

Agreement

between the Government of the Hong Kong Special Administrative
Region of the People's Republic of China and the
Government of the Kingdom of Sweden
Concerning Scheduled Air Services

**AGREEMENT BETWEEN THE GOVERNMENT OF THE
HONG KONG SPECIAL ADMINISTRATIVE REGION
OF THE PEOPLE'S REPUBLIC OF CHINA AND THE
GOVERNMENT OF THE KINGDOM OF SWEDEN**

CONCERNING SCHEDULED AIR SERVICES

The Government of the Hong Kong Special Administrative Region of the People's Republic of China ("the Hong Kong Special Administrative Region") and the Government of the Kingdom of Sweden,

Desiring to conclude an Agreement for the purpose of providing the framework for scheduled air services between the Hong Kong Special Administrative Region and Sweden,

Have agreed as follows:

ARTICLE 1

Definitions

For the purpose of this Agreement:

- (a) the term "aeronautical authorities" means in the case of the Hong Kong Special Administrative Region, the Secretary for Economic Services and the Director of Civil Aviation, and in the case of Sweden, the Civil Aviation Administration, or, in both cases, any person or body authorised to perform any functions at present exercisable by the above-mentioned authorities;
- (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 the Hong Kong Special Administrative Region includes Hong Kong Island, Kowloon and the New Territories and in relation to Sweden 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;

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- (e) the term “this Agreement” includes the Annex hereto and any amendments to it or to this Agreement;
- (f) The term “tariff” means
- the fare charged by an airline for the carriage of passengers and their baggage on scheduled air services and the charges and conditions for services ancillary to such carriage;
 - the rate charged by an airline for the carriage of cargo (excluding mail) on scheduled air services;
 - the conditions governing the availability or applicability of any such fare or rate including any benefits attached to it; and
 - the rate of commission paid by an airline to an agent in respect of tickets sold or air waybills completed by that agent for carriage on scheduled air services.

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 relevant Annexes and any relevant amendments to the Convention or to these Annexes, insofar as these provisions are applicable to international air services.

ARTICLE 3

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 airlines 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, in an international air service.

(3) Nothing in paragraph (2) of this Article shall be deemed to confer on the designated airlines 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 or more airlines for the purpose of operating the agreed services on the specified routes and to withdraw or alter such 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 or airlines designated the appropriate authorisations.

(3) (a) The Government of the Hong Kong Special Administrative Region shall have the right to refuse to grant the 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 Sweden or its citizens.

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(b) The Government of the Kingdom of Sweden shall have the right to refuse to grant the 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 the Hong Kong Special Administrative Region.

(4) The aeronautical authorities of one Contracting Party may require an 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 all applicable provisions of this Agreement, including those relating to tariffs.

ARTICLE 5

Revocation or Suspension of Authorisation

(1) Each Contracting Party shall have the right to revoke or suspend an authorisation for the exercise of the rights specified in Article 3(2) of this Agreement 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 the Hong Kong Special Administrative Region, in any case where it is not satisfied that substantial ownership and effective control of that airline are vested in Sweden or its citizens;
- (ii) in the case of the Government of the Kingdom of Sweden, in any case where it is not satisfied that that airline is incorporated and has its principal place of business in the Hong Kong Special Administrative Region; 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 airlines of each Contracting Party shall take into account the interests of the designated airlines of the other Contracting Party so as not to affect unduly the agreed services which the latter provides.

(3) The agreed services provided by the designated airlines 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 Contracting Parties.

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ARTICLE 7

Approval of Schedules

- (1) The schedules of the designated airlines of each Contracting Party shall be submitted for approval to the aeronautical authorities of the other Contracting Party.
- (2) The schedules shall be communicated at least 30 days before the beginning of the operations and shall include in particular the timetables, frequency of services and types and configuration of aircraft to be operated.
- (3) Any subsequent modification in an operational programme of the designated airlines of one Contracting Party shall be submitted for approval to the aeronautical authorities of the other Contracting Party.

ARTICLE 8

Tariffs

- (1) The tariffs to be applied by a designated airline of one Contracting Party for carriage to and from the area of the other Contracting Party shall be those approved by the aeronautical authorities of both Contracting Parties and shall be established at reasonable levels, due regard being paid to all relevant factors, including cost of operation, the interests of users, reasonable profit and the tariffs of other airlines operating over the whole or part of the same route.
- (2) The tariffs referred to in paragraph (1) 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 tariffs, if that airline shall have failed to obtain the agreement of the other designated airlines to such tariff, or because no other designated airline is operating on the same route.
- (3) Any tariff proposed by a designated airline of one Contracting Party for carriage to and from the area of the other Contracting Party shall be filed with the aeronautical authorities of the Contracting Parties by the designated airline seeking approval of the tariff in such form as the aeronautical authorities may separately require to disclose the particulars referred to in Article 1(*f*). 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.

(4) 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 (3) 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.

(5) If a notice of disapproval is given in accordance with the provisions of paragraph (4) 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.

(6) In approving tariffs, the aeronautical authorities of a Contracting Party may attach to their approval such terminal dates as they consider appropriate. Where a tariff has a terminal date, it shall remain in force until the due terminal date, unless withdrawn by the airline or airlines concerned with the approval of the aeronautical authorities of both Contracting Parties, or unless a replacement tariff is filed and approved prior to the terminal date.

When a tariff has been approved without a terminal date and where no new tariff has been filed and approved, this tariff shall remain in force until the aeronautical authorities of either Contracting Party gives notice terminating its approval. Such notice shall be given at least 90 days before the intended terminal date of the tariff. The aeronautical authorities of the other Contracting Party may, within 30 days of receipt of the said notice, request consultations between the aeronautical authorities of the Contracting Parties for the purpose of jointly determining a replacement tariff. Such consultations 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 (4) of this Article, and if the aeronautical authorities of the Contracting Parties have been unable jointly to determine a tariff in accordance with paragraphs (5) and (6) of this Article,

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the dispute may be settled in accordance with the provisions of Article 17 of this Agreement.

ARTICLE 9

Customs Duties

(1) Aircraft operated on international air services by the designated airlines of either Contracting Party, as well as their regular equipment, supplies of fuels and lubricants and aircraft stores (including food, beverages and tobacco) on board such aircraft shall be exempt from all customs duties, inspection fees and other duties or taxes on arriving in the area of the other Contracting Party, provided such equipment and supplies remain on board the aircraft up to such time as they are re-exported.

(2) There shall also be relieved from the duties, fees and charges referred to in paragraph (1) of this Article, with the exception of charges based on the cost of the service provided:

- (a) aircraft stores, introduced into or supplied in the area of a Contracting Party, and taken on board, within reasonable limits, for use on outbound aircraft engaged in an international air service of a designated airline of the other Contracting Party;
- (b) spare parts including engines introduced into the area of a Contracting Party for the maintenance or repair of aircraft used in an international air service of a designated airline of the other Contracting Party; and
- (c) fuel, lubricants and consumable technical supplies introduced into or supplied in the area of a Contracting Party for use in an aircraft engaged in an international air service of a designated airline of the other Contracting Party, even when these supplies are to be used on a part of the journey performed over the area of the Contracting Party in which they are taken on board.

(3) Equipment and supplies referred to in paragraphs (1) and (2) of this Article may be required to be kept under the supervision or control of the appropriate authorities.

(4) The reliefs provided for by this Article shall also be available in situations where the designated airlines of one Contracting Party have 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) Baggage and cargo in direct transit across the area of a Contracting Party shall be exempt from customs duties, excise taxes and similar fees and charges not based on the cost of services provided on arrival.

ARTICLE 10

Avoidance of Double Taxation

(1) Income and profits derived from the operation of aircraft in international traffic by an airline of one Contracting Party, including participation in a pool service, a joint air transport operation or an international operating agency, which are subject to tax in the area of that Contracting Party shall be exempt from income tax, profits tax and all other taxes on income and profits imposed in the area of the other Contracting Party.

(2) Capital and assets of an airline of one Contracting Party relating to the operation of aircraft in international traffic shall be exempt from taxes on capital and assets imposed in the area of the other Contracting Party.

(3) Gains from the alienation of aircraft operated in international traffic and movable property pertaining to the operation of such aircraft which are received by an airline of one Contracting Party, the income and profits of which according to paragraph (1) are taxable only in the area of that Contracting Party, shall be exempt from any tax on gains imposed in the area of the other Contracting Party.

(4) For the purposes of this Article:

- (a) the term "income and profits" includes revenues and gross receipts from the operation of aircraft for the carriage of persons, livestock, goods, mail or merchandise in international traffic including:
 - (i) the charter or rental of aircraft if such charter or rental is incidental to the operation of aircraft in international traffic;
 - (ii) the sale of tickets or similar documents, and the provision of services connected with such carriage, for the airline itself or for other airlines, but in the latter case only if such sales or provisions of services are incidental to the operation of aircraft in international traffic; and

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- (iii) interest on funds directly connected with the operation of aircraft in international traffic;
 - (b) the term “international traffic” means any carriage by an aircraft except when such carriage is solely between places in the area of the other Contracting Party;
 - (c) the term “airline of one Contracting Party” means,
 - (i) in the case of the Hong Kong Special Administrative Region, an airline incorporated and having its principal place of business in the Hong Kong Special Administrative Region; and
 - (ii) in the case of Sweden, any airline which, under the laws of Sweden, is liable to tax therein by reason of domicile, residence, place of management or any other criterion of a similar nature, and includes the joint Swedish, Danish and Norwegian air transport consortium Scandinavian Airlines System (SAS), but only insofar as profits derived by SAS Sverige AB, the Swedish partner of the Scandinavian Airlines System (SAS), are in proportion to its share in that consortium;
 - (d) the term “competent authority” means,
 - (i) in the case of the Hong Kong Special Administrative Region, the Commissioner of Inland Revenue or his authorized representative, or any person or body authorised to perform any functions at present exercisable by the Commissioner or similar functions; and
 - (ii) in the case of Sweden, the Minister of Finance, his authorised representative or the authority which is designated as a competent authority for the purposes of this Article.
- (5) The competent authorities of the Contracting Parties shall, through consultation, endeavour to resolve by mutual agreement any disputes regarding the interpretation or application of this Article. Article 17 (Settlement of Disputes) shall not apply to any such dispute.
- (6) Notwithstanding Article 21 (Entry into Force) each Contracting Party shall in writing notify the other of the completion of the relevant procedures required by its law to bring this Article into force. The Article shall enter into force on the date of the receipt of the latter of these notifications and shall thereupon have effect in respect of income, profits and gains arising on or after the first day of January 1997 and on capital and assets held on or after that date.

(7) Notwithstanding Article 19 (Termination) where notice of termination of this Agreement is given under that Article, this Article shall cease to have effect, in relation to income, profits and gains received as well as capital and assets held on or after the first day of January in the calendar year next following the expiry of a period of six months after the date when such notice is given.

(8) This Article shall cease to have effect in the event that an agreement for the avoidance of double taxation with respect to taxes on income, providing for similar exemptions to those in this Article, enters into force between the Contracting Parties.

ARTICLE 11

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.

(4) Each Contracting Party agrees that such operators of aircraft may be required to observe the aviation security provisions referred to in

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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.

ARTICLE 12

Provision of Statistics

The aeronautical authorities of each Contracting Party shall, on request, provide 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 airlines of that Contracting Party to the aeronautical authorities of the other Contracting Party. Such statements shall include all information required to determine the amount of traffic carried by those airlines on the agreed services and the origins and destinations of such traffic.

ARTICLE 13

Conversion and Remittance of Revenue

(1) The designated airlines of the Hong Kong Special Administrative Region shall on demand—subject to the right of the other Contracting Party to exercise equitably and in good faith and on a non-discriminatory basis, the powers conferred by its laws—have the right to convert and remit from Sweden local revenues in excess of sums locally disbursed. The designated airlines of Sweden shall have the right to convert and remit from the Hong Kong Special Administrative Region on demand local revenues in excess of sums locally disbursed.

(2) The conversion and remittance of such revenues shall be effected at the rate of exchange applicable to current transaction which is in effect at the time such revenues are presented for conversion and remittance, and shall not be subject to any charges except those normally made by banks for carrying out such conversion and remittance.

ARTICLE 14

Airline Representation and Sales

(1) The designated airlines of each Contracting Party shall have the right, in accordance with the laws and regulations 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 their own managerial, technical, operational and other specialist staff who are required for the provision of air transportation.

(2) The designated airlines of each Contracting Party shall have the right to engage in the sale of air transportation in the area of the other Contracting Party, either directly or through agents. The Contracting Parties shall not restrict the right of the designated airlines of each Contracting Party to sell, and of any person to purchase, such transportation in local currency or in any freely convertible currency.

ARTICLE 15

User Charges

(1) The term "user charge" means a charge made to airlines by the competent authorities for the use of an airport or air navigation facilities for aircraft, their crews, passengers and cargo.

(2) A Contracting Party shall not impose or permit to be imposed on the designated airlines 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 encourage consultation on user charges between its competent charging authorities and airlines using the services and facilities provided by those charging authorities, where practicable through those airlines' representative organizations. Reasonable notice of any proposals for changes in such charges should be given to such users to enable them to express their views before changes are made. Each Contracting Party

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shall further encourage its competent charging authorities and such users to exchange appropriate information concerning such charges.

ARTICLE 16

Consultation

One Contracting Party may at any time request consultations on the implementation, interpretation, application or amendment of this Agreement. Such consultations, which may—if so agreed—be between the aeronautical authorities of the Contracting Parties, shall begin within 90 days from the date the other Contracting Party receives such request in writing, unless otherwise agreed by the Contracting Parties.

ARTICLE 17

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.

Each Contracting Party shall bear its own costs and expenses.

ARTICLE 18

Amendment

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

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ARTICLE 19

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 20

**Registration with the International
Civil Aviation Organization**

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

ARTICLE 21

Entry into Force

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

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

Done, in duplicate at Hong Kong this 14th day of March 2000 in the English language.

For the Government of the Hong
Kong Special Administrative Region
of the People's Republic of China:

For the Government of the
Kingdom of Sweden:

Stephen IP Shu Kwan

Ingolf Kiesow

ANNEX

ROUTE SCHEDULE

Section 1

Routes to be operated by the designated airline or airlines of the Hong Kong Special Administrative Region:

Hong Kong Special Administrative Region—intermediate points—points in Sweden—points beyond.

Notes:

1. The points to be served on the routes specified above are to be jointly determined by the Contracting Parties.
2. The designated airline or airlines of the Hong Kong Special Administrative Region 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 the Hong Kong Special Administrative Region.
3. No traffic may be taken on board at an intermediate point or at a point beyond and discharged at points in Sweden or vice versa, except as may from time to time be jointly determined by the Contracting Parties.
4. 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 or airlines of Sweden:

Points in Sweden—intermediate points—Hong Kong Special Administrative Region—points beyond.

Notes:

1. The points to be served on the routes specified above are to be jointly determined by the Contracting Parties.
2. The designated airline or airlines of Sweden 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 points in Sweden.

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3. No traffic may be taken on board at an intermediate point or at a point beyond and discharged at the Hong Kong Special Administrative Region or vice versa, except as may from time to time be jointly determined by the Contracting Parties.
4. No point in the mainland of China may be served as an intermediate point or a point beyond.

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(Translation)

Chief Executive
Hong Kong Special Administrative Region
People's Republic of China

Mr. TUNG Chee Hwa,

I hereby inform you that the Central People's Government authorises the Government of the Hong Kong Special Administrative Region to conclude the Agreement between the Government of the Hong Kong Special Administrative Region of the People's Republic of China and the Government of the Kingdom of Sweden concerning Scheduled Air Services.

Best regards,

(Signed) Qian Qichen
Vice Premier of the State Council
and Minister of Foreign Affairs

Beijing, 10 December 1997