



# China Civil Aviation Report

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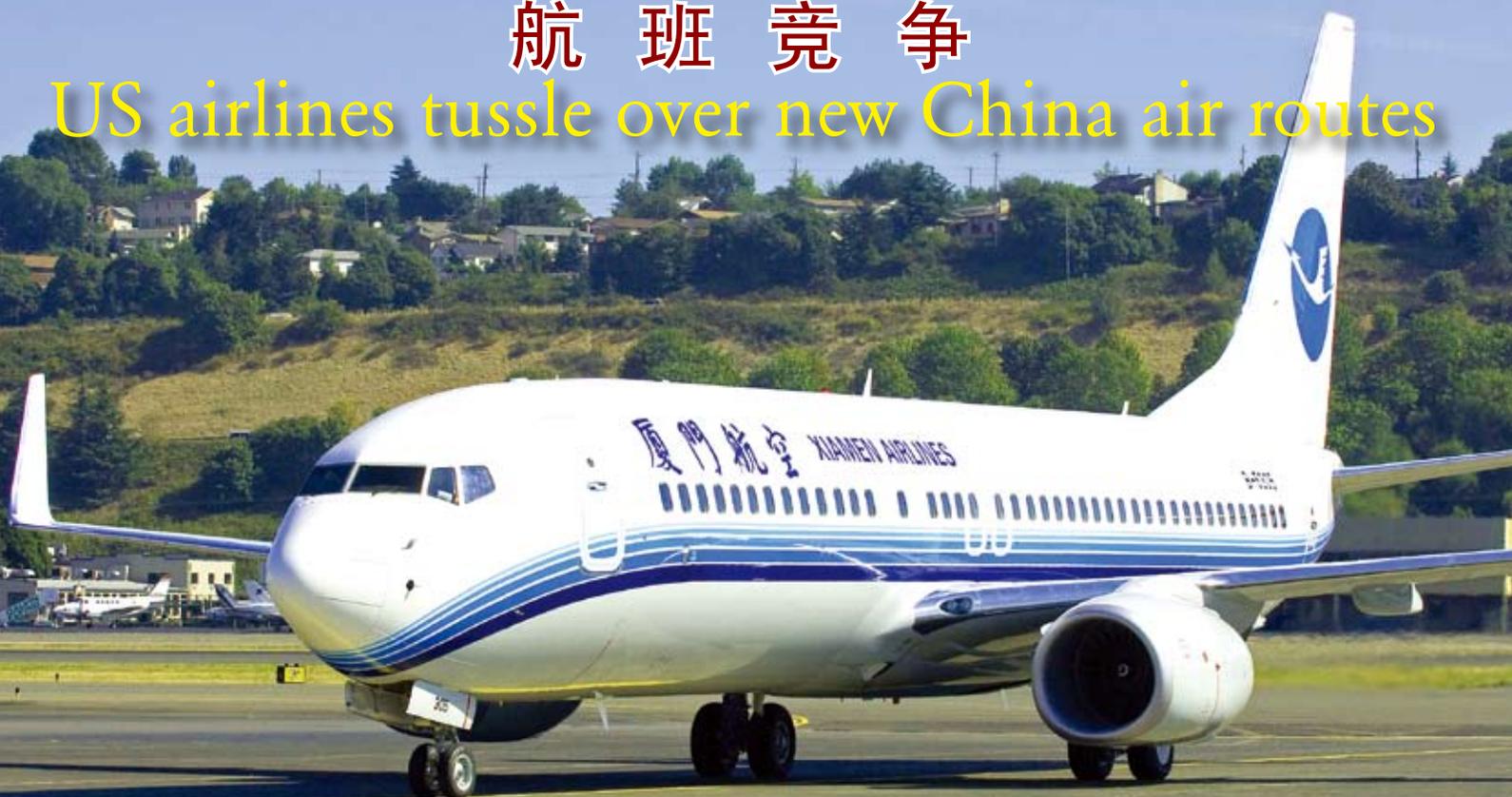
September 2007

# 民航报导

## FLIGHT WARS

### 航班竞争

US airlines tussle over new China air routes



UPS hub construction starts in Shanghai  
 China needs 630 regional jets in 20 years  
 Asean-China air transport meeting held  
 CAAC issues new rules to manage overdevelopment

China posts 46-M passengers in Q2  
 First A319 RNP flight to Tibet held  
 Zhuhai Airport gains 42% in passenger volume  
 Wuxi Airport goes green



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**COVER:** Boeing delivered to Xiamen Airlines its 737-800 aircraft on August 30, beefing up its all-Boeing fleet. The airplane delivered is one of the 10 ordered by the airline in 2005. Xiamen Airlines and other Chinese carriers face competition with the entry of new US carriers in China from this year to 2009 as part of the liberalization agreement between the two countries. (Photo courtesy of the Boeing Co.)

## From the Publisher's Desk

### Chinese airlines should remain competitive

In the next three years, we will see the entry of more US airlines in China. The US Department of Transportation is set to award new frequencies to US airlines in the next few weeks that will be used from this year to 2009.

In the face of competition, where does this leave Chinese airlines? The promise of the "American Dream" for Chinese carriers remains elusive. While the US is a huge market, Chinese airlines seem not to "connect" with passengers.

In this issue of the CCAR, we write about the prospects of US and Chinese airlines competing with one another in a single market.

American airlines seem to have the upper hand against Chinese airlines. For one, US airlines are the more popular carriers, having built their brand over the years. But don't count out Chinese carriers just yet.

They can do many things to gain market share. For one, they can polish their image as trustworthy airlines so that passengers will be enticed. To compete with US airlines, they can offer fare discounts to lure passengers to and from the US.

As airlines in the US-China segment continue to increase, prices will surely go down and this can be used by Chinese carriers to their advantage. Plane fares are a big factor when a passenger chooses an airline.

By giving in to market demands, Chinese carriers will see that all is not lost in the competition. US airlines may win the battle, but in order to win the war they need to come up with a long-term strategy in competing with their Chinese counterparts.

### 中国航空公司应保持其竞争性

在未来的三年内，我们将会看到更多的美国航空公司进入中国。美国运输部将在未来几周内审核今年到2009年之间美国航空公司的新班次。

面对竞争，中国航空公司将如何应对？“美国梦”对中国航空公司来说仍然是一个难以捉摸的承诺。尽管美国是一个庞大的市场，但中国航空公司似乎还没有与旅客们“对接”上。

本期刊中，我们将为您介绍中美航空公司互相在单一市场上的竞争前景。

美国航空公司似乎比中国航空公司略占上风。原因之一，美国航空公司多年经营的品牌效应令其成为更受欢迎的航空营运商。但也千万别低估了中国航空公司。

中国航空公司将力争取得更大的市场份额。他们将打造形象成为吸引旅客并值得信赖的航空公司。为了与美国航空公司竞争，他们将采取更为优惠的价格，将旅客从美国竞争对手中吸引过来。

执行中美航线的航空公司将持续增加，其价格必将走低，这点将成为中国航空公司的优势。旅客在选择航空公司时，票价是一项重要因素。

在市场需求方面，中国航空公司将会看到他们在竞争中并非完全是失利的。美国航空公司也许已赢得了数场战役，但为了要能够赢得这场战争的全面胜利，就需要制定与中国同业竞争的长期策略。



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# Aviation Headlines

## UPS hub construction starts in Shanghai

UPS上海浦东机场国际航空转运中心正式破土动工

The UPS International air hub at Shanghai Pudong International Airport began construction on August 9.

Vice President Li Xiaolin of the Chinese People's Association for Friendship with Foreign Countries, Vice Chairman Zhou Muyao of the NPC Standing Committee, UPS Chairman and CEO Michael Eskew, and Chairman Wu Nianzu, president of the Shanghai Airport Authority (SAA), attended the inauguration ceremony and unveiled a model of the air hub.

The same day, the formal groundbreaking ceremony was held at the West Cargo Terminal Area of Pudong Airport.

"The opening of this hub will ensure we are well-positioned to support the explosive growth in Asia's regional trade," said Eskew. "Export volume growth in China and throughout Asia has been robust and the outlook remains bright. We are extremely proud to be the first U.S. airline to open an international air hub in China under the 2004 U.S.-China Air Services Agreement."

The new hub will be built on land totaling almost 96,000 sq.m., and rapid expansion is expected. The employment should exceed 1,000 by 2012.

The hub will develop express business, distribution, and cargo transport and air transport business. The hub sorting capacity is projected to reach 17,000 pieces per hour. When the hub opens, it will operate 24 hours a day, seven days a week.

Over the past five years, UPS has invested about US\$ 600 million in China, including a successful transition to become the first wholly-owned foreign express carrier in the country.

Data from the Airports Council International (ACI) shows that in the past five years, Pudong International Airport throughput increased from 0.635 million tons in 2002 to 2.168 million tons in 2006, jumping in the rankings from 26th to 6th.

Its annual increment is the highest in the world. In the first half of 2007, the cargo throughput of the airport reached 1.1297 million tons, up by 16.3 percent on year-on-year.

ACI statistics for the first quarter of the year showed Pudong Airport ranking fifth among world airports. It is estimated that Pudong Airport cargo throughput will exceed 2.4 million tons this year.

Under the 2007 summer-autumn flight schedule, among the 63 domestic and foreign airlines operating scheduled flights at Pudong Airport, there are 41 airlines operating freighter flights. Data shows that for the first half of the year, there have been over 700 aircraft movements at Pudong Airport, comprising 14.8 percent of the total flights.



Attending the UPS hub unveiling ceremony are (from left) Wu Nianzu, Zhou Muyao, Li Xiaolin and Michael Eskew .

## Air China to invest RMB 5-B for training base

国航投资50亿元建模拟机训练基地

Flag carrier Air China will invest RMB 5 billion to establish the country's largest flight simulator training base. The complex will install 30 full-motion flight simulators and eight fixed-base simulators. On August 21, Air China and Beijing Shunyi District signed a cooperation framework agreement.

The flight simulator training base is located at Beijing Shunyi District, occupying about 33.4 hectares with a building area of 220,000 sq.m. It will consist of a flight training center, steward training center, mechanic training center, ground service training center, teaching building, dispatch training facility, and support facilities such as duty building,

dormitory, and physical training.

The flight training center will undertake initial pilot training, upgrade training, and recurrent training. It can provide 129,810 hours of full-motion simulator flight

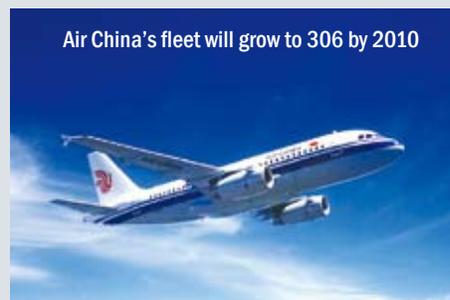
training a year.

The steward training center will undertake new attendants' training, recurrent training, upgrade training, and pilot emergency training.

The mechanic practice workshop comprises a hangar with parking for two aircraft, and workshops for engine practice, structure repair practice, and parts machining practice.

The teaching building will include a computer classroom, special image classroom, and first aid classroom.

Currently, Air China introduces 25 aircraft a year. By 2010, its fleet will reach 306, increasing the need for more aviation experts.



## China needs 630 regional jets in 20 years

中国今后20年需新增630架左右支线飞机

Embraer says China will need about 630 regional jets in the next 20 years.

The company believes that China will have a demand for more regional jets, which currently total 72, or just 7.2 percent of the total fleet of 1,024.

Embraer entered the Chinese market in 2000 and eventually established Harbin Embraer Aircraft Industry Co., a joint venture with a local partner. Harbin produced ERJ 145 short-haul planes.

China is now manufacturing the ARJ-21, the first China-designed regional aircraft. The ARJ-21, developed by AVIC 1 Commercial Aircraft, is expected to roll out of the factory by the end of the year.

ARJ-21's maiden flight is next March, with production to begin in 2009. The aircraft will boost China's capability to produce its own aircraft.

The ARJ-21 is in preparation for China's entry into the manufacturing of big jets with 150 seats.

## Dongying GA firm launched

山东第一家民营通用航空公司在东营正式启航

The Shandong-Dongying General Aviation Co. Ltd., the first private general aviation enterprise approved by the Civil Aviation Administration of China, was formally launched on August 5th.

Last August, Dongying General Aviation Co. Ltd. was approved by the CAAC to acquire permission to be established. The company gained its license last July 28 after inspection by the East China Regional Administration of CAAC. The license allows the company to operate Classes B and C general aviation enterprise.

The company is engaged in aerial photography, aviation advertisement, ocean surveillance, fishery flights, weather detection, science experiments, city firefighting, aerial patrol, avoiding agricultural and forestry disaster, tourism travel, member training and entertainment.

## Lufthansa training center inaugurated

海南汉莎技术培训有限公司28日正式揭牌开业

The Lufthansa Technical Training China (LTTTC) was inaugurated on August 28, a joint project of Hainan Airlines Group (HNA) and Lufthansa Technical Training.

There are two turboprop aircraft being used for practice at LTTTC. Facilities and equipment for practice at the center include four engines, four practice workshops, one mechanical practice workshop, one aircraft line workshop, two CBT classrooms, and eight training classrooms.

All teachers at LTTTC have extensive experience in aircraft system maintenance. Under the standards of CAAC and EASA, the LTTTC can provide courses to Chinese and foreign customers such as aviation maintenance professional mechanic and electronic basic skills training lessons, basic maintenance training lessons, metalworking structure maintenance lessons, and EASA Part 147 Class A training lessons.

The LTTTC is also planning to put out aircraft model training lessons for Boeing and Airbus aircraft.

## Alteon to open training center in Shanghai

翱腾航训与上航合作波音在沪设787模拟中心

Alteon Training, a subsidiary of Boeing Co., says it will open a new training center in Shanghai which will house the first Boeing 787 full-flight simulator in China. Alteon has also signed a partnership agreement with Shanghai Airlines to co-locate the training center at Shanghai Airline's newly opened training center at Pudong Airport.

The training center will be fully operational by the end of 2007, with placement of a 757/767 full flight simulator to accommodate Shanghai Airlines and other regional operators. The

787 full flight simulator, with complete Boeing 787 training services including flight and maintenance training, will be ready in the first half of 2008.

Shanghai Airlines, together with four other Chinese airlines, have placed 60 orders for the Boeing 787 Dreamliner. The airline is scheduled to receive its first Boeing 787 in time for the Beijing Olympics, starting in August 2008.

"We are expanding our training capabilities in this important part of the world and this partnership with Shanghai Airlines will provide training solutions at

## China Sonangol orders 2 Embraer jets

安国际石油控股订购两架莱格赛喷气公务机

Embraer announced on August 1st that it had received an order for two Legacy 600 executive jets from China Sonangol International Holding Ltd., an oil business enterprise.

"We are very honored for the decision made by China Sonangol for having selected the Legacy 600. The order marks a significant breakthrough of Embraer Executive Jets into the mainland China market, following its success of winning orders for commercial aircraft by the Chinese airlines in the past seven years," said Luis Carlos Affonso, Embraer executive vice president of Executive Jets.

"The business we are in requires frequent traveling of our top executives as well as transportation of our customers around China and the neighboring regions. The Legacy 600 is just the type of aircraft that meet the needs as such for its ideal mix of spacious size, comfortable cabin, operational efficiency, as well as the high quality and luxurious finishing of the interior," said Madame LO Fong Hung, Embraer vice chairperson.

The aircraft will be registered in China and primarily operated as corporate traveler transporters.

China Sonangol is beefing up its fleet with an order of 2 Embraer jets.



a new, world-class training facility located at one of the newest and most advanced airports in China," said Alteon President Sherry Carbary.

"Shanghai Airlines is pleased to partner with Alteon to provide Boeing 787 training capabilities to our own pilots as well as that of other leading airlines in the region," said Zhou Chi, chairman of Shanghai Airlines.

Alteon previously announced it would install 787 simulators in nine locations worldwide, including Tokyo, London and Singapore, as well as locations in India and the United States.

## ADS-B training held

提高空管人员业务素质——西南地区ADS-B培训

The Southwest Air Traffic Management Bureau under the Civil Aviation Administration of China, together with the Air Traffic Management Department and Training Center, held a training program on the Automatic Dependent Surveillance-Broadcast (ADS-B) for the southwest area on August 1.

More than 200 representatives from ATMB in Tibet, Yunnan, Guizhou, Chongqing and Southwest participated in the training.

ADS-B is an aircraft operation surveillance technology based on satellite location and ground/air data link communication. The technology is used especially in areas without radar coverage. ADS-B is cheaper, but offers strong surveillance capability and a high accuracy rate. It has a wide application for air traffic service in high-density flight areas.

China is gradually incorporating ADS-B technology to manage its tight airspace, a problem which has affected the civil aviation industry.

## Asean-China air transport meeting held

中国与东盟昨日在厦门谈航运安排

The Second ASEAN-China Meeting on Regional Air Transport Arrangement was held on August 2-4 in Xiamen.

The meeting was presided over together by Liu Fang, vice director of the International Department of the Civil Aviation Administration of China (CAAC), and a delegate from Indonesia, the Asean president country this year.

About 45 delegates and senior officials from civil aviation authorities in China and 10 Asean countries, the Bureau for Economic Integration and Finance of Asean secretariat and airlines attended the meeting.

During the meeting, participants discussed issues such as the China-Asean Regional Air Transport Agreement and "the form, frame and future developing direction, and cooperation area for Regional Air Transport Arrangement."

In recent years, the bilateral economy and trade cooperation scale between China and Asean has been continuously expanding. Bilateral trade volume last year reached US\$ 160.81 billion.

It is estimated that by 2010, the China-Asean Free Trade Zone will be established as a large economic area with 1.8 billion consumers, and with a US\$-2 trillion gross domestic product and a US\$ 1.2-trillion trade volume.

The meeting was held on the policy direction of Premier Wen Jiabao in the 10th China-Asean Summit.

## NDRC okays Tianshui airport expansion

天水军民合用机场改扩建可行性研究报告获批

China's National Development and Reform Commission (NDRC) recently approved the feasibility report for the retrofit and expansion project of Tianshui military and civil airport.

The Tianshui expansion is an airport construction project listed in the national 11th Five-Year Plan on civil aviation.

The project is an important component to perfect the air transport network in the northwest China area and promote the local economy and tourism development.

The project is designed under the requirement of satisfying a passenger throughput of 150,000 persons by 2013.

As part of the project, a new terminal building will be built totaling 1,000 sq.m.. A general business building totaling 1,315 sq.m. and a connecting way will also be built.

The airport's apron, with an area of 9,300 sq.m., will be constructed to accommodate

two Class C aircraft. Supporting facilities include power supply, heat supply, water supply and a drainage, fence, and approach road. On the other hand, military facilities with an area occupied by the civil airport terminal will be constructed.

Total investment of the project is RMB 42.54 million, with the goal of finishing the main part of the project this year.



Mayor Zhang Guangzhi of Tianshui giving a speech at the ceremony.

## 2 MA60 delivered to Indonesian airline

西飞集团两架新舟60飞机  
交付印度尼西亚鸽航

Xi'an Aircraft Industrial Corporation (XAC) of the China Aviation Industry Corp. I (AVIC I) delivered two MA60 jets to Merpati Nusantara Airlines of Indonesia on August 28 in Xi'an.

This is the first delivery since the signing of a purchase contract for 15 MA60s between XAC and MNA.

Indonesia has a potential market for regional jets. The MA60 suits operations between islands. Last May, MA60 acquired an airworthiness certificate issued by the Indonesian government that opened the door for the aircraft to be exported to the Southeast Asian market. Last June, XAC signed a purchase contract with MNA for 15 MA60 jets.



Gang Shaohua (right), vice president of XAC, and the vice president of Merpati Nusantara Airlines of Indonesia.

## AVIC 1, Chengdu sign cooperation accord

中国一航与成都市政府  
签署投资合作协议

The China Aviation Industry Corp. 1 (AVIC 1) and Chengdu municipal government signed a supplementary agreement on strategic and investment cooperation in Chengdu, Sichuan province, on August 17.

Among those who attended from AVIC 1 were General Manager Lin Zuoming, Vice General Manager Hu Wenming, Assistant General Manager Zheng Qiang, Vice General Engineer Ge Zigan, and Vice Economic Manager Li Ping. Secretary Li Chuncheng of the Chengdu Party Committee, Mayor Ge Honglin of Chengdu and other military representatives also attended.

AVIC 1 has decided that its main  
(Continued on page 10)



# CAAC Updates

## CAAC issues new rules to manage overdevelopment at Beijing Capital

民航总局今日起调减首都机场国内航班

The Civil Aviation Administration of China has issued new rules to manage the overdevelopment in the civil aviation industry, including cutting flights at the Beijing Capital International Airport and suspending applications for new airlines until 2010.

The new regulations are meant to curb the excessive growth rate in air transport and promote harmonious and sustainable growth.

These are contained in the CAAC's notification on adjustment of total flight volume, entry into the air transport market and transport capacity increase.

According to the document, starting on August 15, domestic flights to and from Beijing Airport will be decreased.

Most of the flights that will be cut are those arranged within the daily peak-time periods. In the first phase, 48 flights will be cut. Of these, 10 flights will be decreased each from Air China, China Southern Airlines, and Hainan Airlines, and one each from Shanghai Airlines, Shandong Airlines, Shenzhen Airlines, Xiamen Airlines, and Sichuan Airlines.

Exempted are the Beijing-Shanghai Hongqiao air route, air routes to and from small airports and revolutionary base tourism area airports, and air routes with fewer than 14 weekly flights.

From August and September to next March, adjustment and control measures will be adopted for air route flight volume for several busy airports and airports with tight resources. By the end of October, the flight volume of BCIA will be reduced to 1,050 movements daily and 58 movements during peak hours.

From November to March 2008, the volume will be reduced to 1,000 daily movements and 55 movements during peak hours. A total of 336 domestic flights to and from BCIA will be scrapped from August 15 to October 27.

The CAAC is also suspending the application for new airlines until 2010 and imposing stricter measures in approving new airlines. However, the CAAC will still support and encourage applications to establish cargo airlines that employ mostly foreign pilots and operate at night, as well as airlines that use China-made aircraft and operate in western and northeastern China.

The CAAC has enumerated conditions to manage air transport capacity growth. These are to strictly control transport capacity growth of new airlines, control the person-to-aircraft ratio, control pilot overtime flights, enhance safety surveillance for old aircraft, and enhance mechanic maintenance personnel man-hour management.

## Southwest ATMB issues July data

西南空管局公布7月份保障情况

The Southwest Air Traffic Management Bureau issued the ATM service report for July. The Chendu area tower served 20,344 aircraft movements, the approach served 33,804 movements, and the regional control served 25,450 movements.

Yunnan Branch ATMB served 17,236 aircraft movements and served various landings and takeoffs of 13,341.

On the other hand, Guizhou Branch ATMB served various flights with 24,781 movements and the region served 15,801 movements.

The approach served 4,657 movements and the tower served 4,323 flights. Chongqing Branch ATMB tower served 9,609 movements, approach served 10,009 flights and the east sector served 16,988 aircraft movements.

## IOSA symposium held in Urumqi

民航总局李健副局长会见国际航协高级副总裁

The Civil Aviation Administration of China (CAAC) and the International Air Transport Association (IATA) held the CCAR-129-IATA Operational Safety Audit (IOSA) Symposium on foreign carriers operation and surveillance in Urumqi, China, on August 20-23.

Vice Minister Li Jian of CAAC, Senior Vice President Guenther Matschnigg of IATA Safety, Operations and Infrastructure, and Capt. Len Cormier, International Civil Aviation Organization's chief technical advisor for the Cooperative Development of Operational Safety and Continuing Airworthiness Project-North Asia, attended the meeting.

Representatives from the International Civil Aviation Organization (ICAO), US Federal Aviation Administration, IATA, CAAC and other airlines attended the meeting and underscored the need to unify audit standards and implement surveillance and management.

During the symposium, Li and Guenther discussed the cooperation between CAAC and IATA together with Jiang Huaiyu, director of the CAAC Flight Standard Department.

The two reached agreement on the following:



CAAC Vice Minister Li Jian (right) and Senior Vice President Guenther Matschnigg of IATA (left).

(Continued on page 6)

**IOSA** , (Continued from page 5)

1. CAAC will participate in the supervision committee of IATA for IOSA. Also, CAAC will send an observer to participate in related meetings and trainings of IATA and in the audit of IATA on member air carriers. CAAC will share IOSA audit resources and data from IATA, and implement supervision on air carriers.

2. To perfect management rules of CAAC on airlines, IATA will provide standard documents to CAAC on the following aspects: a. Airline ground operation control, such as load and balance, ground deicing, aircrew and maintenance responsibility; b. On cabin safety, the requirements for certification and management of flight attendant inspectors and instructors and flight attendant training; c. Development and implementation integrated safety management system for airlines; and d. Management methods of airlines on freight agents and shippers.

## Managers' meeting held

全国民航飞行部经理会议今日在京召开

The Civil Aviation Administration of China held the Flight Department Managers' Meeting on August 14-15 in Beijing. Over 100 flight managers from different domestic airlines gathered to discuss how to further enhance techniques and operational management and ensure flight safety.

This is the first managers' meeting organized by CAAC in 10 years. CAAC Vice Ministers Gao Hongfeng and Lijian attended the meeting.



CAAC Vice Ministers Gao Hongfeng and Li Jian at the managers' meeting.

## VHF sharing system passes inspection

重庆空管分局VHF共用系统工程通过验收并投入使用

The VHF Sharing System Project at Chongqing Branch Air Traffic Management Bureau has passed inspection.

The VHF sharing system will improve Chongqing air traffic management ground/air communication reliability and stability.

The project comprises a set of eight channels, a VHF sharing system and support facilities. To ensure the smooth implementation of the project, Chongqing Branch ATMB established a project group in June 2005.

Last year, under the authorization of Southwest ATMB of the Civil Aviation Administration of China, the Chongqing Branch ATMB signed an equipment purchase agreement with the Italian OTE company.

The project was finished in December 2006 and was put into test operation. Last July, Southwest ATMB held the acceptance meeting for the project.

Experts inspected the project, declared that it conformed to the approved scale, standard, and construction design, and then approved it for operation.

## Six airports linked to weather system

西南地区六机场自动观测数据实现实时联网

The Southwest Air Traffic Management Bureau linked six airports—Chengdu, Lhasa, Kunming, Guiyang, Chongqing, and Jiuzhai—within its jurisdiction to an automatic weather observation system to improve service quality and the level of aviation weather observation.

Through the interconnection, the aviation authorities at the six airports can share weather data every time and ensure flight safety.

## Jiangxi to develop civil aviation

民航总局将加大对江西民航基础设施建设投资

On August 28, the Jiangxi provincial government and the Civil Aviation Administration of China signed the minutes of talks on expediting development of the Jiangxi civil aviation industry.

Ling Chengxing, Jiangxi deputy vice governor, and Gao Hongfeng, CAAC vice minister, signed the minutes in the presence of Hong Lihe, Jiangxi vice governor.

Also attending the event were Meng Jianzhu, secretary of the Jiangxi Party Committee; Wu Xinxiong, Jiangxi governor; Wang Xiankui, vice secretary of the Jiangxi Party Committee; and Wu Xinxiong.

Meng and Wu said Jiangxi has developed its civil aviation with the support of the CAAC, as evidenced by the increase in air routes, flights and passenger volumes.

Construction projects such as the Nanchang Changbei International Airport, Ganzhou Airport and Jingdezhen Airport are a big boost to the development.

With the signing, CAAC has committed to support Jiangxi in terms of policies, fund, network, air route, flight and airport construction.

Under the 11th Five-Year Plan of China, the CAAC and Jiangxi will enhance investment for the aviation infrastructure.

Among these are expanding Nanchang Changbei International Airport, expediting the construction of small airports, relocating the Ganzhou Airport and the expanding Jingdezhen Airport.

Both parties agreed to open the domestic and international air transport market of Jiangxi provincial airports and establish air routes and arrange flights schedule. Also in the works are supporting base airlines, encouraging more airlines to have Jiangxi provincial airports as their base, and providing policy support to promote regional aviation.

The Jingtangshan Airport in Jiangxi province



## Xinjiang ATMB meets on RVSM

新疆空管局RVSM实施工作地区协调会议圆满结束

The Xinjiang Air Traffic Management Bureau held the reduced vertical separation minimum (RVSM) regional coordination meeting which ended on July 20.

Participants including air traffic management experts from the Xinjiang ATMB, Russia, Kazakhstan and Kyrgyz Republic, discussed control transfer and reached agreement.

Director Cao Qiong and Vice Director Zeng Zhaolin of Xinjiang ATMB talked with trilateral air traffic management experts.

Before the meeting, Xinjiang ATMB had done preparatory work for the RVSM implementation, including the creation of a Xianjian area operation plan. It was noted that the altitude layer system transfer with neighboring countries poses difficulty in implementing RVSM work.

Xinjiang signed draft agreements with Kazakhstan and Kyrgyz Republic, and had an initial understanding with Russia on bilateral altitude layer transfer.

This will serve as the basis for Xinjiang ATMB to fulfill implementation of RVSM in the Urumqi flight information region by November 21.

## Weather radar installed

民航海拉尔空管站完成气象雷达终端安装工作

The Weather Station of Halaer Air Traffic Management Station under the Civil Aviation Administration of China installed a weather radar terminal as a means to secure flight, especially during thunderstorms.

The weather radar terminal acquires local radar weather information by using 9210 transmission optical fiber cable.

Halaer Air Traffic Station has thus effectively saved funds for equipment purchase and solved the problem of making accurate forecasts in severe weather conditions without radar. The

new equipment will reduce factors affecting flight safety, improve local airport weather forecast quality, and secure flight safety.



The Halaer Air Traffic Station

## Air route plan for Europe, America discussed

民航总局审议2008—2009年欧美远程国际航线分配方案

A group from the Civil Aviation Administration of China held a meeting on August 28 to discuss the air route distribution plan for Europe and America for domestic airlines for 2008-2009.

The CAAC recently issued the notification on the application and distribution of long-haul flights to Europe and America, and asked Chinese airlines to submit their plans.

Air China, China Eastern Airlines, China Southern Airlines, Hainan Airlines, and Shanghai Airlines submitted their plans, including the application of 27 newly opened scheduled air routes with 206 flights a week.

The final distribution plan will be published by the end of the year.

## China buys radar equipment for Games

奥运雷达导航设备顺利入连

China's Air Traffic Management Bureau imported an advanced radar system that will be used for the 2008 Beijing Olympic Games.

The Thales primary and secondary radar navigation equipment was imported through the Dalian Dayaowan port.

After installation, the radar equipment will support Dalian area in serving the Beijing Olympics in air traffic control.

## Expansion of 17 airports for Olympics on track

2008年奥运会17个主备降场扩建工作进展顺利

The expansion and retrofit of 17 main and alternative airports which will be used for the 2008 Beijing Olympic Games is going smoothly.

The seven main airports for the Beijing Games include the Beijing Capital Airport, with an estimated annual passenger throughput capacity of 76 million, which can accommodate aircraft as large as the A380; Qingdao Liuting Airport, with an estimated annual passenger throughput capacity of 12 million, which can handle aircraft as large as A380; and Shanghai Pudong Airport, with an annual passenger capacity of 60 million, which can also accommodate aircraft as large as the A380.

Also on the list are Shanghai Hongqiao Airport, with an estimated annual passenger throughput capacity of 9.6 million, which can accommodate large aircraft such as the B747-400; Tianjin Binhai Airport, with an estimated annual passenger capacity of 10 million, which can handle the A380; Shenyang Taoxian Airport, with an estimated annual passenger capacity of 6.06 million person times, which can handle the B747-400; and Qinhuangdao Shanhaiguan Airport, with an estimated annual passenger throughput capacity of 0.2 million person times, which can accommodate aircraft as large as the B757.

The 10 alternative airports are Shijiazhuang Zhengding Airport, Taiyuan Wusu Airport, Jinan Yaoqiang Airport, Hangzhou Xiaoshan Airport, Nanjing Lukou Airport, Hefei Luogang Airport, Changchun Longjia Airport, Harbin Taiping Airport, Dalian Zhoushuizi Airport, and Hohhot Baita Airport.



The Beijing Capital International Airport expansion project.

# FLIGHT WARS



## US airlines tussle over new China air routes

By JONATHAN HICAP

What do US Senators Hillary Clinton and Barack Obama and New York City Mayor Michael Bloomberg have in common?

These high-profile political figures have joined the fray of US airlines wanting to get a piece of China this year when the US Department of Transportation awards the rights to fly to the most coveted country in the air transport market today.

The flight war has drummed up support from across the spectrum of American politics—from senators and congressmen to mayors and governors, each writing the DOT in support of a particular airline. Big corporations and organizations have done the same, lending their name to give credence to an airline's bid to win.

As the events are unfolding, US airlines are engaging in a fierce battle, each trying to convince the DOT—and in the process, throwing mud at one another.

Since this June, when the DOT opened applications for the 2007, 2008 and 2009 rights to China, US airlines have been engaging in a war on paper.

The fight actually began last year when the DOT received applications for a single China route that it eventually awarded to United Airlines early this year.

The protagonists this time are United Airlines, American Airlines, US Airways, Continental Airlines, Delta Airlines, Northwest Airlines and Maxjet.

United, American, Continental and Northwest are currently serving the Chinese market, while US Airways, Delta and Maxjet are new entrants. Each of them contends that its proposed plan is the strongest, banking on the projected passenger capacity that will benefit the US market.

The awarding of the new flight frequencies was a result of an agreement between the US and China in May during the US-China Strategic Economic Dialogue held in Washington. US Transportation Secretary Mary Peters and Minister Yang Yuanyuan of the Civil Aviation Administration of China jointly announced that daily passenger flights between their countries will double by 2012.

Thirteen new daily flights by US airlines will be added in the next five years: One new daily flight will be added in 2007 and 2008, four new daily flights in 2009, three more daily flights in 2010, and two new daily flights in 2011 and 2012, for a total of 23 per day.

The agreement allows the US to designate three additional US carriers to operate to China—one in 2007 and two in 2009. A major aspect of the deal involves the lifting of all restrictions on cargo flights to China. It allows an unlimited number of US cargo flights to any point in China, and further allows an unlimited number of US cargo carriers to serve the Chinese market by 2011.

Peters estimates that the new flights will rake in about US\$5 billion in new business for US and Chinese airlines as demand for air travel increases.

This may be the reason why US airlines are scrambling to win the new frequencies. China will experience a surge in air traffic when it hosts the Olympics next year in Beijing. In addition, the 2010 World Expo will be held in Shanghai.

The DOT has received two applications for the 2007 flight frequencies and seven applications for the 2009 frequencies.

Delta Airlines is proposing a nonstop Atlanta-Shanghai flight for the 2007 frequencies, competing with Northwest Airlines' Detroit-Shanghai route. Delta says its proposal is superior to Northwest's because it will serve a new US gateway in a region where there is no nonstop passenger service to China.

It says Northwest's proposal duplicates its current service—Detroit to Shanghai via Tokyo—and the DOT has already ruled that Northwest "could provide nonstop Detroit-Shanghai service without any award of additional frequencies."

For the 2009 frequencies, besides Delta, other applicants are United Airlines, Northwest Airlines, Continental Airlines, US Airways, American Airlines, and Maxjet.

United has applied for flights between San Francisco and Guangzhou for the 2008 allocations, and Los Angeles and Shanghai for the 2009 frequencies.

"No community has a greater need for U.S. carrier service to China than Los Angeles, and only United can maximize the public benefits

from the operation of such service," United said in its application before the DOT.

Delta is pinning its hopes on its proposal on a nonstop Atlanta-Beijing flight for the 2009 frequencies. Maxjet, the low-fare all business class airline, plans to operate a service between Shanghai and Seattle/Tacoma International Airport effective March 25, 2009.

Northwest is proposing a Detroit-Beijing flight in 2009, while Continental is offering a nonstop New York/Newark-Shanghai for 2009.

Continental says its proposal "is so far superior to Northwest's request to add 14 frequencies to the 37 frequencies it currently operates between the US and China via Japan."

For 2009, US Airways is applying for a Charlotte-Philadelphia-Beijing service that "would generate maximum public benefits, in keeping with the objectives established in the (DOT's) instituting order."

American Airlines has also joined the bidding by proposing a Chicago-Beijing service in 2009. Its bid is being supported by 25 US senators, including Obama, 81 US representatives, 15 governors, and other local officials.

While US airlines are assured of increased market coverage, Chinese airlines seem at a disadvantage.

Chinese airlines are complaining that they could not increase their capacity because the US has very stringent rules on issuing visas to Chinese residents. Businessmen and Chinese officials are made to undergo security checks before they are allowed to fly to the US.

For the new frequencies, it is noticeable that the big Chinese carriers—Air China, China Southern Airlines, and China Eastern Airlines—have not applied for new passenger flights to the US.

Instead, Hainan Airlines, Jade Cargo, Great Wall Airlines and Shanghai Airlines Cargo International have all applied with the Civil Aviation Administration of China (CAAC) for US flights.

Shanghai Airlines will operate a cargo flight on the Shanghai-Anchorage-Los Angeles and Shanghai-Anchorage-Chicago route starting in April 2008. Hainan Airlines will operate a nonstop passenger flight from Beijing to Seattle starting on June 8, 2008 using an A330 aircraft with seven regular flights per week.

Great Wall Airlines will have a cargo flight on the Shanghai-Seoul-Anchorage-Los Angeles-Shanghai and Shanghai-Seoul-Anchorage-Chicago routes starting on March 1, 2008. Jade Cargo will launch cargo flights on the Shenzhen-Shanghai-Portland-Dallas-Portland-Shenzhen and Shenzhen-Anchorage-Chicago routes.

Seven of the eight new routes are cargo flights. Chinese airlines have not fully utilized its frequencies to US routes.

Chinese cargo airlines are taking advantage of the market's huge potential. Today, Chinese airlines hold about 30 percent of the cargo market and foreign airlines are taking the rest.

However, Chinese airlines are suffering from the passenger segment on US routes, making it difficult for them to become profitable. For one thing, Chinese airlines are suffering from an image problem. Some are saying that American passengers are doubting Chinese airlines' safety record; thus, they fly on US airlines.

So it is not surprising that Air China, China Eastern and China Southern are not scrambling to increase their US flights. Today, there are more flights from the US to China than from China to the US.

Competition in China will heat up as US airlines gain access to Chinese cities previously operated solely by Chinese airlines, which bank on the domestic market for their greater profitability.

Chinese airlines need to rethink their strategies and use their US frequencies to increase their market share and compete with US airlines.

Clearly, increasing the frequencies of US airlines will also benefit their code-share partners in China. But whether this will have a major positive impact on Chinese airlines has yet to be seen.

There should be a level playing field to provide US and Chinese airlines equal opportunities in getting a fair market share. While the agreement between the US and China reflects warm bilateral relations between the two countries, the bottom line is that this is a business decision that can make or break Chinese airlines in the future.

# Commercial Aviation News

## China posts 46-M passengers in Q2

民航总局公布第二季度行业运行情况通报

China's aviation industry posted a total passenger volume of 45.813 million in the second quarter of the year, an increase of 17.5 percent compared to the same period last year, according to data from the Civil Aviation Administration of China.

Total traffic throughput reached 8.77 billion ton-km, up by 19.8 percent, and cargo and mail volume totaled 0.969 million tons, higher by 17 percent on year-on-year.

In total, passenger volume increased by 0.3 percentage point, total traffic by 1.6 percentage points and cargo and mail by 3.7 percentage points compared to the first quarter data.

Domestic flights including Hong Kong and Macao had a total traffic throughput of 5.73 billion ton-km, higher by 16.7 percent compared to last year's data. Passenger volume also totaled 41.692 million, higher by 17.3 percent, and cargo and mail was at 0.699 million tons, up by 12.9 percent.

International flights' total traffic volume was 3.05 billion ton-



China continues to increase its passenger and cargo volumes beyond average worldwide growth rates.

km, an increase of 26.6 percent on a year-on-year basis. Likewise, total passengers reached 4.121 million, up by 20 percent, and cargo and mail reached 0.27 million tons, higher by 29.2 percent.

The average scheduled flight occupancy rate is 74.7 percent, and the scheduled flight load factor 65.9 percent, both up by 2 percentage points compared to data in the first quarter.

There were 29 aviation incidents but no major accidents. By the end of June, China's civil aviation transport industry fulfilled safe flights of 31 months totaling 7.93 million hours.

General aviation in China operated 27,791 flight hours in the first half of the year.

In the second quarter, the whole aviation industry in China posted a total operating income of RMB 64.39 billion, higher by 17.2 percent compared to the same period last year. Expenses increased by 13.4 percent to RMB 61.37 billion. Profit reached RMB 4.09 billion.

Of the total operating income, airlines accounted for RMB 45.46 billion, up by 18.2 percent on year-on-year. Operating costs also reached RMB 43.94 billion, leaving a profit of RMB 2.65 billion compared to the same period last year.

In the second quarter, the whole aviation industry operated 402,000 scheduled flights. Normal flights totaled 337,000 and delayed flights reached 65,000. Flight on-time performance is 83.9 percent, up by 0.3 percentage point compared to the first quarter.

Airlines with high on-time performance include Shandong Airlines, China Eastern Airlines and Hainan Airlines, with 87.37 percent, 85.43 percent and 85.42 percent, respectively.

In the same period, the whole industry transported 37.576 million parcels of baggage with 1,806 mistakes, accounting for about 0.048 percent, a decrease of 0.019 percent compared to the first-quarter data.

## China Southern Airlines posts RMB 24.55-B in revenues

南航上半年盈利3.08亿

China Southern Airlines Co. Ltd. reports that its parent company and subsidiaries earned RMB 24.55 billion in revenues for the first half of the year, based on unaudited consolidated results.

Based on the International Financial Reporting Standards, the company increased its revenues by 19.2 percent compared to the same period last year. Profit to equity shareholders amounts to RMB 168 million compared to a loss of RMB 825 last year.

Under China's accounting standards, the group operating revenue amounted to about RMB 25.21 billion, an increase of 19.2 percent from the same period last year. Net profit amounted to RMB 308 million compared to a loss of RMB 854 million last year. The board of directors of the company did not recommend any interim dividend for the first half of 2007.

"In the first half of 2007, taking advantage of a persistent strong national economy, a stable increase of market demand and an appreciation of Renminbi against major currencies such as US dollar, the Group's operating condition improved significantly," the group said.

China Southern says that during the first half of the year, it implemented different strategies on scheduled flight network optimization and hub development and enhanced service quality.

It also implemented budget management and cost controls and rationalized "the way of acquiring aircraft so as to maintain a healthy gearing level and reduce financing costs; and to optimize the management performance assessment system based on efficiency of operation, thereby elevating the overall operating level and performance benchmarks of the Group."

From this January to June, China Southern posted a total traffic turnover of 4.25 billion ton-km, carried 26.4 million passengers and handled 403,000 ton of cargo and mail, representing increases of 14.6 percent, 16.6 percent and 7.2 percent, respectively, compared to the same period last year.

The passenger load factor was 71.9 percent, representing an increase of 1.7 percent year-on-year. Passenger revenue increased by 20.2 percent year-on-year to RMB 22.39 billion, while revenue from cargo and mail increased by 6.1 percent year-on-year to RMB 1.69 billion.

The group continued to push forward its implementation of the "dual-hub" operating strategy. Through building Beijing and Guangzhou as its regional hubs, it strived to enlarge its service network and to provide better air transportation solutions to its existing and potential customers. During the first half of the year, the company launched 56 new flight routes, including nine international flight routes. Chongqing Airlines, a joint venture established by the group and Chongqing Development and Investment Co., was formally established on June 16, 2007. The company holds 60 percent of its equity interests.

This year, the company said, "In view of the stable growth of the PRC economy, it is anticipated that in the second half of 2007, domestic airlines will continue to benefit from the increasing market demand. However, persistent high oil prices and increasing market competition, as well as anticipated macro-economic control measures of the PRC government, will affect the operation of the industry to a certain extent."



China Southern's passenger revenue totaled RMB 22.39 billion.

## Tianjin Airport expansion completed

天津机场扩建工程主体完工

The expansion project of Tianjin Airport costing RMB 2.6 billion was finished on August 7 and will be operated starting next May.

As one of the main airports for the 2008 Beijing Olympic Games, Tianjin Airport's expansion projects consisted of a new terminal building occupying 74,000 square meters, and a runway that can accommodate takeoffs and landings of all aircraft types.



Tianjin Airport in Tianjin

## Handan Airport now open

邯郸机场正式通航

Handan Airport in Hebei province was opened for flights on August 8 with a passenger jetliner landing at the airport from Shanghai.

Currently, the airport has two air routes: Handan-Shanghai and Handan-Chongqing. The airport is located in the southwest suburb of Handan City.

The construction of the airport was started in June of 2004 with a total investment of about RMB 200 million.



Handan Airport in Hebei province

AVIC 1 (Continued from page 4)

## First A319 RNP flight to Tibet held

中国成功实施空客A319全球首次RNP验证飞行

On August 23, the Civil Aviation Administration of China, the CAAC Southwest Regional Administration, and Air China Southwest Branch completed the first RNP verification flight of an A319 aircraft at Lhasa Gonggar Airport. The aircraft belonged to Air China.

This is the first time an Airbus 319 has flown to a plateau airport using RNP since it was approved by the European Aviation Safety Agency (EASA) for its RNP capability in the world.

The successful RNP test flight has advanced the cooperation project between the CAAC, Southwest Regional Administration, Air China Southwest Branch, and Airbus.

RNP, or Required Navigation Performance, represents the most modern aircraft navigation technique that could

reduce the effect of bad weather on flights. It utilizes GPS and avionics to ensure that an aircraft stays on precise, pre-programmed paths without referring to the navigation facilities on the ground.

This should greatly improve flight safety and on-time performance, especially for airports with complicated terrain conditions or insufficient infrastructure.



An Air China aircraft takes off from Lhasa Gonggar Airport.

## Zhuhai Airport gains 42% in passenger volume

珠海机场首7月客量增42%

Zhuhai Airport in Zhuhai City, Guangdong province, handled 619,000 passengers for the first seven months of the year, a hefty increase of 42 percent compared to the same period last year. Cargo and mail volume reached 5989.6 tons during the same period, up by 30 percent. Aircraft movements were 5,719, higher by 28 percent on year-on-year.

Hong Kong-Zhuhai Airport Management Co. Ltd (HKZAM) and some airlines estimated that passenger throughput at the airport would reach 1.1 million to 1.2 million this year.

Also this year, the airport opened flights to Taiyun, Wuhan, Qingdao, Jinan, Guiyang, Ningbo, Nanjing and Kunming. The number of cities the airport services increased to 24, or 30 percent higher.

Zhuhai Airport is planning to finish the construction of Haitian dock to open liner to Hong Kong, Macao and Hong Kong International Airport. This will make Zhuhai a transfer city of Hong Kong, Macao and the mainland with a

market of over 200 million people.

In the next five years, the air zone project will be officially initiated to promote air express, business aviation, aircraft maintenance, logistics zone project construction and operation.

HKZAM's general manager, Vivian Cheung, says that in the next five years, passenger volume at the airport will reach more than 2.3 million, and cargo and mail volume will exceed 60,000 tons.

There is a plan to increase flights from Zhuhai to Beijing and Shanghai to at least six daily. Direct flights from Zhuhai to hub airports are also being considered, and operating airlines at the airport are to be increased to at least 10 with at least one airline operating each route.



Zhuhai Airport in Guangdong province

company and affiliates will invest to establish the Chengdu Aerospace High-tech Industrial Base. Among these companies are Chengdu Hi-Tech Investment Group Co., 29th Research Institute of China Electronics Technology Group Corp., 54th Research Institute of China Electronics Technology Group Corp., Institute of Optics and Electronics of the Chinese Academy of Sciences (IOE), and Peking University. The move is aimed at spurring China's aerospace development.

The signing further deepens the cooperation between AVIC 1 and Chengdu City. The strong research capability of AVIC 1 Chengdu Aircraft Design and Research Institute will drive development of the Chengdu area in aviation and electronics.

## Wuxi Airport goes green

无锡新机场将使用太阳能发电

The new Wuxi Airport will open this October using a solar power supply system, making it one of the first environment-friendly airports in China. This is the first time that China will use solar power for a large public building such as an airport.

The airport will adopt a PV glass wall provided by Suntech Power Holdings Co. on the roof for power supply. Two PV incorporation power stations will be established.

The airport is an advanced demonstration of the system which will be used for the 2008 Olympic Games main stadium, also called the "bird's nest."

## Lanzhou Airport breaches 80,000 mark

兰州机场周旅客吞吐量首破8万人次

Lanzhou Airport in Lanzhou, Gansu, broke the 80,000 mark by handling 81,550 passengers from August 10 to 16, according to the latest data.

On July 20-26, the airport's weekly passenger throughput broke 70,000. Since then, passenger volume at the airport has been increasing, which is attributed to summer passenger traffic and tourist influx.

## Jiangsu airports post 1-million passenger volume

江苏省民航旅客月吞吐量首次超百万人次

The seven airports in Jiangsu province handled 1.044 million passengers in July, higher by 26.9 percent on a year-on-year comparison.

According to data from the Department of Communications of the province, cargo and mail throughput for the same period totaled 16,000 tons, up by 22 percent compared to the same period last year.

This is the first time that the monthly passenger volume in Jiangsu has passed the one million total.

## Hefei Airport ups passenger volume

合肥骆岗机场月旅客吞吐量首破20万人次大关

Hefei Airport posted a passenger volume of more than 200,000 in July, higher by 29 percent compared to the same period last year.

According to the statistics, in July, Hefei Airport handled 203,000 passengers and aircraft movements of 2,214, up by 25 percent on a year-on-year basis. Average passenger occupancy rate is 80 percent.

The passenger traffic volume from Hefei to Beijing, Guangzhou, Shanghai and Shenzhen occupies over half of the total passenger throughput in China.

In July, Beijing ranked first with 37,538 with a 84.6 percent passenger occupancy rate.

The booming air transport market has enticed airlines to increase transport capacity. Since July, Hefei Airport has opened and densified flights to Chongqing, Ningbo, Urumqi, Guiyang, Dalian, and Wuhan. During the summer season, weekly flights in and out of Hefei Airport reached

500, providing nearly 60,000 round trip seats.

The airport has a weekly passenger throughput of about 45,000, up by 30 percent on year-on-year and exceeding the passenger traffic during the Chinese New Year transport period. Flights to Beijing, Guangzhou, Shanghai, and Shenzhen have consisted mainly of business passenger traffic, while flights to Xiamen, Chengdu, Kunming and Haikou have consisted mainly of tourism passenger traffic.



Hefei Airport in Anhui province

## 欢迎来稿

民航报导是全世界唯一英文杂志专注于中国民用航空的发展与建设，发行范围遍布全球是目前国际航空社会了解中国民用航空发展现状的重要渠道与窗口。

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## Aircraft movements at Nanjing Airport increase

### 南京机场飞行架次创新高

Since August, aircraft movements at Nanjing Lukou International Airport in Jiangsu province have been increasing.

According to statistics from the Nanjing Air Traffic Management Center, there were 296 movements during peak days. The maximum daily flight traffic over the Nanjing area and overflight reached 330.

This has created the all-time high traffic level in the ten years since Nanjing Airport opened.

## Air China's A319 arrives at Chengdu

### 国航西南分公司组建西部规模最大的A319机队

The first A319 of Air China's southwest branch arrived on August 15 at the Chengdu Shuangliu International Airport from Airbus' Hamburg assembly base in Germany. The delivery increased Air China's A319 fleet to 17, making it the biggest fleet in southwest China.

The new aircraft is equipped with a high-performance engine and is retrofitted. The A319 jets are used in operation at west plateau airports such as Lhasa, Bangda, Jiuzhai Huanglong, and Lijiang.

## Raytheon

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### SNV-12

### Signal-and-Noise Voter

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筛选最佳通话信道，保障效果

## Hami Airport expansion starts

### 新疆东大门哈密地区机场复航改扩建工程开工

The expansion and retrofit of Hami Airport in Xinjiang started on August 7. Hami is one of six regional airports in Xinjiang to be constructed or to resume flights under China's 11th Five-Year Plan.

It is also the airport in Xinjiang that is nearest to other domestic provinces. The airport is estimated to open in the second half of 2008.

Hami Airport will be a military-civil airport after completion. The flight area grade is 4C.

Total investment for the expansion and retrofit is over RMB 150 million. Once completed, the airport can accommodate the takeoff and landing requirements of aircraft such as the B737 series.

By 2015, the airport is estimated to have a passenger throughput of 270,000. The airport can service flights to all main cities in Xinjiang as well as cities in other provinces.

In 1924, Hami established a civil aviation station. In 1932, Hami's first international air route—Shanghai-Xinjiang-USSR-Berlin—was opened.

During the War of Resistance against Japan, Hami Airport became an important channel to transfer Russian aid materials. From 1964 to 1981, Hami Airport was a military-civil airport. In 1981, the airport ceased flight operations.

Hami Region is located at the east end of Xinjiang and is known as a key town of the ancient Silk Road. It is a main production area for Hami melon. Known as the east gate of Xinjiang, Hami connects with Jiuquan Region in Gansu Province.

Currently, 12 airports operate in Xinjiang. It is estimated that by the end of the 11th Five-Year Plan, this will increase to 16.

## Design for new Huanghua terminal approved

### 黄花机场航站楼增加5倍投资15亿

The design of the new terminal building of the Huanghua International Airport in Changsha, Hunan province, was approved by the Hunan provincial government after evaluation by experts.

The new terminal building will be about 163,000 sq. m. in size, with a total investment of about RMB 1.5 billion. The construction will start this year and will be completed and put into operation in the first half of 2010.

The original terminal began operations in September 2000 with a total area of 36,000 sq. m. By the end of 2006, the passenger throughput at the airport had reached 6.6 million, ranking first among the six Chinese provinces, and breaking the airport capacity of 4.6 million.

The current airport apron has 19 parking slots with 27 operating during peak hours. The current runway is 2,600 meters long and can only accommodate the landing and takeoff of small and medium aircraft.

The design bidding drew participants outside China. There were nine China-foreign joint units that joined. The design that was selected was of the Hunan Provincial Architectural Design Institute and Atkins of the United Kingdom.

The new terminal building will be built in about three years. The construction will begin this year and is expected to be finished in 2010 with the Huanghua Airport sporting a new look.

The new terminal will include two levels with an area of 56,000 sq.m. for underground carpark and business establishments.

As part of the expansion project, the runway will be extended from 2,600 to 3,200 meters. Four exit taxiways will be added and the apron will be expanded to 213,000 sq. m., with the hall for international flights expanding from 3,500 sq.m. to 9,892 sq. m.

The current Huanghua International Airport terminal will have a new design .



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