



Symposium on Liberalization of Air Transport in Asia/Pacific

(Shanghai, 25 – 27 May 2005)

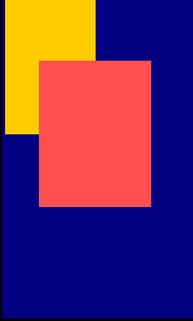


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Session 3

Topic .1:

Safety and Security Implications in a Liberalized Environment



Presentation to cover:

- Background
- Findings of the ICAO study
- Conclusions



Background

- Evolution of air transport regulation:
 - liberalization, privatization, regionalism
- Evolution of business practices:
 - globalization, alliance, leasing ...

➊ Constantly changing

➋ New issues / challenges

- ATConf/5 called for the Study

Purpose of Study

■ Identifying problems

- ┌ How safety/security regulation may be affected?
- ┌ Any gaps in existing ICAO provisions?

■ Fixing the problems

- Action by ICAO
- Action by States



Next
Phase

Relationship between Liberalization and Safety/Security

■ Implications on S/S regulations

Growth in activity



Increase pressure

Complex arrangements



Complicate oversight

Going multinational

■ Liberalization not at issue

Clear need for a coherent policy

What are the problem situations?

Concerns: aircraft, air operator, personnel

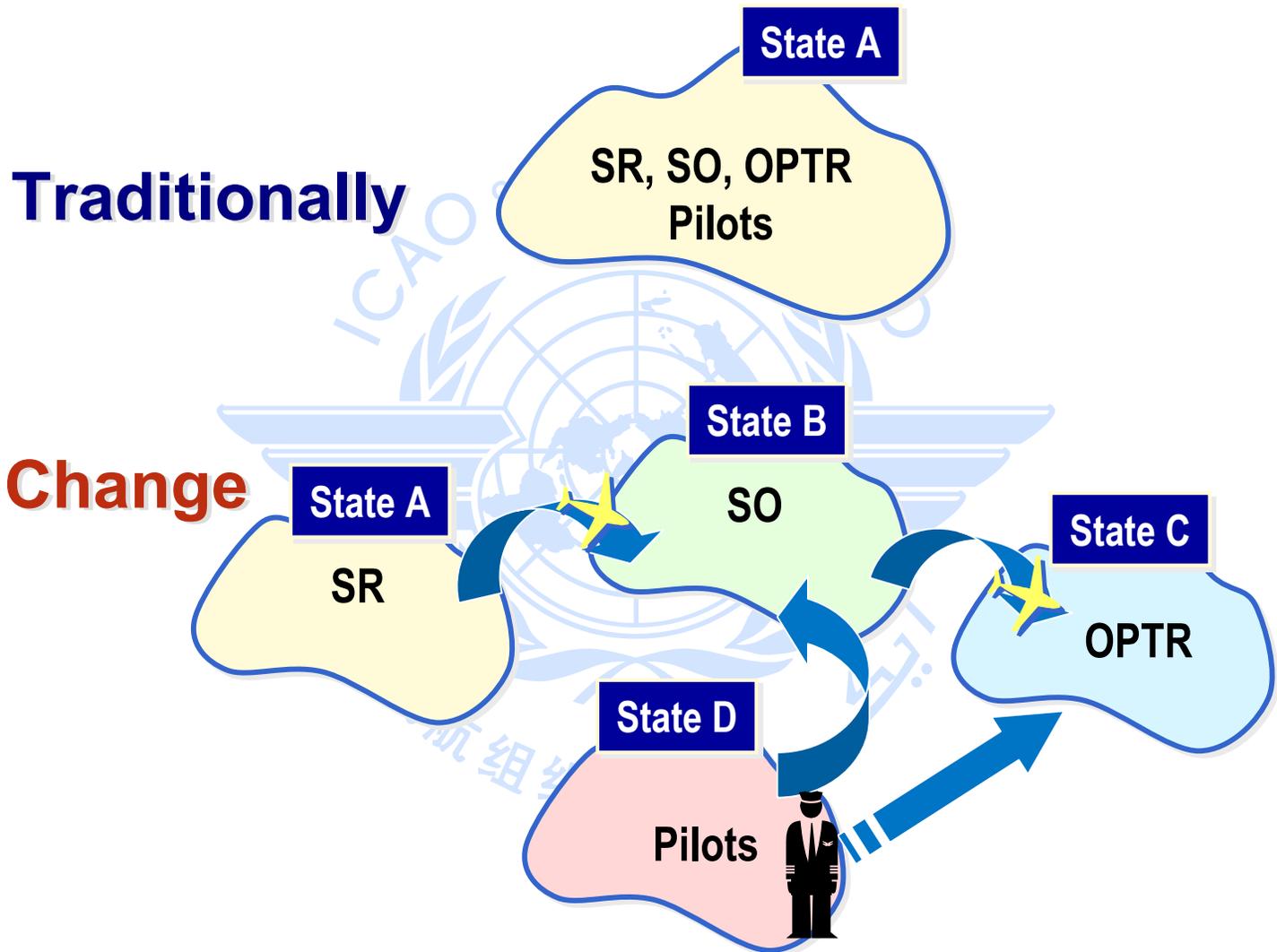
■ **Type 1: Single State involved**

- Having an impact but clear re State's responsibility

■ **Type 2: Multiple States involved**

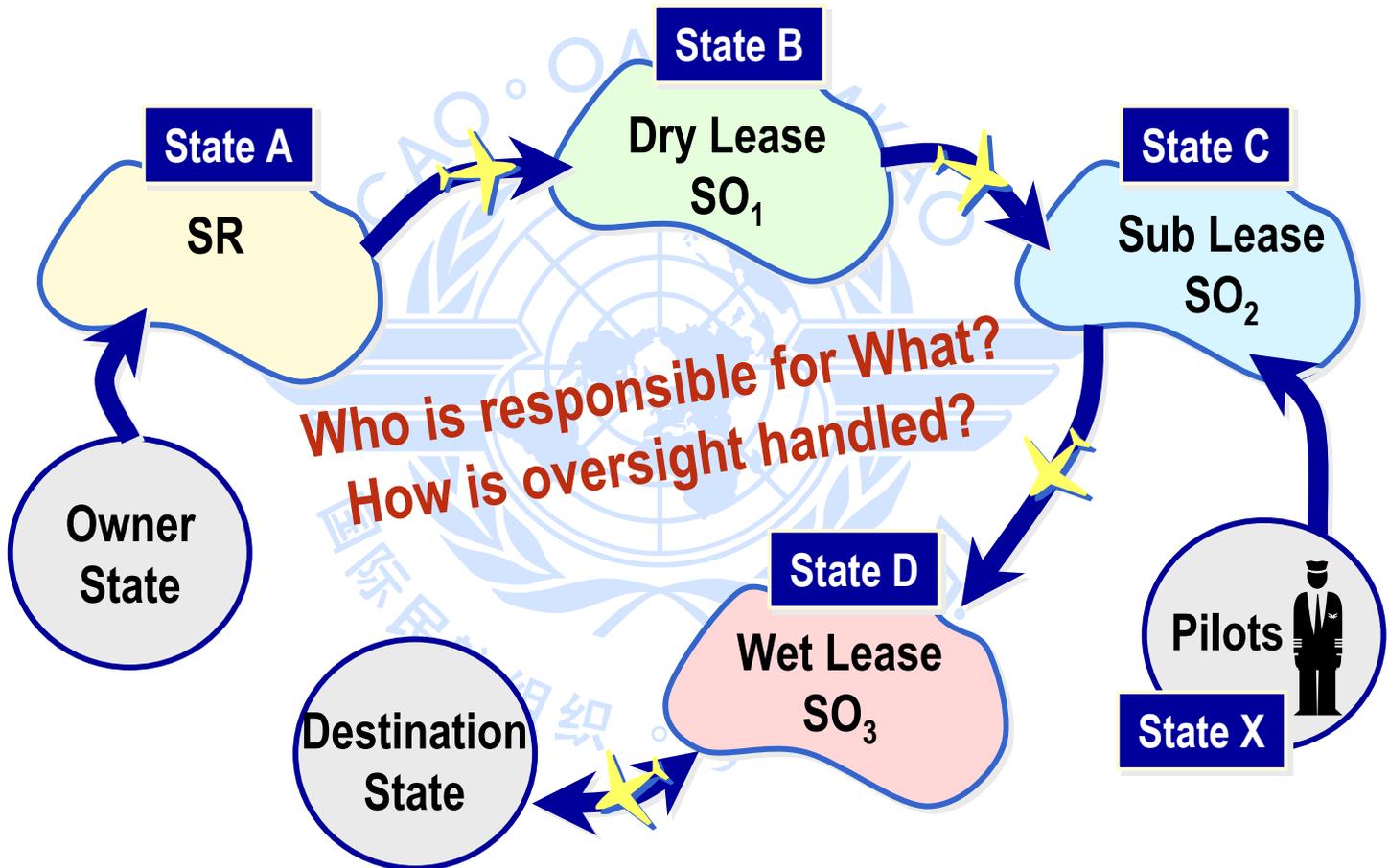
- ┌ Complicate accountability and raise questions re State's responsibility

Problem: Split responsibility



Problem: A moving target

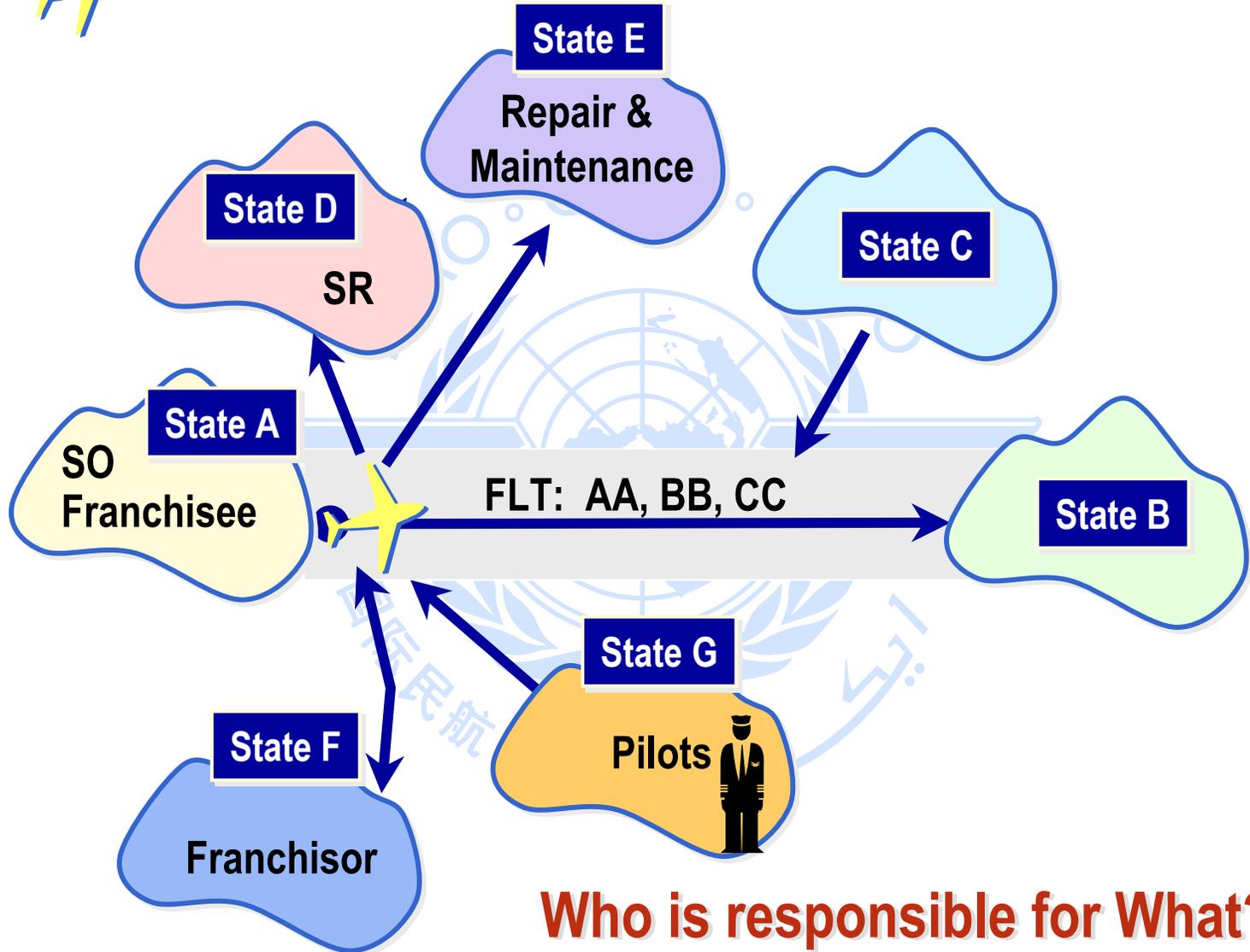
Leasing



Problem: Complex arrangement



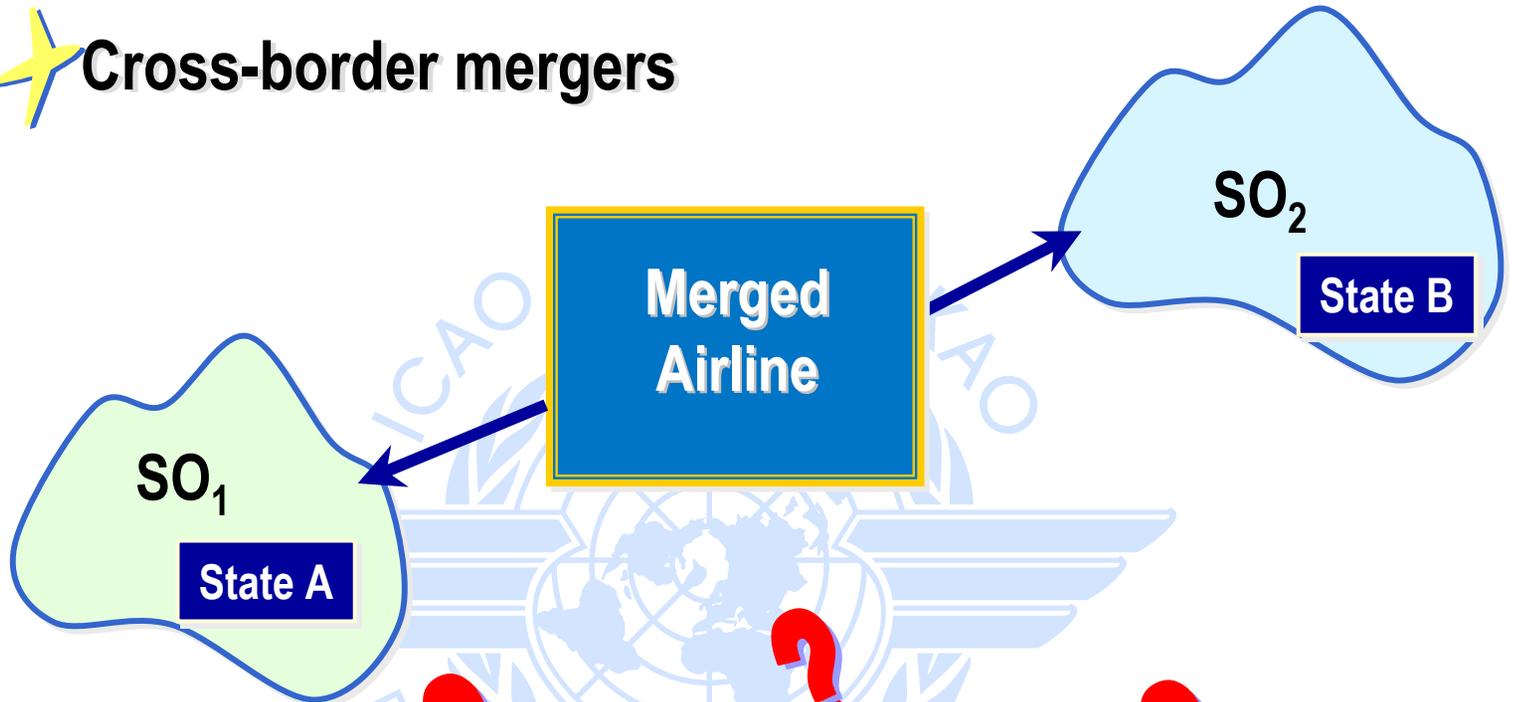
Codesharing, Franchising, Leasing



Who is responsible for What?

Problem: Multiple places of business

 Cross-border mergers



 Which is the SO?
 Should there be a regional AOC?
   

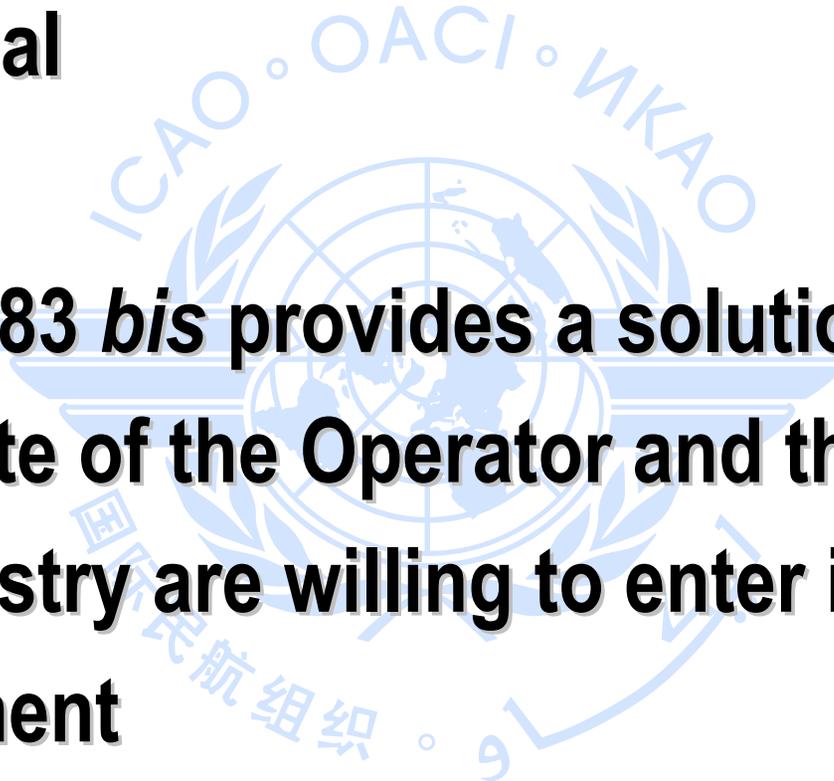
How Do ICAO Rules Fare?

- **Clearly allocates responsibilities, but leads to fragmentation in some cases**
- **Fragmentation is not a problem where handled properly, but complicates the accountability for safety oversight**



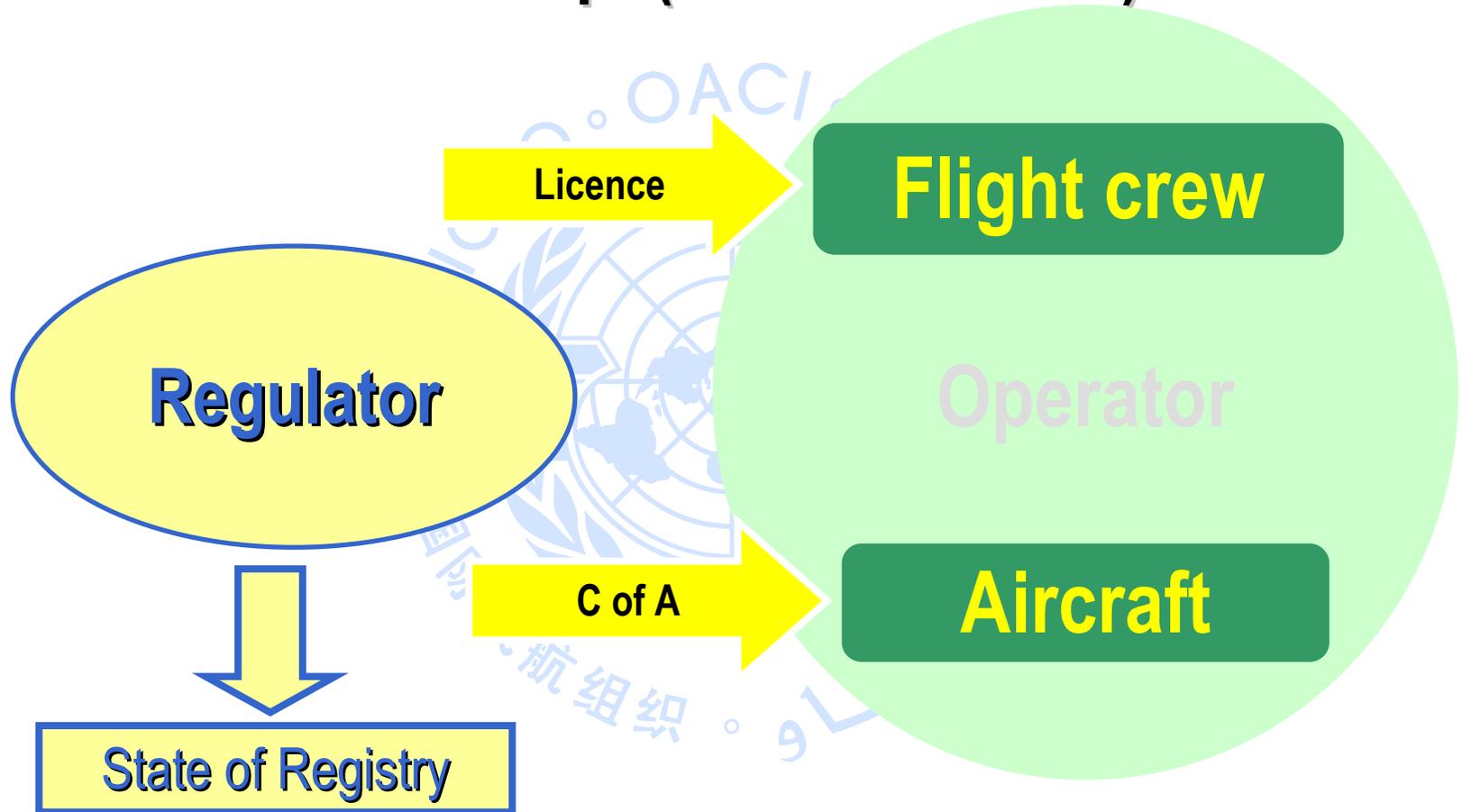
How Do ICAO Rules Fare?

- **Compliance with ICAO SARPS is essential**
- **Article 83 *bis* provides a solution when the State of the Operator and the States of Registry are willing to enter in such agreement**



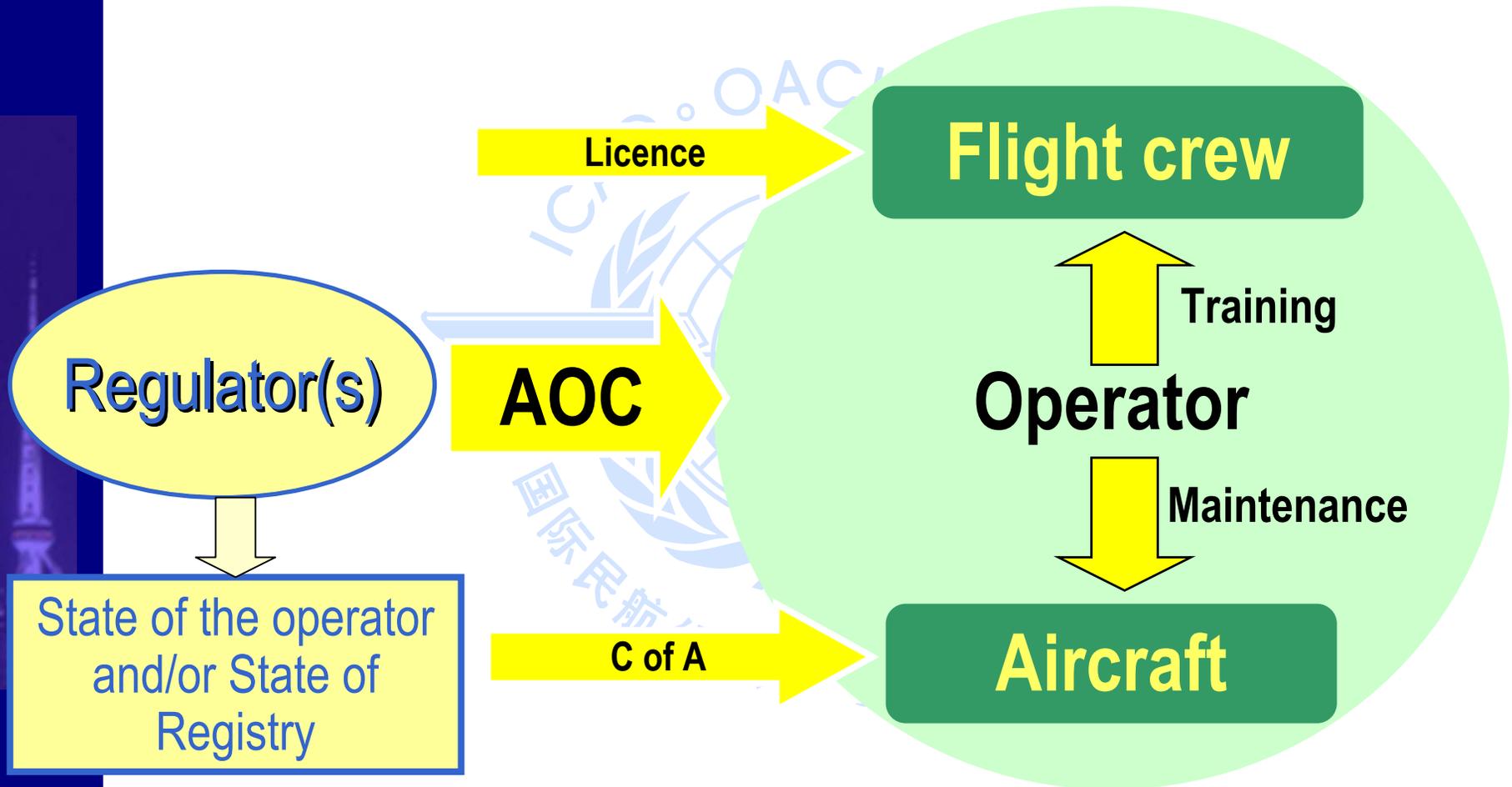
Evolution of normative safety

The initial concept (1944 → 1970's)

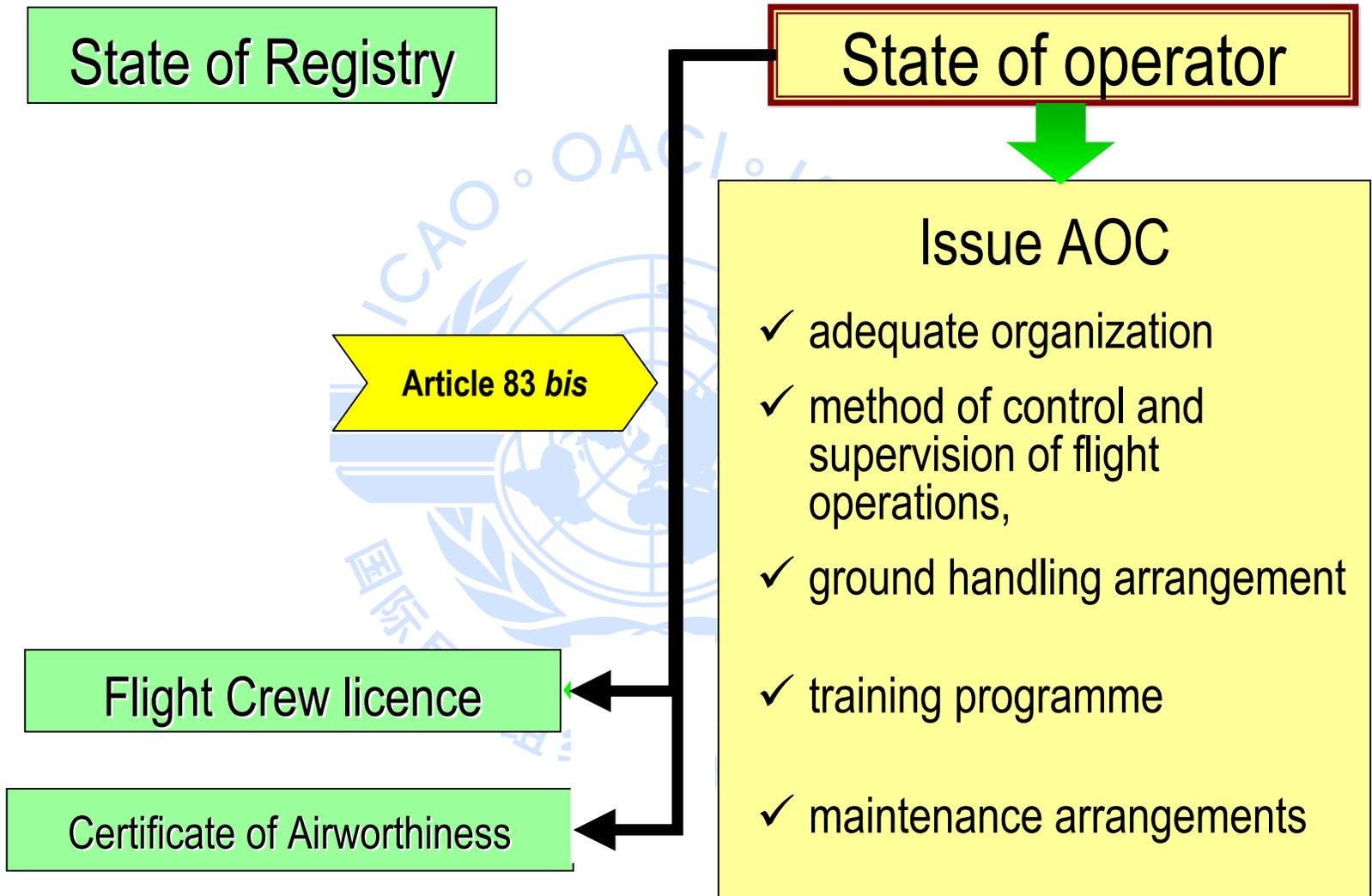


Evolution of normative safety

■ Today's concept



Respective responsibilities



Conclusions

- Be aware of impact & implications
- Be clear about each party's responsibility
- Fully implement & enforce applicable S/S rules and regulations
- Use Article 83 *bis* to avoid complex situations involving aircraft transferred abroad

Conclusions

- ICAO Rules generally adequate
- ICAO to improve SARPs and guidance material
- ICAO to assist States improve safety/security oversight





Thank you!