 13

Representation

1. The designated airline of one Contracting Party shall be entitled, in accordance with the laws and regulations relating to entry, residence and employment of the other Contracting Party to bring in and maintain in the area of the other Contracting Party those of their own managerial, technical, operational and other specialist staff who are required for the provision of air services.

2. On the basis of reciprocity and in accordance with the laws and regulations of the other Contracting Party, the designated airline of one Contracting Party shall have the right to engage in the sale of air transportation in the area of the other Contracting Party directly and, at its discretion, through its agents. Each designated airline shall have the right to sell its air transportation documents in the currency of the area of the other Contracting Party or in freely convertible currencies in accordance with the foreign exchange regulations in force.

ARTICLE 14

Consultations

In a spirit of close collaboration, the aeronautical authorities of the Contracting Parties shall consult each other from time to time with a view to ensure the implementation of, and satisfactory compliance with the provisions of this Agreement and the Annex thereto.

ARTICLE 15

Settlement of Disputes

1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall, in the first place, endeavor to settle it by negotiation.
2. If the Contracting Parties fail to reach a settlement by negotiation, they may agree to refer the dispute for decision to some person or body, or the dispute may at the request of either Contracting Party be submitted for decision to a tribunal of three arbitrators, one to be nominated by each Contracting Party and the third to be appointed by the two so nominated. Each of the Contracting Parties shall nominate an arbitrator within a period of sixty days from the date of receipt by either Contracting Party from the other of a notice through appropriate channels requesting arbitration of the dispute and the third arbitrator shall be appointed within a further period of thirty days. If either of the Contracting Parties fails to nominate an arbitrator within the period specified or if the third arbitrator is not appointed within the period specified, the President of the Council of the International Civil Aviation Organization may be requested by either Contracting Party to appoint an arbitrator or arbitrators as the case requires. If the President considers that he is a national of a State which cannot be regarded as neutral in relation to the dispute, the most senior Vice President who is not disqualified on that ground shall make the appointment. In such case, the third arbitrator shall not be a resident of Macau or a national of the Republic of Poland and shall act as president of the arbitral body.

3. The Contracting Parties undertake to comply with any decision given under paragraph 2 of this Article.

ARTICLE 16

Aviation Security

1. The Contracting Parties reaffirm that their rights and obligations to each other to protect the security of civil aviation against unlawful interference form an integral part of this Agreement. The Contracting Parties shall in particular act in conformity with the aviation security provisions of the Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16 December 1970 and the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971.
2. The Contracting Parties shall provide upon request all possible assistance to each other to prevent acts of unlawful seizure of aircraft and other unlawful acts against the safety of passengers, crew, aircraft, airports and air navigation facilities and any other threat to aviation security.
3. The Contracting Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by the International Civil Aviation Organization and designated as Annexes to the Convention to the extent that such security standards are applicable to the Contracting Parties; they shall require that operators of aircraft of their registry or operators who have their principal place of business or permanent residence in their area, and the operators of airports in their area, act in conformity with such aviation security provisions.
4. Each Contracting Party agrees that its airline may be required to observe the aviation security provisions referred to in paragraph 3 required by the other Contracting Party, for entrance into, departure from, or while within the area of that other Contracting Party. Each Contracting Party shall ensure that effective measures are taken within its area to protect aircraft, to screen passengers and their carry-on items, and to carry out appropriate checks on crews, cargo and aircraft stores prior to and during boarding or loading. Each Contracting Party shall also act favourably upon any request from the other Contracting Party for reasonable special security measures to meet a particular threat.
5. When an incident or threat of an incident of unlawful seizure of civil aircraft or other unlawful acts against the safety of such aircraft, their passengers and crews, airports or air navigation facilities occurs, the Contracting Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.

ARTICLE 17

Amendment

1. Either Contracting Party may in any time propose to the other Contracting Party any amendments which it considers desirable to bring to this Agreement.
2. If one Contracting Party considers it desirable to amend the Annex to this Agreement, the aeronautical authorities of both Contracting Parties may agree upon any such amendments.
3. Any amendments to this Agreement or its Annex pursuant to paragraph 2 of this Article shall come into effect when confirmed by an exchange of letters between the Contracting Parties.

ARTICLE 18

Termination

Either Contracting Party may at any time give notice in writing to the other Contracting Party with its decision to terminate this Agreement. In such a case, this Agreement shall terminate twelve months after the date of receipt of notification by the other Contracting Party.

ARTICLE 19

Registration with the International Civil Aviation Organization

This Agreement and any amendments thereto shall be registered with the International Civil Aviation Organization.

ARTICLE 20

Titles

Titles of the Articles in this Agreement are for convenience of reference only and shall not in any way affect the interpretation of the Articles.

ARTICLE 21

Entry into Force

This Agreement shall be approved pursuant to the respective legislation of the Contracting Parties and shall come into effect on the day of the exchange of letters stating that the requirements for its entry into force have been fulfilled.

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

Done at Warsaw on this 22nd of October 1999 in two originals in the English language.

For the Government of
Macau



Vasco Rocha Vieira
Governor

For the Government of
the Republic of Poland



Tadeusz Syryjczyk
Minister of Transport and
Maritime Economy

ANNEX

ROUTE SCHEDULE

Section 1

Routes to be operated in both directions by the designated airline of Macau:

Point of Departure	Intermediate Point(s)	Point of Destination	Beyond Point(s)
Macau	to be agreed later	Warsaw	to be agreed later

Section 2

Routes to be operated in both directions by the designated airline of the Republic of Poland:

Point of Departure	Intermediate Point(s)	Point of Destination	Beyond Point(s)
Warsaw	to be agreed later	Macau	to be agreed later

Notes:

1. No points in inland of China, Taiwan and Hong Kong may be served either as intermediate points or beyond points.
2. Any intermediate and/or beyond point(s) not specified in Section 1 and 2 above may be served by the designated airlines without fifth freedom traffic rights.
3. Any of the points on the specified routes in this Annex may, at the option of the designated airline of either Contracting Party, be omitted on any or all flights, provided that these flights originate or terminate in the area of the Contracting Party designating the airline.
4. The intermediate points, points beyond and fifth freedom traffic rights shall be agreed upon between both designated airlines and shall be subject to the approval by aeronautical authorities of both Contracting Parties.