

**AGREEMENT BETWEEN THE
GOVERNMENT OF THE PEOPLE'S
REPUBLIC OF CHINA AND HIS MAJESTY'S
GOVERNMENT OF NEPAL CONCERNING
BILATERAL ROAD TRANSPORTATION**

The Government of the People's Republic of China and His Majesty's Government of Nepal hereinafter referred to as the 'Contracting Parties' ;

With a view to further promoting traditional friendship and close relationship between the People's Republic of China and the Kingdom of Nepal;

Taking into account the need for further development of bilateral trade and economic cooperation; and

Desiring to develop on the basis of reciprocity the transportation of passengers, goods and mail between the two countries;

Have agreed through friendly consultations upon the following:

Article 1

The Contracting Parties hereby agree to operate regular and non-regular bilateral road transportation of passengers including tourists, goods and mail services between the two countries. Such transportation shall be carried out on the road and on the points opened and agreed by the Contracting Parties. Specific routes and passing points shall be mentioned in the Rules for Implementation to this Agreement.

Article 2

Regular and non-regular transportation shall be operated by mutual consent of the competent authorities of the Contracting Parties.

Article 3

The competent authorities of the Contracting Parties shall issue permits for vehicles for that part of the route which passes through their respective territory.

Article 4

1. When the dimensions and the weight of a road transport vehicle travelling with or without goods exceed the standards established in the territory of the other Contracting Party and also when hazardous goods are being carried, the carrier shall obtain a special permit from the competent authorities of the Contracting Party concerned.

2. If the permit referred to in paragraph (1) of this Article provides for the movement of a road transport vehicle by a specific route, the transportation must take place along that route.

Article 5

1. The transport operations envisaged in this Agreement may be performed only by carriers who, in conformity with the internal law of their country, are permitted to carry out bilateral road transport operations.

2. Road transport vehicles involved in bilateral road transport operations shall have a vehicle registra-

tion plate and the distinguishing mark of their country.

Article 6

Notwithstanding anything contained in other provisions of this Agreement, a carrier shall not be permitted to transport passengers or goods between two points on the territory of the other Contracting Party.

Article 7

Transportation of goods provided for in this Agreement shall be undertaken under consignment notes of each Contracting Parties, the form of which observes the generally accepted international model.

Article 8

1. The driver of a coach or of a goods vehicle shall hold a valid national or international drivers' licence corresponding to the category of the road transport vehicle he is driving, and national registration documents for road transport vehicle.

2. Permits and any other documents required in accordance with the provisions of this Agreement shall be carried in the road transport vehicle to which they relate and be produced upon the request of competent authorities.

Article 9

Practical matters connected with carrying out the transportation of passengers and goods envisaged in this Agreement may be settled directly between the competent authorities of the Contracting Parties.

Article 10

The payment for the bilateral road transportation under this Agreement shall be made either in the freely convertible foreign currency or as per the bilateral agreements concluded or to be concluded from time to time between the two Contracting Parties.

Article 11

1. In the performance of transport operation on

the basis of this Agreement the following items brought on to the territory of the other Contracting Party shall be allowed and exempted from customs, taxes and duties:

a) fuel held in the tanks fitted in/on each model of road transport vehicle and which are linked technically and structurally with the engine's feed system;

b) lubricants necessary for use during the transport operation;

c) spare parts and tools required for the repair of a road transport vehicle involved in bilateral road transport operation and such items shall be declared in the customs office.

2. Unused spare parts shall be subject to being taken back out of the country while spare parts that have been replaced should be either taken out of the country or destroyed or handled in the manner prescribed in the territory of the Contracting Party concerned.

Article 12

Transportation of passengers and goods on the basis of this Agreement shall be performed under third

party liability insurance. The carrier shall be obliged to insure in advance each road vehicle undertaking the said transport operation.

Article 13

In relation to border, customs and quarantine formalities, taxation and fees, the provisions of international treaties to which both Contracting Parties are party or the bilateral agreements between the Contracting Parties shall be applied and in deciding matters which are not regulated by this Agreement the internal law of each of the contracting Parties shall be applied.

Article 14

In relation to border, customs and quarantine formalities, priority attention shall be given to seriously ill patients who are being transported, to passengers carried by regular coach services and also to animals and perishable goods being transported respectively.

Article 15

Carriers of one Contracting Party are obliged to observe the traffic laws and other laws and regulations of the other Contracting Party on whose territory their vehicles are plying.

Article 16

For the purpose of ensuring fulfilment of this Agreement the competent authorities of the Contracting Parties shall carry out direct contacts and at the suggestion of either Contracting Party hold consultations to decide matters connected with the system of permits for the transportation of passengers and goods and shall also exchange experience and information on the use of permits that are issued.

Article 17

The Contracting Parties shall settle all differences which may arise in connection with the interpretation or application of this Agreement, through negotiations

and consultations

Article 18

This Agreement shall not affect the rights and obligations of the Contracting Parties arising from other international treaties which they have concluded.

Article 19

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

2. The Contracting Parties shall review the operation of this Agreement after two years from the date of effect of this Agreement.

3. This Agreement shall remain valid for a period of five years. Its validity shall be automatically extended for successive periods of five years unless terminated by either Contracting Party by giving a notice as mentioned in paragraph 4 below.

4. This Agreement may be terminated by either Contracting Party by giving a six month written notice to the other Contracting Party.

Done in Beijing on the sixth of May, 1994, in duplicate in Nepali, Chinese and English languages, all texts being equally authentic. In case of any differences in interpretation, the English text shall prevail.

李居昌



Vice Minister

Assistant Minister

Ministry of Communications
For the Government of the
People's Republic of China

Ministry of Works and Transport
For His Majesty's
Government of Nepal