

Air Transport Agreement between Taiwan and Macao Signed Today (February 17, 2014) in Macao: No Caps on Capacity or Number of Flights

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The Air Transport Agreement between Taiwan and Macao (Taiwan-Macao Air Transport Agreement) was signed today in Macao by Director-General Lu Chang-shui of the Mainland Affairs Council's (MAC's) Office of Macao Affairs (Director of the Taipei Economic and Cultural Office) and Director Nadia Leong of the Macao Economic and Cultural Office in Taiwan. The new air transport pact will become effective upon completion of the relevant procedures. The MAC stated that the signing of the agreement would help to further enhance substantive relations between Taiwan and Macao.

The MAC indicated that the initially-signed Taiwan-Macao Air Transport Agreement was effective until the end of November of 2005, and normal flight operations afterwards were maintained on the extension of the initial agreement. Unlike the original agreement signed between airlines of the two sides, the signing of this new agreement on traffic rights further highlights its official nature. It also provides greater operational flexibility for airlines and enhances travel conveniences for tourists from the two sides.

The MAC stated that relations between Taiwan and Macao have been steadily improved over the past years. The MAC Office of Macao Affairs set up in Macao was renamed the "Taipei Economic and Cultural Office" in July 2011, whereas the Macao government established the "Macao Economic and Cultural Office" in Taipei in December of the same year. In order to further improve substantive relations between Taiwan and Macao and establish a business environment for bilateral airlines' sustainable steady development, Taiwan and Macao began actively negotiating upon a

new agreement in January of last year (2013) and has now finally reached a consensus.

The MAC also explained that the framework and text of the new agreement are consistent with general air transport agreements, and no specific effective period is stipulated within. Unlike the old agreement, where the two sides limited weekly passenger and cargo capacity to 19,400 passenger seats and 400 tons, respectively, no cap on passenger and cargo capacity or number of flights is set for the new air transport agreement. The text of the new agreement also no longer specifies airlines and maximum number of flights per airline operating on the Taiwan-Macao route; instead, each side may decide their respective carriers to operate on this route.

The new air transport agreement also includes "regular charter flights" under the same rules that apply to regularly scheduled flights. After the new air pact takes effect, airlines can apply to operate regular charter flights between Macao and Tainan, Chiayi, Taichung, Hualien, Taitung, Magong and Kinmen, without any caps on the capacity or number of flights on these routes. Related arrangements will increase the convenience of plane travel between Taiwan and Macao, as well further promote bilateral economic and trade development and cultural and tourism exchanges between Taiwan and Macao.