

## ASSEMBLY - 35TH SESSION

## **PLENARY**

Agenda Item 2:

Statements by delegations of Contracting States and of Observers

## **STATEMENT**

(Presented by Malaysia)

WHEN WE GATHERED HERE AT THE 33<sup>RD</sup> SESSION OF THE ASSEMBLY OF ICAO, THE FIRST ASSEMBLY OF THE 21<sup>ST</sup> CENTURY 3 YEARS AGO, IT WAS 2 WEEKS AFTER SEPTEMBER 11 IN NEW YORK. THE ENTIRE AVIATION COMMUNITY WAS IN A STATE OF SHOCK AND DISBELIEF OF THE HORROR THAT TOOK PLACE IN NEW YORK.

AIR TRANSPORT WHICH BECAME THE SAFEST AND MOST EFFICIENT SYSTEM OF TRANSPORTATION WAS FULLY TESTED. HOWEVER, UNDER THE LEADERSHIP OF ICAO, WE WERE ABLE TO RISE TO THE OCCASION. WITH UNSHAKABLE DETERMINATION AND COHESIVENESS, THE GLOBAL AVIATION COMMUNITY WAS ABLE TO MEET THE CHALLENGES LAID BEFORE US.

AFTER SEPTEMBER 11, ASIA WAS AGAIN SEVERELY HIT BY THE SEVERE ACUTE RESPIRATORY SYNDROME (SARS) IN 2003. PASSENGER TRAFFIC DROPPED BY 30%. HOWEVER, THE VOLUME OF TRAFFIC IN 2004 HAS EXCEEDED PRE – SARS LEVELS AND WE ARE CONFIDENT THAT AIRPORTS WILL ACHIEVE DOUBLE-DIGIT GROWTH IN TRAFFIC THIS YEAR.

ALTHOUGH THE FUTURE APPEARS UNCERTAIN, WE BELIEVE THAT THE AVIATION SYSTEM REMAINS FUNDAMENTALLY STRONG. WE HAVE LAID THE ESSENTIAL GROUNDWORK FOR DEALING EFFECTIVELY WITH GLOBAL CRISIS INCLUDING THOSE THAT AFFECT AVIATION SECURITY. SINCE SEPTEMBER 11, MALAYSIA HAS ACCORDINGLY IMPLEMENTED ALL THE INITIATIVES BY ICAO TO ENHANCE AVIATION SECURITY ARRANGEMENTS AT AIRPORTS. MALAYSIA WILL CONTINUE TO SUPPORT NEW RESOLUTIONS BY ICAO TO FURTHER ENHANCE GLOBAL AVIATION SECURITY.

DEVELOPING AN EFFICIENTLY MANAGED AND COMPETITIVE AIRPORT TRANSPORT SYSTEM HAS LONG BEEN ACCEPTED AND PRACTICED IN MALAYSIA. SINCE 1997, MALAYSIA HAS CONCLUDED A NUMBER OF BILATERAL OPEN-SKY AGREEMENTS. AT THE REGIONAL LEVEL, ASEAN MEMBER STATES HAS TAKEN CONCRETE STEPS TOWARDS A PROGRESSIVE AND PHASED LIBERALIZATION OF AIR TRANSPORT SERVICES BY PROVIDING GREATER MARKET ACCESS. A ROADMAP FOR ASEAN COMPETITIVE AIR TRANSPORT POLICY HAS BEEN ADOPTED.

IN MALAYSIA, WE HAVE ALSO TAKEN STEPS TO FACILITATE THE ENTRY OF NEW AIRLINES, ESPECIALLY LOW COST CARRIERS. AIR ASIA, A MALAYSIAN LOW COST CARRIER, WAS THE FIRST IN THE ASIA TO OPERATE DOMESTIC AND REGIONAL SERVICES SUCCESSFULLY.

AIR ASIA HAS EXPANDED CONSUMER CHOICES AND ACCESS TO AIR TRANSPORT. IT HAS STIMULATED AND CREATED GREATER DEMAND FOR AIR TRAVEL. IT HAS ALSO IMPROVED THE EFFICIENCY OF AIRLINE INDUSTRIES AS A WHOLE. AIR ASIA HAS LED TO THE EMERGENCE OF MANY LOW COST CARRIERS IN THE ENTIRE REGION IN THE LAST 2 YEARS. MORE IMPORTANTLY, IT HAS PROMPTED REGULATORS OR AVIATION AUTHORITIES TO CHANGE OLD RULES OF THE GAME THAT TENDED TO PROTECT INCUMBENT AIRLINES AND THEIR KEY MARKETS.

IN SPITE OF THE LATEST SHOCK OF RECORD JET FUEL PRICES, AIRLINES IN THE ASIA PACIFIC REGION ARE SHAKING-OFF THE GLOOM AND GETTING DOWN TO BUSINESS WITH RENEWED VIGOR. NEVERTHELESS, AIRLINES REMAIN CAUTIOUS AS INCREASING FUEL PRICE HAS THE POTENTIAL TO OFFSET THE POSITIVE DEMAND FOR TRAVEL.

I CONCLUDE BY EXPRESSING OUR DEEP APPRECIATION TO THE PRESIDENT OF THE COUNCIL AND THE SECRETARY GENERAL FOR THE DYNAMIC LEADERSHIP TO ICAO. ON THIS NOTE, LET ME ON BEHALF OF THE GOVERNMENT OF MALAYSIA WISH THIS ASSEMBLY EVERY SUCCESS IN ITS DELIBERATIONS.