

respect to a designated airline of the other Contracting Party, to revoke or suspend such authorisations or impose conditions, temporarily or permanently:

- (a) in the event of failure by the airline to qualify before the aeronautical authorities of that Contracting Party under the laws and regulations normally applied by those authorities in conformity with the Convention;
- (b) in the event of failure by the airline to comply with the laws and regulations of that Contracting Party;
- (c) in the event that the aeronautical authorities are not satisfied that substantial ownership and effective control of the airline are vested in the Contracting Party designating the airline or in its nationals; or
- (d) in case the airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement.

2. Unless safety or security require immediate action under this Article, Article VIII or Article IX, the rights enumerated in paragraph 1 of this Article shall be exercised only after consultations with the aeronautical authorities of the other Contracting Party in conformity with Article XVII of this Agreement.

ARTICLE VII

Application of Laws

1. The laws, regulations and procedures of one Contracting Party relating to the admission to, remaining in, or departure from its territory of aircraft engaged in international air navigation or to the operation and navigation of such aircraft shall be complied with by the designated airline of the other Contracting Party upon entrance into, departure from and while within the said territory.

2. The laws and regulations of one Contracting Party respecting entry, clearance, transit, immigration, passports, customs and quarantine shall be complied with by the designated airline of the other Contracting Party and by or on behalf of its crews, passengers and cargo upon transit of, admission to, departure from and while within the territory of such a Contracting Party.

ARTICLE VIII

Recognition of Certificates and Licences

1. Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one Contracting Party and still in force, shall be recognised as valid by the other Contracting Party for the purpose of operating the agreed services provided that such certificates or licences were issued or rendered valid pursuant to, and in conformity with, the standards established under the Convention. Each Contracting Party reserves the right, however, to refuse to recognise, for the purpose of flights above its own territory, certificates of competency and licences granted to its own nationals by the other Contracting Party.