

## ARTICLE IV

1. Fuel, lubricating oils, spare parts, regular aircraft equipment and aircraft stores introduced into the territory of one contracting party, taken on board aircraft in that territory, or retained on board the aircraft in that territory, by or on behalf of the other contracting party or its designated airline and intended solely for use by or in the aircraft of that airline, shall be accorded by that contracting party, in respect of customs duties, inspection fees and other similar national or local duties and charges, treatment not less favourable than that accorded to similar supplies introduced into the said territory, taken on board aircraft in that territory, or retained on board the aircraft in that territory and intended for use by or in the aircraft of a national airline of that contracting party, or of the most favoured airline of any other State, engaged in international air services.

2. Each of the contracting parties agrees not to give a preference to its own airlines or to those of any third state over the airline of the other contracting party in the application of its customs, immigration, quarantine, exchange control and similar regulations or in the use of or charges for the use of airports, airways or other facilities.

## ARTICLE V

1. The designated airlines of both contracting parties shall be accorded fair and equitable opportunity for the operation of the agreed services on the routes specified between their respective territories.

2. In operating the agreed services the designated airline of each contracting party shall take into account the interests of the designated airline of the other contracting party so as not to affect unduly the services which the latter provides on the whole or part of the same routes.

3. On any specified route the capacity provided by the designated airline of one contracting party together with the capacity provided by the designated airline of the other contracting party shall be maintained in reasonable relationship to the requirements of the public for air transport on that route.

4. In the application of the principles stated in the paragraphs hereinbefore:

a. The agreed services provided by a designated airline shall have as their primary objective the provision, at a reasonable load factor, of capacity adequate to the current and reasonably expected requirements of that airline for the carriage of traffic originating in or destined for the territory of the contracting party which has designated that airline.

b. The capacity provided under sub-paragraph a. above may be augmented by supplementary capacity adequate for the carriage of international air traffic originating at and destined for points on the specified routes in the territories of States other than that designating the airline. Such additional capacity shall be related to traffic demands of the areas through which the airline operates, after taking account of the air services established by airlines of the other contracting party and of the States referred to above insofar as they are carrying international air traffic originating in or destined for their territories.

5. Subject to the provisions of this agreement, nothing in this Article shall prevent unfilled space in any aircraft from being used for the carriage of any international air traffic offered.