

3. The agreed services provided by the designated airlines of the Contracting Parties shall bear reasonable relation to the requirements of the public for transportation on the specified routes and shall have as their primary objective the provision, at a reasonable load factor, of capacity adequate to meet the current and reasonably anticipated requirements for the carriage of passengers, cargo and mail between the territories of the States which have designated the airlines and the countries of ultimate destination of the traffic.

4. Provision for the carriage of passengers, cargo and mail both taken up and discharged at points on the specified routes in the territories of States other than that designating the airline shall be made in accordance with the general principle that capacity shall be related to:

- (a) traffic requirements to and from the territory of each Contracting Party;
- (b) traffic requirements of the area through which the airline passes after taking account of other transport services established by airlines of the States comprising the area; and
- (c) the requirements of through airline operation.

5. The capacity to be provided on the specified routes i.e. frequency of services and type and configuration of aircraft shall be agreed in advance between the designated airlines, in accordance with the principles laid down in this Article, and subject to the approval of the aeronautical authorities of the Contracting Parties. In the absence of an agreement between the designated airlines, the matter shall be referred to the aeronautical authorities of the Contracting Parties which will endeavour to resolve the problem pursuant to Article XVI of this Agreement. Pending an arrangement either at the airline level or between the aeronautical authorities, the status quo shall be maintained.

ARTICLE X

1. The aeronautical authorities of both Contracting Parties shall provide each other with statistical data required to determine the amount of traffic carried over the routes specified in the Annex to this Agreement and the initial origins and final destinations of such traffic.

2. The details of the statistical data to be provided and the methods by which such data shall be provided by one Contracting Party to the other shall be agreed upon between the aeronautical authorities and implemented accordingly.

3. Failure to reach a satisfactory agreement regarding the supply of statistics may, at the discretion of either Contracting Party constitute grounds for the application of Article XVI of this Agreement.