



**AIR SERVICES AGREEMENT**  
**BETWEEN**  
**THE GOVERNMENT OF INDIA**  
**AND**  
**THE GOVERNMENT OF MACAU**

The Government of India and the Government of Macau, the latter 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 operation of air services between India and Macau;

Have agreed as follows :

**ARTICLE 1**  
**DEFINITIONS**

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

- (a) the term "area" in relation to India has the meaning assigned to "territory" in Article 2 of the Convention on International Civil Aviation, opened for signature on the seventh day of December, 1944 (hereinafter referred to as "the Convention") and in relation to Macau includes the Macau Peninsula and Taipa and Coloane Islands;
- (b) the term "aeronautical authorities" means, in the case of India, the Director General of Civil Aviation, and in the case of Macau, the Civil Aviation Authority, or in both cases, any person or body authorised to perform any functions at present exercised by the said authorities;



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- (c) the term "Agreement" means this Agreement, its Annex and any amendments thereto;
- (d) the term "agreed services" means the scheduled international air services established under this Agreement;
- (e) the terms "air services", "international air services", "airline" and "stop for non-traffic purposes" have the meanings respectively assigned to them in Article 96 of the Convention;
- (f) the term "designated airline" means an airline designated and authorised in accordance with Article 4 of this Agreement;
- (g) the term "operating authorisation" means the authorisation given by the aeronautical authorities of one Contracting Party to a designated airline of the other Contracting Party in accordance with Article 4 of this Agreement;
- (h) the term "specified routes" means the routes specified in the Route Schedules under the Annex to this Agreement; and
- (i) the term "tariff" means the price to be charged for the public transport of passengers, baggage and cargo on scheduled international air services including the conditions governing the applicability of such price and the charges and conditions for services ancillary to such transport, but excluding remuneration and conditions for the carriage of mail.

**ARTICLE 2**  
**PROVISIONS 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 the Annexes, which apply to both Contracting Parties, insofar as those provisions are applicable to the international air services.



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**ARTICLE 3**  
**GRANT OF RIGHTS**

(1) Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement for the purpose of establishing international air services on the routes specified in the Annex hereto.

(2) Subject to the provisions of this Agreement, the airline(s) designated by each Contracting Party shall enjoy the following rights:

- (a) to fly without landing across the area of the other Contracting Party;
- (b) to make stops in the area of the other Contracting Party for non-traffic purposes; and
- (c) while operating an agreed service on a specified route, the airline(s) designated by each Contracting Party shall also enjoy the right to embark and disembark, in the area of the other Contracting Party at the point(s) specified for that route in the Annex to this Agreement, international traffic in passengers, cargo and mail.

(3) Subject to the provisions of this Agreement, the airline(s) of each Contracting Party, other than those designated under Article 4 of this Agreement, shall also enjoy the rights specified in sub-paragraphs (a) and (b) of paragraph (2) of this Article.

(4) Nothing in paragraph (2) of this Article shall be deemed to confer on the airline(s) of one Contracting Party the privilege of taking on board, in the area of the other Contracting Party, passengers, cargo or mail destined for another point in the area of that other Contracting Party.

**ARTICLE 4**  
**DESIGNATION AND AUTHORISATION OF AIRLINES**

(1) Each Contracting Party shall have the right to designate in writing to the other Contracting Party upto two airlines for the purpose of operating the agreed services on the specified routes and to withdraw or alter such designation.



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(2) On receipt of such a designation the other Contracting Party shall, subject to the provisions of paragraphs (3) and (4) of this Article, without delay grant to the airline(s) designated the appropriate operating authorisations.

(3) (a) The Government of India shall have the right to refuse to grant the operating authorisations 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 (2) 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.

(b) The Government of Macau shall have the right to refuse to grant the operating authorisations 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(2) 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 India or its nationals.

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

(5) When an airline has been so designated and authorised it may begin to operate the agreed services, provided that the airline(s) complies with the applicable provisions of this Agreement.

#### **ARTICLE 5**

#### **REVOCATION OR SUSPENSION OF OPERATING AUTHORISATION**

(1) Each Contracting Party shall have the right to revoke or suspend an operating authorisation granted to an airline designated by the other Contracting Party, or to impose such appropriate conditions as it may deem necessary on the exercise of rights specified in Article 3(2) of this Agreement:



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- (a) (i) in the case of the Government of India, in any case where it is not satisfied that that airline is incorporated and has its principal place of business in Macau;
- (ii) 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 India or its nationals; or
- (b) in the case of failure by that airline to comply with the laws or regulations of the Contracting Party granting those rights; or
- (c) if that airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement.
- (2) Unless immediate revocation or suspension of the operating authorisation or imposition of the conditions mentioned in paragraph (1) of this Article is essential to prevent further infringements of the laws or regulations or provisions of this Agreement, such right shall be exercised only after consultation with the other Contracting Party.

**ARTICLE 6**  
**CUSTOMS DUTIES AND PROCEDURES**

(1) Aircraft operated on international services by the designated airline(s) of either Contracting Party, as well as their regular equipment, supplies of fuels and lubricants and aircraft stores already on board, introduced into or taken on board such aircraft and intended solely for use by or in such aircraft shall, with respect to all Customs duties, inspection fees and other duties or taxes, be accorded in the area of the other Contracting Party, treatment not less favourable than that granted by the other Contracting Party to its own airline(s) operating scheduled international air services.

(2) The same treatment shall be accorded to spare parts entered into the area of either Contracting Party for the maintenance or repair of aircraft used on the international services by the designated airline(s) of the other Contracting Party.



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(3) Neither Contracting Party shall be obliged to grant to the designated airline(s) of the other Contracting Party exemption or remission of Customs duty, inspection fees or similar charges unless such other Contracting Party grants exemption or remission of such charges to the designated airline(s) of the first Contracting Party.

(4) The regular airborne equipment as well as the materials and supplies retained on board the aircraft 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.

(5) Materials referred to in paragraphs (1), (2) and (4) of this Article may be required to be kept under Customs supervision or control.

#### **ARTICLE 7** **DIRECT TRANSIT TRAFFIC**

Passengers, baggage and cargo in direct transit across the area of one Contracting Party and not leaving the zone of the airport reserved for such purpose shall only be subject to no more than a very simplified control. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes.

#### **ARTICLE 8** **APPLICATION OF LAWS**

(1) The laws and regulations of one Contracting Party governing entry into and departure from its area of aircraft engaged in international air services, or to the operation and navigation of such aircraft while within its area, shall be applied to the aircraft of the airline designated by the other Contracting Party and shall be complied with by such aircraft upon entry into or departure from and while within the area of the first Contracting Party.

(2) The laws and regulations of one Contracting Party governing entry into, sojourn in, and departure from its area of passengers, crew, cargo or mail, such as regulations pertaining to entry, clearance, immigration, passports, customs, currency and quarantine shall be complied with by or on behalf of such passengers, crew, cargo or mail carried by the designated airline(s) of the other Contracting Party upon entry into or departure from and while within the area of the first Contracting Party.



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(3) Each Contracting Party undertakes not to grant any preference to its own airline(s) with regard to the designated airline(s) of the other Contracting Party in the application of the laws and regulations provided for by this Article.

**ARTICLE 9**  
**AIRWORTHINESS**

Certificates of airworthiness, certificates of competency, and licenses issued or rendered valid by one Contracting Party, shall, during the period of their validity, be recognized as valid by the other Contracting Party for the purpose of operating the air services provided for in this Agreement, provided that the requirements under which such certificates or licenses were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Convention. Each Contracting Party reserves the right, however, to refuse to recognize, for the purpose of flights above its own area, certificates of competency and licenses granted, in the case of India, to its nationals, and in the case of Macau, to its residents, by the other Contracting Party.

**ARTICLE 10**  
**SECURITY**

(1) The Contracting Parties reaffirm that their obligation to each other to protect the security of civil aviation against acts of unlawful interference forms an integral part of this Agreement. The Contracting Parties shall, in particular, act in conformity with the 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 necessary assistance to each other to prevent acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, their passengers and crew, airports and air navigation facilities, and any other threat to the security of civil aviation.



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(3) The 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 on International Civil Aviation, to the extent that such security provisions are applicable to the Parties; they shall require that operators of aircraft of their registry or operators of aircraft 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 such operators of aircraft may be required to observe the aviation security provisions referred to in paragraph (3) above required by the other Contracting Party for entry into, departure from, or while within, the area of that other Contracting Party. Each Contracting Party shall ensure that adequate measures are effectively applied within its area to protect the aircraft and to inspect passengers, crew, carry-on items, baggage, cargo and aircraft stores prior to and during boarding or loading. Each Contracting Party shall also give sympathetic consideration to 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 crew, 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.

(6) Each Contracting Party shall take measures, as it may find practicable, to ensure that an aircraft subjected to an act of unlawful seizure or other acts of unlawful interference which has landed in its area is detained on the ground unless its departure is necessitated by the overriding duty to protect human life. Wherever practicable, such measures shall be taken on the basis of mutual consultations.

(7) Any departure from the provisions of this Article shall be dealt with in accordance with Article 18 and may constitute grounds for application of Article 5 of this Agreement.





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**ARTICLE 11**  
**TIMETABLES, OPERATING INFORMATION AND STATISTICS**

(1) The aeronautical authorities of each Contracting Party shall cause their designated airline(s) to file with the aeronautical authorities of the other Contracting Party, for their consideration and approval, at least sixty days prior to the inauguration of the agreed services, information relating to the type of service and its frequency, the type of aircraft to be used and the flight schedules. Similar information shall also be supplied at least 30 days in advance as and when any changes are to be introduced regarding operation of the agreed services.

(2) The designated airline shall also furnish any other information as may be required to satisfy the aeronautical authorities of the other Contracting Party that the requirements of the Agreement are being duly observed.

(3) The aeronautical authorities of each Contracting Party shall cause their designated airline(s) to furnish to the aeronautical authorities of the other Contracting Party monthly statistics relating to the traffic carried on the agreed services to and from the area of that other Contracting Party, showing the points of embarkation and disembarkation of such traffic. Such statistics shall be furnished as soon as possible after the end of each month.

**ARTICLE 12**  
**CAPACITY/FREQUENCY OF SERVICES**

(1) There shall be fair and equal opportunity for the airlines of both Contracting Parties to operate the agreed services on the specified routes between their respective areas.

(2) In operating the agreed services, the airline(s) of each Contracting Party shall take into account the interests of the airline(s) of the other Contracting Party so as not to affect unduly the services which the latter provide(s) on the same route.

(3) The capacity to be provided on the agreed services by the designated airlines shall bear a close relationship to the estimated air transport requirements of the travelling public between the areas of the Contracting Parties.



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(4) Based upon the principles enshrined in the preceding paragraphs, the capacity to be provided and the frequency of services to be operated by the designated airline(s) of each Contracting Party shall be agreed between the aeronautical authorities of the two Contracting Parties.

(5) Any increase in the capacity to be provided and/or frequency of services to be operated by the designated airline(s) of either Contracting Party shall be based primarily on the increased requirements of traffic between the areas of the Contracting Parties and shall be subject to agreement between the two aeronautical authorities. Pending such agreement or settlement, the capacity and frequency entitlements already in force shall prevail.

**ARTICLE 13**  
**TARIFFS**

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

(2) The tariffs referred to in paragraph (1) of this Article shall, if possible, be agreed between the designated airlines of the two Contracting Parties and such agreement shall, wherever possible, be reached using the procedures of the International Air Transport Association.

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

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



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(5) If a tariff cannot be agreed in accordance with paragraph (2) of this Article, or if, during the period applicable in accordance with paragraph (4), the aeronautical authorities of one Contracting Party give the aeronautical authorities of the other Contracting Party notice of disapproval of a tariff agreed in accordance with the provisions of paragraph (2), the aeronautical authorities of the two Contracting Parties shall endeavour to establish the tariff by mutual agreement.

(6) If the aeronautical authorities cannot agree on any tariff submitted to them under paragraph (3) of this Article, or on the establishment of any tariff under paragraph (5), the dispute shall be settled in accordance with the provisions of Article 17 of this Agreement.

(7) A tariff established in accordance with the provisions 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 (12) months after the date on which it would otherwise have expired.

#### **ARTICLE 14** **REPRESENTATION**

(1) The designated airline(s) of one Contracting Party shall be allowed, on the basis of reciprocity, to maintain in the area of the other Contracting Party their representatives and commercial, operational and technical staff as required in connection with the operation of the agreed services. These staff shall be chosen from among the nationals of India and the residents of Macau as may be necessary.

(2) These staff requirements may, at the option of the designated airline(s), be satisfied by its own personnel or by using the services of any other organisation, company or airline operating in the area of the other Contracting Party, only if they are authorised to perform such services in the area of that Contracting Party.

(3) The representatives and staff shall be subject to the laws and regulations in force of the other Contracting Party, and consistent with such laws and regulations, such Contracting Party shall, on the basis of reciprocity and with the minimum of delay, grant the necessary work permits, employment visas or other similar documents to the representatives and staff referred to in paragraph (1) of this Article.



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(4) Based on the principle of reciprocity, each Contracting Party grants to the designated airline(s) of the other Contracting Party the right to engage in the sale of air transportation in its area directly and at its discretion, through its agents. Each designated airline shall have the right to sell such transportation and any person shall be free to purchase such transportation in local currency or in any freely convertible currency.

**ARTICLE 15**  
**TRANSFER OF EARNINGS**

(1) Each Contracting Party grants to the designated airline(s) of the other Contracting Party the right to remit to its head office, the excess of receipts over expenditure earned in the area of the first Contracting Party. Such remittances, however, shall be made in any convertible currency, and subject to, and in accordance with the foreign exchange regulations of the Contracting Party in the area of which the revenue accrued.

(2) Such transfers shall be effected on the basis of the official exchange rate for currency payment, or where there are no official exchange rates, at the prevailing foreign exchange market rates for currency payment.

(3) In case special arrangements ruling the settlement of payments are in force between the two Contracting Parties, the provisions of such arrangements shall be applied to the transfer of funds under paragraph (1) of this Article.

**ARTICLE 16**  
**USER CHARGES**

(1) Each Contracting Party may impose or permit to be imposed just and reasonable charges for the use of airports and other aviation facilities, provided that these charges shall not be higher than those paid by other airlines engaged in similar international air services.

(2) Each Contracting Party shall encourage consultations between its competent charging organisations and designated airlines using the services and facilities and, where practicable, through the airlines' representative organisations. Reasonable notice should be given to users of any proposals for changes in user charges to enable them to express their views before changes are made.



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(3) Neither Contracting Party shall give preference to its own or to any other airline over an airline engaged in similar international air services of the other Contracting Party in the application of its customs, immigration, quarantine and similar regulations.

**ARTICLE 17**  
**SETTLEMENT OF DISPUTES**

If any dispute arises relating to the interpretation or application of this Agreement, the aeronautical authorities of the Contracting Parties shall endeavour to settle it by negotiations between themselves, failing which the dispute shall be referred to the Contracting Parties for settlement.

**ARTICLE 18**  
**CONSULTATIONS AND AMENDMENTS**

(1) Either Contracting Party may at any time request consultations on the interpretation, application or amendment of this Agreement. Such consultations, which may be between the aeronautical authorities of the Contracting Parties or the Contracting Parties themselves, shall begin within a period of sixty (60) days from the date the other Contracting Party receives the request.

(2) Any amendment to this Agreement shall come into effect when they have been confirmed by an Exchange of Letters.

(3) Amendments to routes specified in the Annex may be made by direct agreement between the competent aeronautical authorities of the Contracting Parties and shall be confirmed by an Exchange of Letters.

**ARTICLE 19**  
**REGISTRATION**

This Agreement and all amendments thereto shall be registered with the International Civil Aviation Organisation.



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**ARTICLE 20**  
**TERMINATION**

Either Contracting Party may at any time notify the other in writing of its intention to terminate this Agreement. Such notice shall be sent simultaneously to the International Civil Aviation Organization. This Agreement shall terminate One year after the date on which notice of termination is received by the other Contracting Party, unless the notice is withdrawn before the end of this period by agreement between the Contracting Parties. In the absence of acknowledgment of receipt by the other contracting Party, notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organisation.

**ARTICLE 21**  
**TITLES**

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

**ARTICLE 22**  
**ENTRY INTO FORCE**

(1) This Agreement shall be signed after completion of all necessary legal procedures of the Contracting Parties.

(2) This Agreement shall come into force on the date of Exchange of Letters between the Contracting Parties confirming to each other that all necessary requirements have been completed.

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

Done at New Delhi, this 11th day of February, 1998 in two originals each in Hindi, Portuguese, Chinese and English languages, all texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

  
FOR THE GOVERNMENT OF  
INDIA

FOR THE GOVERNMENT OF  
MACAU





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ANNEX

ROUTE SCHEDULE

Section 1

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

Point of Departure	Intermediate Point(s)	Point of Destination	Beyond Point(s)
Macau	to be agreed	One point to be specified.	to be agreed

Section 2

Routes to be operated in both directions by the designated airlines of India:

Point of Departure	Intermediate Point(s)	Point of Destination	Beyond Point(s)
Points in India	to be agreed	Macau	to be agreed

Notes:

1. No points in inland of China, Taiwan and Hongkong 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. Fifth freedom traffic rights shall be agreed upon separately.