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.

Source: ICAO WASA Map Tool
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
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)
ICAO’S WORK & ACCOMPLISHMENTS
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”.

ICAO Long-term Vision

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.

Source: UNWTO, ICAO
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
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*
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
ICAO’S SUPPORT AND ASSISTANCE
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
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