

recognized as valid by the other Contracting Party for the purpose of operating the agreed services on the routes specified in this Agreement, provided that such certificates and licenses 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 recognize, for the purpose of flights above its own territory, certificates of competency and licenses granted to its own nationals by the other Contracting Party.

2. If the privileges or conditions of the licenses or certificates referred to in paragraph 1 above, issued by the Aeronautical Authorities of one Contracting Party to any person or designated airline operating the agreed services on the routes specified in this Agreement, should permit a difference from the standards established under the Convention, and which difference has been filed with the International Civil Aviation Organization, the Aeronautical Authorities of the other Contracting Party may request consultations with the Aeronautical Authorities of that Contracting Party with a view to satisfying themselves that the practice in question is acceptable to them. Failure to reach a satisfactory agreement in matters regarding flight safety will constitute grounds for the application of Article V.1(a); in other cases Article XVII applies.

ARTICLE VIII

1. Each Contracting Party may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control, provided that such charges shall not be higher than the charges imposed upon all other aircraft engaged in similar international services.

2. Neither of the Contracting Parties shall give a preference to its own or any other airline over the designated airline of the other Contracting Party in the application of its customs, immigration, quarantine and similar regulations or in the use of airports, airways and other facilities under its control.

ARTICLE IX

1. The designated airlines of the Contracting Parties shall have a fair and equal opportunity to operate the agreed services covered by this Agreement.

2. The capacity to be provided on the agreed services by the designated airlines shall bear a close relationship to the estimated requirements of the public for air transport between the territories of the Contracting Parties taking into account the requirements of through airline operation. The capacity and scheduling of services to be operated by each airline shall be agreed between the airlines and shall be subject to the approval of the Aeronautical Authorities of both Contracting Parties.

3. Subject to the approval of the Aeronautical Authorities of both Contracting Parties, the designated airlines shall enter into a commercial agreement covering all matters concerning commercial co-operation.