Operating in China: 
Business Aviation’s Next Frontier

Thursday, February 5, 3:30 p.m. – 5:00 p.m.

PRESENTED BY:
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Shirley Sheng, Asia Trip Support
Mark Swedenborg, Captain, 3M Aviation
Welcome to China
Agriculture
Comparison of net petroleum and other liquids imports for China and the United States

- **U.S. net imports**
- **China net imports**

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<th>Year</th>
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**Note:** History and forecast data provided.
Industry & Manufacturing
China’s Trading Relationship with the United States

US exports $81.8bn
US imports $344.1bn

Source: US Census Bureau, Foreign Trade Division
Today we will cover:

• Current process for obtaining permits, VISA requirements, & Sponsor letters
• Cultural considerations for China, including cultural & business etiquette
• Ground support & Customs
• Tips on securing ground transportation, security, catering, etc.
• China’s aviation economy
Part 1: Obtaining Permits, Visa Requirements, & Sponsor Letters
Lead Time for Permits

• Must submit permit minimum of 3 working days prior to arrival
  – Formerly 5 working days, as of December 2013
  – Has made operating into China easier for foreign aircraft

• Only exceptions to 3 working days are emergency & diplomatic flights
  – No specific lead times imposed, & Civil Aviation Administration of China (CAAC) will process requests as soon as possible
Landing Permit Requests

• Must submit fully completed standard SITA format to CAAC, including these 5 items:

  1. Operator Info (Telephone/Fax/Billing Address)
  2. Owner & Aircraft Info (registration/Type of A/C, Purpose, Seats)
  3. Crew Info & Schedule (Full names, Passport #’s & Exp. Dates, Nationality, DOB’s)
  4. Flight Route
  5. Local Sponsor & Handler Contact Info

• Once approved, Landing Permit only valid for original schedule

• No changes permitted without permit revision

• As of December 2013, only 2 revisions allowed
Landing Permits only granted to business flights.

G/A Tourism flights not permitted to or within China!
China Permit

Two important documents for applying for China Permit:

- **SITA**
  - LANDING PMT REQ TO CAAC WITH STANDARD FORMAT

- **FAX**
  - SPONSOR LETTER TO CAAC WITH STANDARD FORMAT

PERMIT APPROVAL
Sponsor Letters

• Only documentation required other than SITA Permit Request
• Must fax to CAAC
• Must be local business contact
• Must
  – Be written in Chinese
  – Display company seal
  – Contain company name and address
  – Provide name, job title, and contact details for sponsor
Sponsor Letters cont.

- Best to contact ground handler as soon as schedule is known so they can coordinate the sponsor letter process.
- You may operate in up to 5 locations in China under 1 local sponsor, but sponsor must be from one of the stops in China.
- If more than 5 stops, need to depart China and apply for new landing permit before re-entering.
Visa Requirements

• China requires VALID Visas for all crew & passengers

• For Part 91 flights crew needs Type C (crew), Type F (business) or Type L (Tourist), but need to notify agent in advance
  – For Part 135, Crew must have Type C, no exceptions

• If crew is flying in or out commercially, need to notify agent in advance. CIQ (Chinese Immigration & Quarantine) requires detailed flight information
Part 2: Cultural Considerations When Traveling to China
Common Business Etiquette

• Appearance
  – Conservative suits for men with subtle, simple colors
  – Women should avoid high heels and short-sleeved blouses (Chinese frown upon women who display too much)
  – Men and women can wear jeans, but not acceptable for business meetings
Common Business Etiquette

Greeting

• Western-style handshake is used by most everyone
• When greeting, slight bow often accompanies handshake, which is light and for a short amount of time
• Business cards exchanged at 1st meeting
  – Read business cards you receive before putting them away
• Note that Chinese names are “reversed” from Western name, with surname 1st, then the given name
• When meeting for 1st time for a business meeting, engage in general conversation before business talk
Common Business Etiquette

Language

• It is considered very respectful if you know at least a small amount of the language, but the Chinese understand when you need an interpreter

• It is more convenient & reliable to have your own interpreter if your hosts don’t speak or have little English capability
Common Business Etiquette

Gift-giving

• Lavish gift-giving was once an important part of Chinese culture, but no longer today, as it could be considered a bribe.

• Most acceptable gifts include items from your country or city, such as handicrafts or illustrated books.
  – Be sure to bring a supply of those items so you can reciprocate if/when you are presented with a gift.
Common Business Etiquette

Dining Etiquette

• Chinese typically share food from a number of dishes placed in center of table, as opposed to individual dishes
• Always kindly taste any dishes presented to you
• Never place chopsticks upright in rice bowl
• Do not discuss business at meals
Common Business Etiquette

No-No’s

• Many common Western gestures considered rude in China
  – Pointing with index finger
  – Beckoning with index finger
  – Finger snapping
  – Whistling to get attention
  – Keep hand & fingers away from mouth
Major G/A Airports

ZBAA (Beijing)
ZSPD (Shanghai Pudong)
ZGSZ (Shenzhen)
ZJSY (Sanya Phoenix)
Major G/A Airports

ZBAA (Beijing)

- 2nd busiest A/P in world
- Main hub of Air China
- Major parking issues
- Extremely long delays for take-offs
  - 1-2 hours norm, could be 4-5 hours
- No FBO’s, only VIP terminal for business jets
- Limited access by Handlers
  - Asia Trip Support granted permission to meet A/C on ramp
Major G/A Airports

ZBAA (Beijing) Cont.

- Parking Issues
  - As of June 1, 2014: Max Stay of 48 hours for GA aircraft, or must re-po
  - Can apply for extension and be granted, but can be revoked day of operations
  - Parking over 48 hours close to impossible for peak summer months
  - ZBAA has 46 GA parking slots, no hangars
Re-Positioning to ZBTJ (Tianjin)

- Over 48 hours at ZBAA, re-position to ZBTJ
- 67 NM from ZBAA (20 min flight, 2 hour drive)
- No FBO, only Airline Airport Authority (can bring in a supervisory agent from ZBAA)
- Need prior arrangement
- Half cost of operating to ZBAA, much more flexible
Shanghai

• While ZSSS is main airport, most international GA traffic is handled by ZSPD, less GA restrictions
• ZSPD limited to 1 slot during peak hours of 0800-2300 (no drop-and-gos, must depart after peak)
• Slots required at both A/P’s, coordinate with local agent
• Customs: CIQ will come to A/C, board, collect PPs/Visas, then escort crew/pax for processing
Other Airports & Restrictions in China

• Slots required at every A/P in China
• Many cities only accessible through military A/P’s
  – Extremely limited to foreign registered A/C
  – Always check with service provider
• Best to coordinate with local agents
• Restrictions
  – China has many multiple-day holidays, such as Chinese New Year in February, during which CAAC is closed down. No permits issued.
  – No flights permitted to or from Taiwan in China
    • Must add stop between
## Other Airports & Restrictions

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Handler General Services

- Provides VIP CIQ clearance, transportation, ramp service
- Much easier to get good parking through handler
- Cheaper fuel pricing, arranging secure trans
- Can arrange local tours
- Numerous catering choices with menus
BEIJING FBO (ZBAA) Building
BEIJING FBO (ZBAA)
C.I.Q. Clearance Desk
BEIJING FBO (ZBAA)
C.I.Q. Clearance Desk
SHENZHEN FBO (ZGSZ)

Building
SHENZHEN FBO (ZGSZ)
C.I.Q. Clearance Desk
SHENZHEN FBO (ZGSZ)
VIP Room
SHENZHEN FBO (ZGSZ)
Ground Service Equipment
SANYA FBO (ZJSY)
Building
SANYA FBO (ZJSY)
Security Desk
SANYA FBO (ZJSY)
VIP Room
Part 4:
China’s Aviation Economy
China’s Aviation Economy
Huge Market for Corporate Jets on Chinese Horizon

- In past, over-regulation has limited G/A traffic in China
- In 2014, China has seen over 25,000 General Aviation movements, up from 20,000 in 2013
- Government seems ready to unleash business aviation’s potential
- Current promise to build 10-15 Airports every year!
- Reform called to improve efficiency & allocation of airspace
- Fractional ownership companies and all the major aircraft manufacturers have seen rapid growth in the market
China’s Economy
Wanted: 500,000 Pilots!

• CAA recently announced they need 500k civilian pilots trained by 2035 to support the business aviation boom

• Skies opening up to private planes, plans to allow G/A traffic under 3K meters by 2020
  – Previously needed strict military approval

• Many previously-run military airways being granted to G/A
Just the beginning of G/A in China’s Booming Economy
DEDICATED TO HELPING BUSINESS ACHIEVE ITS HIGHEST GOALS.