

- (b) retained on board aircraft of a designated airline of one Contracting Party upon arriving in or leaving the territory of the other Contracting Party; or
- (c) taken on board aircraft of a designated airline of one Contracting Party in the territory of the other Contracting Party;

whether or not such items are used or consumed wholly within the territory of the Contracting Party granting the exemption, provided such items are not alienated in the territory of the said Contracting Party.

3. The regular airborne equipment, as well as the materials and supplies normally retained on board the aircraft of a designated airline of either Contracting Party, may be unloaded in the territory of the other Contracting Party only with the approval of the customs authorities of that territory. In such case, they may be placed under the supervision of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with the customs regulations applicable in the territory of the other Contracting Party.

4. Baggage and cargo in direct transit across the territory of either Contracting Party shall be exempt from customs duties and other similar charges.

ARTICLE 11

Statistics

1. Each Contracting Party shall ensure that its aeronautical authorities provide, or shall cause their designated airlines to provide to the aeronautical authorities of the other Contracting Party, upon request, periodic or other statements of statistics as may be reasonably required for the purpose of reviewing the operation of the agreed services, including statistics showing the initial origins and final destinations of the traffic.

2. Contracting Parties shall encourage their aeronautical authorities to maintain close contact with respect to the implementation of paragraph 1, including procedures for the provision of statistical information.

ARTICLE 12

Tariffs

1. The primary consideration in the establishment of prices for transportation on the agreed services is market forces. The Contracting Parties shall not require designated airlines to agree on prices. The Contracting Parties shall permit the tariffs referred to in this Article to be developed by the designated airlines individually or, at the option of the airlines, through coordination with each other or with other airlines. A designated airline shall be responsible only to its own aeronautical authorities for the justification of its prices.