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Facilitating Air Transport Liberalization And Broader Economic Development

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Briefing to cover:

- ICAO's role in the air transport field
- Regulatory Approaches and Developments
- ICAO's Work and Accomplishments
- Work in Progress
- Support and assistance to States





ICAO's air transport policy and regulation programme is designed to:

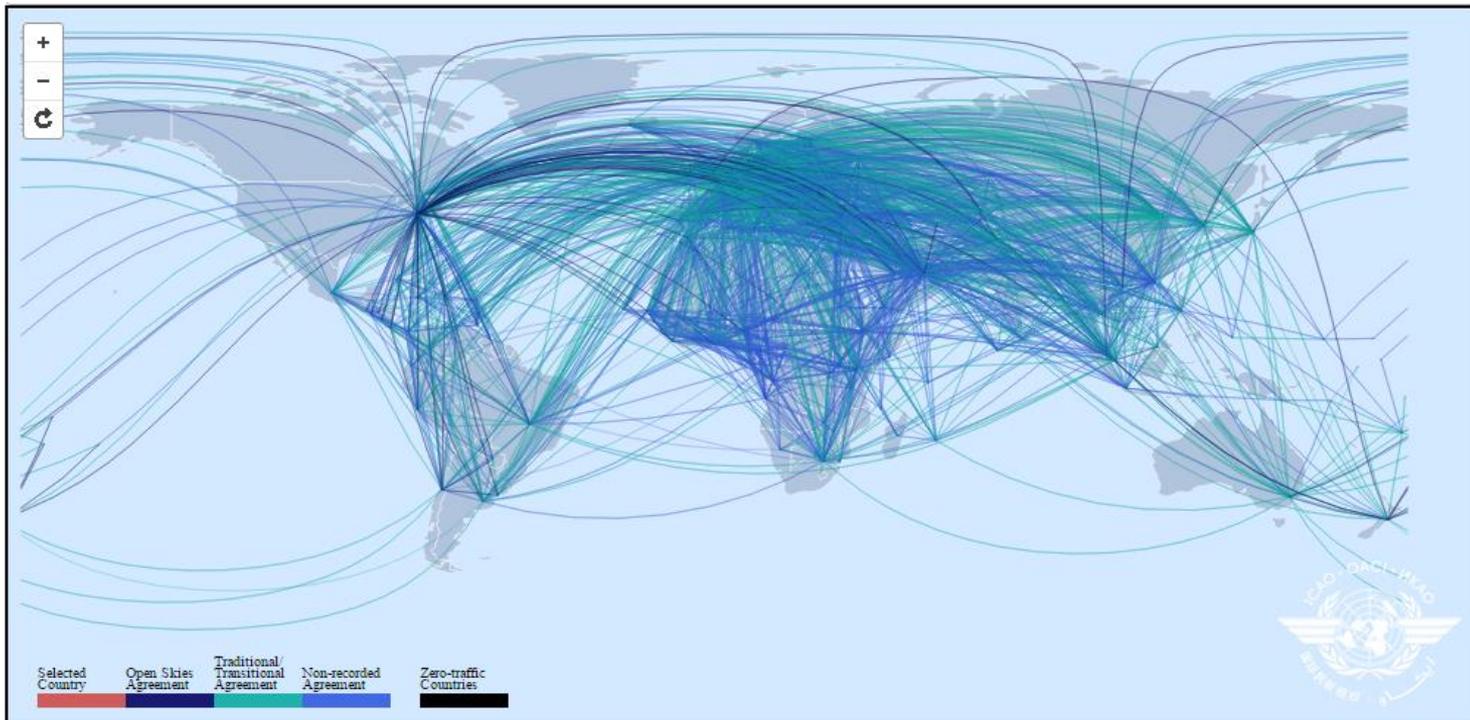
- a) Reduce State's costs in performing its economic regulatory functions
- b) Increase consumer's benefits and choices;
- c) improve air connectivity; and
- d) create more competitive business opportunities in the marketplace;

Focus:

- **Facilitate regulatory reform for sustainable economic development**
- **Assist States in the liberalization process**

Regulatory Approaches

(Web of Bilateral Air services Agreements)



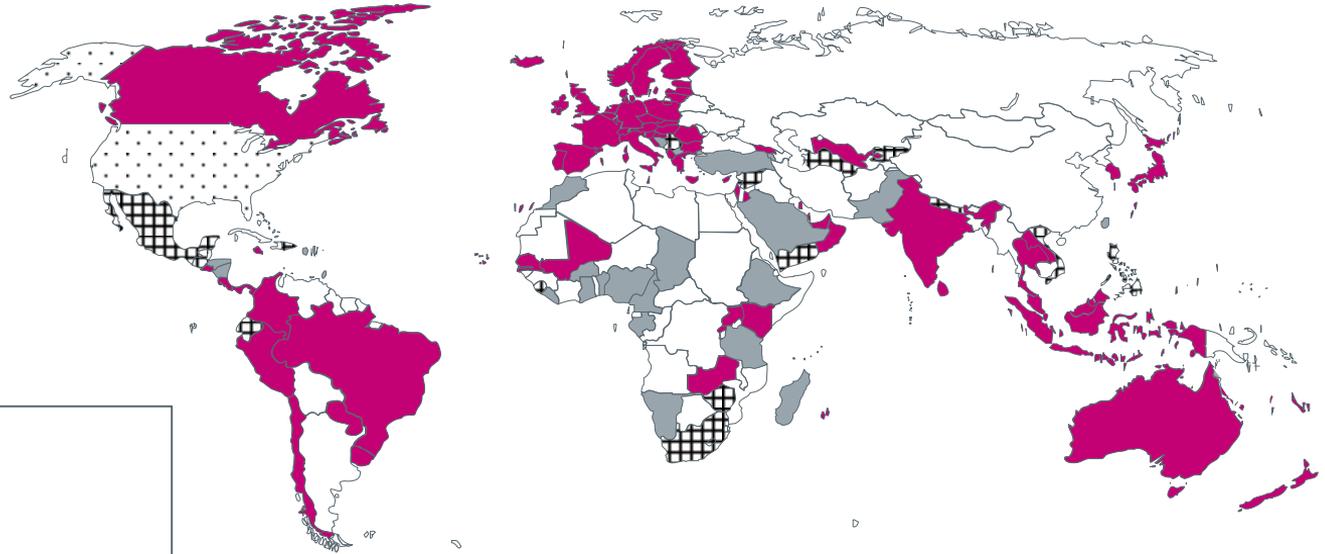
The Regulatory System is dominated by Bilateral Air Services Agreements are still.

Market Access is becoming more open.

Regulatory Developments

Bilateral Open Skies (as of 2015)

-  States which signed open skies agreements with both the US and third countries
-  States which signed open skies agreements with the US only
-  States which signed open skies agreements with the third countries only



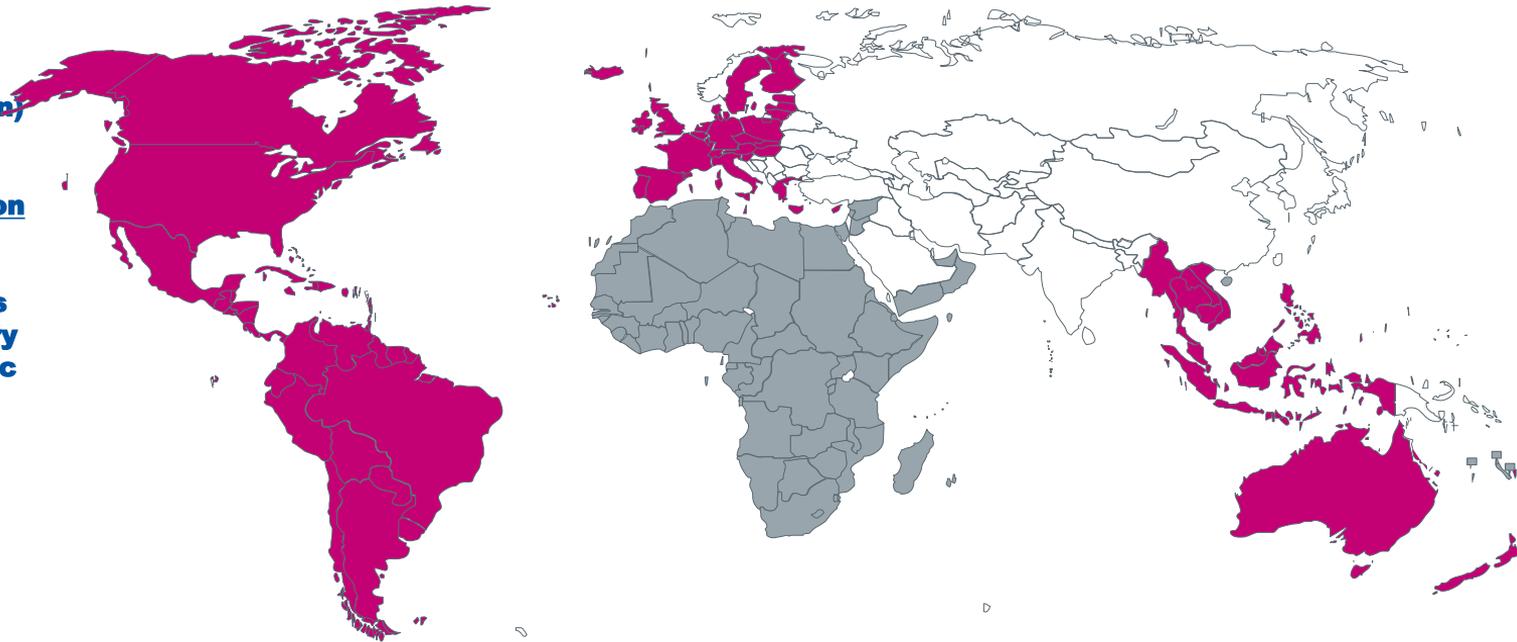
**Over 400 Open Skies
Agreements involving
146 States**

Regulatory Developments

Regional Liberalization: Most world regions now have liberalization programs

■ Full liberalization arrangements
(ASEAN, CARICOM, EU, LACAC, Trans-Tasman cooperation)

■ Gradual liberalization arrangements
(Yamoussoukro Decision, Damascus Agreement signatory states, South Pacific Islands)





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ICAO'S WORK & ACCOMPLISHMENTS



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ICAO Long-term Vision for Liberalization

(Assembly Resolution A39-15)

“We, the Member States of the International Civil Aviation Organization, resolve to actively pursue the continuous liberalization of international air transport to the benefit of all stakeholders and the economy at large.

We will be guided by the need to ensure respect for the highest levels of safety and security and the principle of fair and equal opportunity for all States and their stakeholders”.





Follow-up Action

Disseminate to
Member States

States to give regards to
the vision in policy-
making and Regulatory
practices

ICAO to promote and
monitor
Implementations

ICAO to provide
support and assistance
to States

States to provide
feedback on
experience gained and
issues encountered.



Core Principles on Consumer Protection

(Assembly Resolution A39-15)

- A living document, aimed at providing guidance to States and industry stakeholders; fostering convergence and compatibility

Disseminated to
States/stakeholders

States to apply and
Provide feedback

ICAO to promote
implementation
and monitor
developments



Guidance available on ICAO website, covering:

Before the travel

Balance passenger rights/industry competitiveness

Pre-travel information, including price transparency

During the travel

Assistance/compensation, as provided by regulations or contract

Coordination between stakeholders to address "massive disruptions"

After the Travel

Efficient complaint handling procedures

Further work: (i) definition of "massive disruptions"; and (ii) principle of proportionality.



POLICIES AND GUIDANCE IN AIR TRANSPORT FIELD

- Doc 9587, *Policy guidance on the economic regulation of international air transport*
- Doc 9626, *Manual on the regulation of international air transport*
- Doc 8362, *Policies on taxation in the air transport field*



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WORK IN PROGRESS



Develop international agreements for liberalization

- Covering: Market access, Air cargo, and Air carrier ownership and control, *for Willing and Ready States*
- Drafts being developed by ATRP (WG)
- Process: prepare draft text; consult States; report to governing bodies; finalize agreement; States to sign



Address issues: competition and safeguards

- Liberalization to be accompanied with safeguards
- Issues: Application of competition laws; Fair competition; State aid/subsidies; Labour concerns; Essential services
- Examined by ATConf/6, and ATRP/12, ATRP/13 meetings

ICAO's work:

- Compendium on States competition policies and practice to help transparency (available on ICAO website)
- States encouraged to provide input to the Compendium
- Forum for exchanges (e.g. ICANs, IATS2016)
- Safeguard provisions being considered by ATRP in the context of international agreements for liberalization
- Monitor developments and update guidance material



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ICAO'S SUPPORT AND ASSISTANCE



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- Facilitate liberalization
- Help capacity building
- Assist States with developmental needs and local issues
- Promote dialogue, exchange of information and ideas through conferences and other meetings



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Other activities for Economic Development

- Updating ICAO policies and guidance
- Studies and databases (e.g. WASA)
- ICAN facilities (new features: country profile re ASAs and traffic data)
- Info, data and guidance material available online:
<http://www.icao.int/sustainability/Pages/default.aspx>



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Dakar

European and
North Atlantic
(EUR/NAT) Office
Paris

Middle East
(MID) Office
Cairo

Eastern and
Southern African
(ESAF) Office
Nairobi

Asia and Pacific
(APAC) Sub-office
Beijing

Asia and Pacific
(APAC) Office
Bangkok



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