Agreement

between the Government of Hong Kong and the Government of the Italian Republic Concerning Air Services

AGREEMENT BETWEEN THE GOVERNMENT OF HONG KONG AND THE GOVERNMENT OF THE ITALIAN REPUBLIC CONCERNING AIR SERVICES

The Government of Hong Kong and the Government of the Italian Republic,

Desiring to conclude an Agreement for the purpose of providing the framework for air services between Hong Kong and Italy,

Have agreed as follows:

ARTICLE 1

Definitions

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

- (a) the term "aeronautical authorities" means in the case of Hong Kong, the Director of Civil Aviation, and in the case of the Italian Republic, the Ministero dei Transporti-Direzione Generale dell' Aviazione Civile, or, in both cases, any person or body authorised to perform any functions at present exercisable by the above-mentioned authorities or similar functions;
- (b) the term "designated airline" means an airline which has been designated and authorised in accordance with Article 4 of this Agreement;
- (c) the term "area" in relation to Hong Kong includes Hong Kong Island, Kowloon and the New Territories and in relation to Italy has the meaning assigned to "territory" in Article 2 of the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944;
- (d) the terms "air service", "international air service", "airline" and "stop for non-traffic purposes" have the meanings respectively assigned to them in Article 96 of the said Convention;
- (e) the term "this Agreement" includes the Annex hereto and any amendments to it or to this Agreement.

ARTICLE 2

Provisions of the Chicago Convention Applicable to International Air Services

In implementing this Agreement, the Contracting Parties shall act in conformity with the provisions of the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944, including the Annexes and any amendments to the Convention or to its Annexes which apply to both Contracting Parties, insofar as those provisions are applicable to international air services.

Grant of Rights

- (1) Each Contracting Party grants to the other Contracting Party the following rights in respect of its international air services:
 - (a) the right to fly across its area without landing;
 - (b) the right to make stops in its area for non-traffic purposes.
- (2) Each Contracting Party grants to the other Contracting Party the rights hereinafter specified in this Agreement for the purpose of operating international air services on the routes specified in the appropriate Section of the Annex to this Agreement. Such services and routes are hereinafter called "the agreed services" and "the specified routes" respectively. While operating an agreed service on a specified route the designated airline of each Contracting Party shall enjoy in addition to the rights specified in paragraph (1) of this Article the right to make stops in the area of the other Contracting Party at points determined for that route in accordance with the Annex to this Agreement for the purpose of taking on board and discharging passengers and cargo, including mail, separately or in combination.
- (3) Nothing in paragraph (2) of this Article shall be deemed to confer on the designated airline of one Contracting Party the right to take on board, at one point in the area of the other Contracting Party, passengers and cargo, including mail, carried for hire or reward and destined for another point in the area of the other Contracting Party.

ARTICLE 4

Designation of and Authorisation of Airlines

- (1) Each Contracting Party shall have the right to designate in writing to the other Contracting Party one airline for the purpose of operating the agreed services on the specified routes and to withdraw or alter designations.
- (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 designated the appropriate operating authorisations.
- (3) (a) The Government of Hong Kong 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 the 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 the Italian Republic or its nationals.
 - (b) The Government of the Italian Republic 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 the 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 Hong Kong.

- (4) The aeronautical authorities of one Contracting Party may require the airline designated by the other Contracting Party to satisfy them that it is qualified to fulfil the conditions prescribed under the laws and regulations normally and reasonably 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 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 for the exercise of the rights specified in Article 3(2) of this Agreement by the 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 Hong Kong, in any case where it is not satisfied that substantial ownership and effective control of that airline are vested in the Government of the Italian Republic or its nationals;
 - (ii) in the case of the Government of the Italian Republic, in any case where it is not satisfied that that airline is incorporated and has its principal place of business in Hong Kong; 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 mentioned in paragraph (1) of this Article or imposition of the conditions therein is essential to prevent further infringements of laws or regulations, such right shall be exercised only after consultation with the other Contracting Party.

ARTICLE 6

Principles Governing Operation of Agreed Services

- (1) There shall be fair and equal opportunity for the designated airlines of the 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 provide on the whole or part of the same routes.

- (3) The agreed services provided by the designated airline of the Contracting Parties shall bear a close relationship to the requirements of the public for transportation on the specified routes and shall have as their primary objective the provision at a reasonable load factor of capacity adequate to meet the current and reasonably anticipated requirements for the carriage of passengers and cargo, including mail, originating in or destined for the area of the Contracting Party which has designated the airline. Provision for the carriage of passengers and cargo, including mail, both taken on board and discharged at points on the specified routes other than points in the area of the Contracting Party which designated the airline shall be made in accordance with the general principles that capacity shall be related to:
 - (a) traffic requirements to and from the area of the Contracting Party which has designated the airline;
 - (b) traffic requirements of the region through which the agreed service passes, taking account of other air services established by airlines of the States comprising that region; and
 - (c) the requirements of through airline operation.
- (4) The capacity to be provided on the specified routes shall be such as is from time to time jointly determined by the aeronautical authorities of the Contracting Parties.

Tariffs

- (1) The term "tariff" means:
 - (a) the fare or rate charged or to be charged by an airline for the carriage of passengers and their baggage or freight (excluding mail) on air services and the charges and conditions for services ancillary to such carriage; and
 - (b) any such fare or rate constructed using other tariffs, add-ons for international sectors and addons for domestic sectors forming part of the international carriage; and includes
 - (c) the conditions governing the availability or applicability of any such fare or rate including any benefits attaching to it; and/or
 - (d) the commission paid by an airline to an agent in respect of tickets sold or air waybills completed by that agent for carriage on air services.
- (2) The tariffs to be charged by the designated airlines of the Contracting Parties for carriage between Hong Kong and Italy shall be those approved by the aeronautical authorities of both Contracting Parties and shall be established at reasonable levels, due regard being had to all relevant factors, including the following criteria: the cost of operating the agreed services, the interests of users, commission rates, reasonable profit and the tariffs of other airlines operating over the whole or part of the same route.

- (3) The tariffs referred to in paragraph (2) of this Article may be agreed by the designated airlines of the Contracting Parties seeking approval of the tariffs, which may consult other airlines operating over the whole or part of the same route, before proposing such tariffs. However, a designated airline shall not be precluded from proposing, nor the aeronautical authorities of the Contracting Parties from approving, any tariff, if that airline shall have failed to obtain the agreement of the other designated airline to such tariff, or because no other designated airline is operating on the same route. References in this and the preceding paragraph to "the same route" are to the route operated, not the specified route.
- (4) Any proposed tariff for carriage between Hong Kong and Italy shall be filed with the aeronautical authorities of the Contracting Parties by the airline or airlines seeking its approval in such form as the aeronautical authorities may separately require to disclose the particulars referred to in paragraph (1) of this Article. It shall be filed not less than 60 days (or such shorter period as the aeronautical authorities of the Contracting Parties may agree) before the proposed effective date. The proposed tariff shall be treated as having been filed with the aeronautical authorities of a Contracting Party on the date on which it is received by those aeronautical authorities.
- (5) Any proposed tariff may be approved by the aeronautical authorities of a Contracting Party at any time and, provided it has been filed in accordance with paragraph (4) of this Article, shall be deemed to have been approved by the aeronautical authorities of that Contracting Party unless, within 30 days (or such shorter period as the aeronautical authorities of the Contracting Parties may agree) after the date of filing, the aeronautical authorities of one Contracting Party have served on the aeronautical authorities of the other Contracting Party written notice of disapproval of the proposed tariff.
- (6) If a notice of disapproval is given in accordance with the provisions of paragraph (5) of this Article, the aeronautical authorities of the Contracting Parties may jointly determine the tariff. For this purpose, one Contracting Party may, within 30 days of the service of the notice of disapproval, request consultations between the aeronautical authorities of the Contracting Parties which shall be held within 30 days from the date the other Contracting Party receives such request in writing.
- (7) If a tariff has been disapproved by the aeronautical authorities of a Contracting Party in accordance with paragraph (5) of this Article, and if the aeronautical authorities of the Contracting Parties have been unable jointly to determine the tariff in accordance with paragraph (6) of this Article, the dispute may be settled in accordance with the provisions of Article 16 of this Agreement.
- (8) Pending approval of a proposed tariff by the aeronautical authorities of the Contracting Parties, the designated airline or airlines seeking such approval may engage in marketing, advertising and sale of the tariff, provided that
 - (a) any such marketing, advertising and sale:
 - (i) shall be for carriage commencing on or after the proposed effective date of the tariff; and
 - (ii) shall not be undertaken prior to the date of filing the tariff; and
 - (b) it is made clear that the tariff is being marketed, advertised and sold subject to such approval; and
 - (c) such marketing, advertising and sale shall be discontinued if the notice of disapproval of the tariff is given.

- (9) Subject to paragraph (10) of this Article, a tariff established in accordance with the provisions of this Article shall remain valid, unless withdrawn by the relevant designated airline or airlines with the approval of the aeronautical authorities of both Contracting Parties, until a replacement tariff has been established.
- (10) Except with the agreement of the aeronautical authorities of both Contracting Parties and for such period as they may agree, the validity of a tariff shall not be prolonged by virtue of paragraph (9) of this Article:
 - (a) where a tariff has a due expiry date, for more than 12 months after that date;
 - (b) where a tariff has no due expiry date, for more than 12 months after the date on which a replacement tariff is filed with the aeronautical authorities of the Contracting Parties by the designated airline of a Contracting Party.
- (11) (a) The tariffs to be charged by the designated airline of Hong Kong for carriage between Italy and another State shall be subject to approval by the aeronautical authorities of Italy and, where appropriate, of the other State. The tariffs to be charged by the designated airline of Italy for carriage between Hong Kong and a State other than Italy shall be subject to approval by the aeronautical authorities of Hong Kong and, where appropriate, of the other State.
 - (b) Any proposed tariff for such carriage shall be filed by the designated airline of one Contracting Party seeking approval of such tariff with the aeronautical authorities of the other Contracting Party. It shall be filed in such form as those aeronautical authorities may require to disclose the particulars referred to in paragraph (1) of this Article and not less than 60 days (or such shorter period as they may decide) prior to the proposed effective date. The proposed tariff shall be treated as having been filed on the date on which it is received by those aeronautical authorities.
 - (c) Such tariff may be approved at any time by the aeronautical authorities of the Contracting Party with whom it has been filed and shall be deemed to have been approved by them unless, within 30 days after the date of filing, they have served on the designated airline seeking approval of such tariff written notice of disapproval.
 - (d) The aeronautical authorities of a Contracting Party may withdraw approval of any such tariff approved or deemed to be approved by them on giving 120 days' notice to the designated airline charging such tariff provided that reasons are given for the notice of withdrawal of the approval. That airline shall cease to charge such tariff at the end of that period.
- (12) Notwithstanding the provisions of paragraphs (5) and (11)(c) of this Article, the aeronautical authorities of a Contracting Party shall not disapprove any proposed tariff filed with them by a designated airline which matches (e.g. in price level, conditions and date of expiry but not necessarily the routeing being used) the tariff charged by an airline of that Contracting Party for comparable services between the same points or is more restrictive or higher than that tariff.

Customs Duties

- (1) Aircraft operated in international air services by the designated airline of one Contracting Party, their regular equipment, fuel, lubricants, consumable technical supplies, spare parts including engines, and aircraft stores (including but not limited to such items as food, beverages and tobacco) which are on board such aircraft shall, on arriving in the area of the other Contracting Party, be exempted on the basis of reciprocity from all kinds of customs duties, excise taxes and similar fees and charges provided such regular equipment and such other items remain on board the aircraft.
- (2) Regular equipment, fuel, lubricants, consumable technical supplies, spare parts including engines, and aircraft stores (including but not limited to such items as food, beverages and tobacco) introduced by or on behalf of the designated airline of one Contracting Party into the area of the other Contracting Party or taken on board the aircraft operated by that designated airline and exclusively intended for use or consumption by aircraft of the said airline, shall be exempted on the basis of reciprocity from all kinds of customs duties, excise taxes and similar fees and charges not based on the cost of services provided, even when such regular equipment and such other items are to be used on any part of a journey performed over the area of the other Contracting Party.
- (3) Printed ticket stock, air waybills and usual publicity material distributed without charge by the designated airline of one Contracting Party introduced into the area of the other Contracting Party by or on behalf of the designated airline shall be exempted by the other Contracting Party on the basis of reciprocity from all kinds of customs duties, excise taxes and similar fees and charges.
- (4) The regular equipment and the other items referred to in paragraphs (1), (2) and (3) of this Article may be required to be kept under the supervision or control of the customs authorities of the other Contracting Party.
- (5) The regular equipment and the other items referred to in paragraphs (1), (2) and (3) of this Article may be unloaded in the area of the other Contracting Party with the approval of the customs authorities of that other Contracting Party. Such equipment and items in addition to equipment and items supplied to a designated airline by another airline enjoying equivalent exemptions from that other Contracting Party shall enjoy, on the basis of reciprocity, the exemptions provided for by paragraphs (1), (2) and (3) of this Article but if not used or consumed shall be re-exported or otherwise disposed of in accordance with customs regulations. The customs authorities of that other Contracting Party may however require that such regular equipment and such items be placed under their supervision up to such time.
- (6) Baggage and cargo in direct transit across the area of a Contracting Party shall be exempt on the basis of reciprocity from all kinds of customs duties, excise taxes and similar fees and charges not based on the cost of services provided.

Aviation Security

- (1) Each Contracting Party reaffirms that its obligation to the other Contracting Party to protect the security of civil aviation against unlawful interference forms an integral part of this Agreement. Each Contracting Party 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) Each Contracting Party shall be provided at its request with all necessary assistance by the other Contracting Party 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.
- (3) The Contracting Parties shall, in their mutual relations, act in conformity with the applicable aviation security provisions established by the International Civil Aviation Organization and designated as Annexes to the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944. Each Contracting Party shall require that operators of aircraft of its registry or operators of aircraft having their principal place of business or permanent residence in its area, and the operators of airports in its area, act in conformity with such aviation security provisions. Accordingly, each Contracting Party shall advise the other Contracting Party of any differences between its regulations and practices and the aforementioned aviation security provisions, which are allowed by the said Convention. Either Contracting Party may request immediate consultations with the other Contracting Party at any time to discuss the effect of any such differences.
- (4) Each Contracting Party agrees that such operators of aircraft may be required to observe the aviation security provisions referred to in paragraph (3) of this Article 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, each Contracting Party shall assist the other Contracting Party by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.
- (6) Should a Contracting Party depart from the aviation security provisions of this Article, the other Contracting Party may request immediate consultations with the first Contracting Party.

Provision of Statistics

The aeronautical authorities of each Contracting Party shall provide the aeronautical authorities of the other Contracting Party with periodic or other statements of statistics relating to the traffic carried on the agreed services to and from the area of the other Contracting Party. Such statistics shall in particular show the points of embarkation and disembarkation of such traffic.

ARTICLE 11

Conversion and Remittance of Revenue

- (1) The designated airline of Hong Kong shall have the right to convert and remit abroad from Italy on demand local revenues in excess of sums locally disbursed and the designated airline of the Italian Republic shall have the right to convert and remit abroad from Hong Kong on demand local revenues in excess of sums locally disbursed, on the basis of reciprocity.
- (2) The conversion and remittance of such revenues shall be permitted without restriction at the rate of exchange applicable to current transactions which is in effect at the time such revenues are presented for conversion and remittance, and shall be subject only to fees normally charged by banks for carrying out such conversion and remittance.

ARTICLE 12

Airline Representation and Sales

- (1) The designated airline of each Contracting Party shall have the right, in accordance with the laws, regulations and administrative directives issued in accordance with the law, of the other Contracting Party relating to entry, residence and employment, to bring into and maintain in the area of that other Contracting Party those of its own managerial, administrative, commercial, technical, operational and other specialist staff who are necessary for the requirements of the designated airline.
- (2) The designated airline of each Contracting Party shall have the right to engage in the sale of air transport services, including supplementary services rendered, on the specified routes and on all other services of its own network and on the networks of other airlines, in the area of the other Contracting Party, either directly or through agents. The designated airline of each Contracting Party shall have the right to sell, and any person shall be free to purchase, such services in local currency or in any freely convertible other currency.

User Charges

- (1) The term "user charge" means a charge made to airlines by the competent authorities or permitted by them to be made for the provision of airport property or facilities or of air navigation facilities, including related services and facilities, for aircraft, their crews, passengers and cargo.
- (2) A Contracting Party shall not impose or permit to be imposed on the designated airline of the other Contracting Party user charges higher than those imposed on its own airlines operating similar international air services.
- (3) Each Contracting Party shall, where practicable, encourage consultation on user charges between the relevant bodies and airlines using the services and facilities provided by such bodies through those airlines' representative organisations.

ARTICLE 14

Laws and Regulations

- (1) The laws, regulations and administrative directives issued in accordance with the law, of one Contracting Party relating to the admission to, the stay in or departure from its area of aircraft engaged in international air navigation, 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 or while within the area of the first Contracting Party.
- (2) The laws, regulations and administrative directives issued in accordance with the law, of one Contracting Party relating to the admission to, the stay in or departure from its area of passengers, crew, cargo or mail of aircraft, including regulations relating to entry, clearance, immigration, passports, customs and quarantine, shall be complied with by or on behalf of such passengers, crew, cargo or mail of the airline designated by the other Contracting Party upon entry into or departure from or while within the area of the first Contracting Party.

ARTICLE 15

Consultation

One Contracting Party may at any time request consultations on the implementation, interpretation, application or amendment of this Agreement. Such consultations, which may be between the aeronautical authorities of the Contracting Parties, shall begin within 60 days from the date the other Contracting Party receives such request in writing, unless otherwise agreed by the Contracting Parties.

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 try to settle it by negotiation.
- (2) If the Contracting Parties fail to reach a settlement of the dispute by negotiation, it may be referred by them to such person or body as they may agree on or, at the request of a Contracting Party, shall be submitted for decision to a tribunal of three arbitrators which shall be constituted in the following manner:
 - (a) within 30 days after receipt of a request for arbitration, each Contracting Party shall appoint one arbitrator. A national of a State which can be regarded as neutral in relation to the dispute, who shall act as President of the tribunal, shall be appointed as the third arbitrator by agreement between the two arbitrators, within 60 days of the appointment of the second;
 - (b) if within the time limits specified above any appointment has not been made, a Contracting Party may request the President of the Council of the International Civil Aviation Organization to make the necessary appointment within 30 days. 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.
- (3) Except as hereinafter provided in this Article or as otherwise agreed by the Contracting Parties, the tribunal shall determine the limits of its jurisdiction and establish its own procedure. At the direction of the tribunal, or at the request of a Contracting Party, a conference to determine the precise issues to be arbitrated and the specific procedures to be followed shall be held not later than 30 days after the tribunal is fully constituted.
- (4) Except as otherwise agreed by the Contracting Parties or prescribed by the tribunal, each Contracting Party shall submit a memorandum within 45 days after the tribunal is fully constituted. Replies shall be due 60 days later. The tribunal shall hold a hearing at the request of a Contracting Party, or at its discretion, within 30 days after replies are due.
- (5) The tribunal shall attempt to give a written decision within 30 days after completion of the hearing or, if no hearing is held, after the date both replies are submitted. The decision shall be taken by a majority vote.
- (6) A Contracting Party may submit a request for clarification of the decision within 15 days after it is received and such clarification shall be issued within 15 days of such request.
- (7) The decision of the tribunal shall be binding on the Contracting Parties.
- (8) Each Contracting Party shall bear the costs of the arbitrator appointed by it. The other costs of the tribunal shall be shared equally by the Contracting Parties including any expenses incurred by the President or Vice-President of the Council of the International Civil Aviation Organization in implementing the procedures in paragraph (2)(b) of this Article.

(9) The procedures set out in paragraphs (2) to (8) of this Article shall not apply to any dispute relating to customs duties, excise taxes and similar fees and charges not based on the cost of services provided on arrival.

ARTICLE 17

Amendment

Any amendments to this Agreement agreed by the Contracting Parties shall enter into force when confirmed in writing by the Contracting Parties.

ARTICLE 18

Termination

One Contracting Party may at any time give notice in writing to the other Contracting Party of its decision to terminate this Agreement. This Agreement shall terminate at midnight (at the place of receipt of the notice) immediately before the first anniversary of the date of receipt of such notice by that other Contracting Party, unless such notice is withdrawn by agreement before the end of this period.

ARTICLE 19

Registration with the International Civil Aviation Organization

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

ARTICLE 20

Entry into Force

This Agreement shall enter into force as soon as the Contracting Parties have given notice in writing to each other that any necessary procedures have been completed.

In witness whereof, the undersigned, being duly authorised by their respective Governments, have signed this Agreement.

Done, in duplicate at Rome this 9th day of October 1996 in the English and Italian languages, both texts being equally authoritative.

| For the Government of | For the Government of |
|-----------------------|-----------------------|
| Hong Kong: | the Italian Republic: |
| | • |
| | |
| | |
| | |
| DONALD TSANG | CLAUDIO BURLANDO |

ANNEX

ROUTE SCHEDULE

Section 1

Routes to be operated by the designated airline of Hong Kong:

Hong Kong – intermediate points – Rome – points beyond in Europe

Notes:

- 1. The designated airline of Hong Kong may on any or all flights omit calling at any points on the routes specified above, and may serve intermediate points in any order and points beyond in any order, provided that the agreed services on these routes begin at Hong Kong.
- 2. The intermediate points or points beyond at which traffic may be taken on board and discharged at Rome or vice versa shall be jointly determined by the aeronautical authorities of the Contracting Parties.
- 3. No point in the mainland of China may be served as an intermediate point or a point beyond.

Section 2

Routes to be operated by the designated airline of the Italian Republic:

Rome – intermediate points – Hong Kong – points beyond in Asia Milan

Notes:

- 1. The designated airline of the Italian Republic may on any or all flights omit calling at any points on the routes specified above, and may serve Rome and Milan in any order, intermediate points in any order and points beyond in any order, provided that the agreed services on these routes begin at Rome and/or Milan.
- 2. The intermediate points or points beyond where traffic may be taken on board and discharged at Hong Kong or vice versa shall be jointly determined by the aeronautical authorities of the Contracting Parties.
- 3. No point in the mainland of China may be served as an intermediate point or a point beyond.