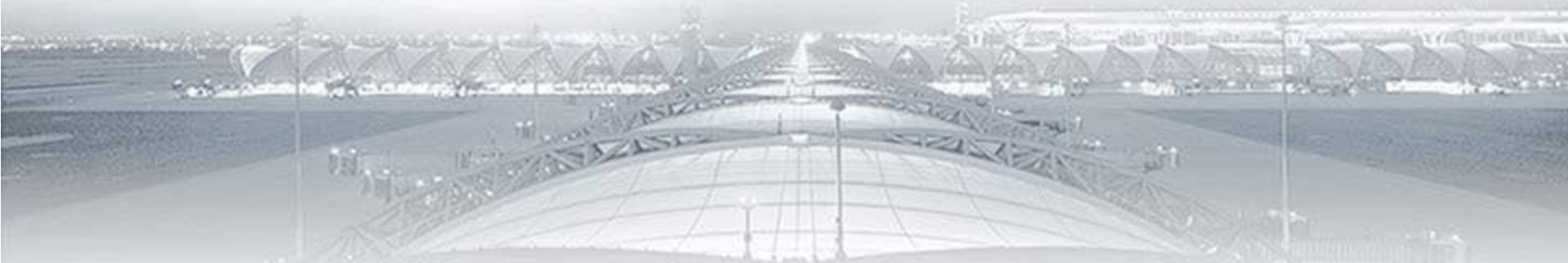




# กรมการบินพลเรือน

Department of Civil Aviation (DCA)





**Agenda item 3.4:  
Economic Development of Air Transport**

**DGCA51/DP/3.4/5 Economic Regulation of  
International Air Transport: Thailand's Perspectives**

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# Introduction

- The 38<sup>th</sup> ICAO Assembly has endorsed recommendations for action by States with regard to the economic regulation of international air transport following the outcome of the Sixth Worldwide Air Transport Conference
- This paper discusses Thailand's perspectives on some of those recommendations



# Market Access

- States should continue to pursue liberalization of market access at a pace and in a manner appropriate to needs and circumstances, giving due regard to the interests of all stakeholders, the changing business environment and infrastructure requirements



# Air Cargo Services

- States should give due regard to the distinct features of air cargo services when exchanging market access rights in the framework of air services agreements
- grant appropriate rights and operational flexibility so as to promote the development of these services
- States should continue to liberalize air cargo services through all available avenues, and to share experiences with other States



# Air Carrier Ownership and Control

- States should continue to liberalize air carrier ownership and control, according to needs and circumstances, through various existing measures, such as waiver of ownership and control restrictions in bilateral air services agreements, and those recommended by ICAO
- Regional organizations should, in cooperation with ICAO, play a role in facilitating and assisting States in the liberalization process



# Consumer Protection

- States should foster the adoption and implementation of consumer protection measures aimed at increasing the connectivity provided by air transport



# Fair Competition

- States should take into consideration that fair competition is an important general principle in the operation of international air services
- States, taking into account national sovereignty, should develop competition laws and policies that apply to air transport
- States should consider ICAO guidance on competition





# Fair Competition

- States should give due consideration to the concerns of other States in the application of national and/or regional competition laws or policies to international air transport
- States should give due regard to ICAO guidance in Air Services Agreements and national or regional competition rules
- States should encourage cooperation among national and/or regional competition authorities, including in the context of approval of alliances and mergers



# Safeguard Measures

- States should give due regard to the principles agreed upon by the aviation community pertaining to safeguard measures designed to ensure the sustained and effective participation of all States in international air transport
- States should refrain from taking unilateral action that would negatively affect the common interest of the aviation community and the efficient and sustainable development of international air transport



# Thailand's perspectives : Market Access

- Gradual liberalization policy on international air transport
- support the airline industry by promoting extensive capacity and frequency entitlements, especially between the territories of the two Contracting Parties
- the 5<sup>th</sup> freedom traffic rights are also provided where the exchange of rights is based on a reciprocal basis
- In regional cooperation, ASEAN concluded 2 multilateral agreements for passenger air services



# Thailand's perspectives: Air Cargo Services

- recognizes air cargo services as services that need more flexible framework to regulate due to its distinct features
- the full 3<sup>rd</sup> 4<sup>th</sup> and 5<sup>th</sup> freedom traffic rights are generally to be provided together with an open route schedule
- liberalizes air cargo services through bilateral and multilateral agreements to promote the development of these services
- a multilateral agreement for liberalizing all cargo services in ASEAN



# Thailand's perspectives: Ownership and Control

- considering the need to move toward a more liberal regime on air carrier ownership and control
- In some cases, waiver of ownership and control restrictions are possible according to the legal needs of the Contracting Parties
- look forward to the ICAO's work on this issue in the near future
- In regional cooperation, ASEAN is establishing ASEAN Single Aviation Market where the issue of air carrier ownership and control will be discussed to be further liberalized



## Thailand's perspectives: Consumer Protection

- supports ICAO's work on developing a set of high-level non-prescriptive core principles on consumer protection which strike an appropriate balance between protection of consumers and industry competitiveness, taking into account the needs of States for flexibility, given different State social, political and economic characteristics
- looks forward to the guideline to implement through the air services agreements in the future



# Thailand's perspectives: Fair Competition

- considers that fair competition is an important general principle in the operation of international air services
- has adopted ICAO template clause to include in the air services agreements



# Thailand's perspectives: Safeguard

- recognizes the importance of safeguard measures to ensure the sustained and effective operations in international air transport
- has adopted ICAO template clause to include in the air services agreements
- refrains from taking unilateral action that would negatively affect the common interest of the aviation community and the efficient and sustainable development of international air transport





# Thailand's perspectives: Conclusion

- Thailand has been gradually opening up the international air transport market to promote the connectivity and sustainable air transport, as well as generally supporting the ICAO's recommendations and works on those economic regulatory issues



# ACTION BY THE CONFERENCE

- to note ICAO's recommendations for action by States with regard to economic regulation of international air transport
- to support the recommendations, taking into account the individual needs and circumstances
- to support ICAO's works on economic regulation of international air transport



**THANK YOU**

Department of Civil

