



ICAO

International Civil Aviation Organization
North American, Central American and Caribbean Office

INFORMATION PAPER

C/CAR/DCA/14 — IP/11
31/03/15

Fourteenth Directors of Civil Aviation of the Central Caribbean Meeting (C/CAR/DCA/14)
Kingston, Jamaica, 11 to 13 May 2015

Agenda Item 8: Other Business
8.1 Results of the ICAO Regional Air Transport Conference

AIR TRANSPORT MULTIREGIONAL CONFERENCE

(Presented by Secretariat)

EXECUTIVE SUMMARY

The ICAO Regional Air Transport Conference, organized by ICAO in partnership with the Jamaica Civil Aviation Authority (JCAA) had 190 participants from 26 States and Territories. The opening address was delivered by the President of the Council of ICAO and the Minister of Public Works and Transport of Jamaica. The event was held at the Convention Center in Montego Bay, Jamaica from 7 to 9 October 2014.

<i>Strategic Objectives:</i>	<ul style="list-style-type: none">• Economic Development of Air Transport
<i>References:</i>	<ul style="list-style-type: none">• Air Transport Multiregional Conference• Thirteenth Meeting of Directors of Civil Aviation of the Central Caribbean Report, Agenda Item 9

1. Introduction

1.1 Conclusion C/CAR/DCA/13/10 – *Regional Air Transport Event* of the Thirteenth Meeting of Directors of Civil Aviation of the Central Caribbean held in Havana, Cuba, from 29 to 31 May 2013, agreed that ICAO and the Latin American Civil Aviation Commission (LACAC) organize a regional event on air transport sponsored by Jamaica, during the second half of 2014.

1.2 Following the abovementioned Conclusion, the ICAO NACC Regional Office started the coordination with LACAC, the SAM Regional Office and ICAO Headquarters, so that the event be multi-regional, achieving the attendance of 190 participants from 26 States/Territories (Argentina, Aruba, Barbados, Bermuda, Brazil, Cayman Islands, Chile, Costa Rica, Cuba, Curacao, Dominican Republic, Grenada, Guatemala, Guyana, Haiti, Jamaica, Nicaragua, Paraguay, Peru, Saint Lucia, Sint Maarten, Suriname, Trinidad and Tobago, United States, Uruguay and Venezuela), ten regional and international organizations, namely, Airlines For America (A4A), Airport Council International - Latin American & Caribbean (ACI-LAC), Association Of Caribbean States (ACS), Caribbean Community (CARICOM), Caribbean Aviation Safety and Security Oversight System (CASSOS), Inter-American Development Bank (IDB), International Air Transport Association (IATA), International Civil Aviation Organization (ICAO), Latin American & Caribbean Air Transport Association (ALTA), National Airlines Council of Canada (NACC) and other aviation stakeholders from North America, Central America, the Caribbean and South America, as well as other parts of the world.

1.3 The conference included seven Sessions, where outstanding and current aspects in the CAR/SAM Regions Air Transport development environment were addressed, of which a summary is presented below.

2. Summary of the discussions

Session 1: “Setting the Scene”

2.1 The Conference had an overview of the status of the air transport industry and regulatory developments at both the global and regional levels.

2.2 The session also identified challenges and impediments to the sustainable development of air transport, such as fragmentation of regulatory rules, practices and approaches, and the proliferation of taxes or levies imposed on air transport. There was broad agreement on the need for governments, airlines, airports, service providers, tourism, and local communities, to work together to address the challenges, issues and impediments, in order to create better conditions for the sustainable development of air transport.

2.3 The contribution of civil aviation was recognized as an enabler, leader and driver of national, regional and global economy, trade and tourism development.

Session 2: “Air Transport and Tourism: How to Maximize Synergies”

2.4 During the discussion, panelists identified many synergies and common interests between air transport and tourism. They exchanged views and experiences on the ways and means by which to foster the common development of the two sectors, such as through collaboration, coordination and communication. The Conference recognized the value and benefits of cooperation established at the global level between ICAO and the World Tourism Organization (UNWTO) to work together on common issues, such as facilitation and liberalization. The Conference agreed that air transport and tourism, all concerned partners and stakeholders should engage in collaborative efforts to develop these sectors, including using tools such as the ICAO Air Services Negotiation Conferences (ICAN), at global and/or regional levels.

Session 3: “Fostering Regulatory Harmonization and Compatibility”

2.5 The Conference highlighted the importance of and the need to foster harmonization and compatibility in regulatory rules, regulations, and procedures in civil aviation, especially with respect to safety, security and economic regulations.

2.6 Panelists identified areas where a harmonized or compatible approach could contribute to the sound and orderly development of air transport. Some discussion took place about the differences between harmonization and compatibility, recognizing that achieving harmonization of different rules or regulations could sometimes take a long time. Also recognized are clear benefits for common efforts to foster compatibility of regulatory approaches.

Session 4: “International Agreements: Securing the Foundation for Balanced Liberalization”

2.7 The Conference noted the current work being undertaken by ICAO in facilitating and assisting regulatory liberalization, including the development of international agreements for liberalization of market access, air carrier ownership and control and air cargo service. Support was expressed for ICAO to continue to play a leadership role in developing policy guidance, such as the long term vision for air transport liberalization and core principles on consumer protection.

2.8 The Conference also learnt about the views and regulatory practices of some States in the regions regarding air transport liberalization.

2.9 There was recognition that while liberalization can bring many benefits, due to different stages of development, States may choose different approaches in liberalization according to their local circumstances, and that safeguards are often needed to ensure effective participation of all States in the air transport system.

2.10 The Conference noted an interesting study by the Inter-American Development Bank (IDB) regarding the utilization of existing air service agreements, and the value of such studies in facilitating decision-making and liberalization efforts. It was suggested that States and ICAO should carry out research and studies on economic liberalization in order to understand better its impact on the development of air transport and the wider economy.

Session 5: “Regulatory Responses to Consumer Concerns”

2.11 The Conference learnt about the regulatory practices on consumer protection of some States in the region. Airline representatives also provided their views and experience in addressing consumer protection issues. The discussion highlighted the need and value of consumer education, and the need for airlines and regulators to work together in formulating policies and rules.

2.12 The Conference noted the useful work being done by ICAO in this respect, and expressed support to the continuation of its work in developing guidance for States and stakeholders. It was recognized that ICAO’s work will help foster harmonization and compatibility of regulatory rules and practices. States in the regions are encouraged to ratify the Montreal Convention of 1999 if they have not yet done so.

Session 6: “The Impact of Taxation on Air Transport’s Development”

2.13 The Conference noted that taxation on air transport continue to proliferate, and that there was confusion between taxes and charges, surcharges, and fees. Also noted were the practices in some States in the regions that were not in line with the policies and guidance of ICAO on charges and taxation. It was pointed out that imposition of taxes such as Air Passenger Duty, Solidarity tax, VAT on sales of tickets, and jet fuel tax could have counterproductive effects that impede or slow down the air transport development. There was strong call for States and relevant authorities to refrain from imposing such taxes and levies on civil aviation, and for ICAO to explore possible solutions, including a new Annex to the Chicago Convention to strengthen the implementation of its policies on taxation.

2.14 The Conference agreed that ICAO policies on taxation and charges continue to be valid, and that there is a need to better communicate, promote and raise the awareness of States and relevant authorities on these policies and guidance to improve the situation.

Session 7: “Aircraft Leasing”

2.15 ICAO speaker briefed the Conference about the purpose and the usefulness of Article 83 bis of the Chicago Convention and the importance for States to implement this Article in their regulatory practices, particularly in their safety oversight functions.

2.16 The Conference noted the growing and widespread use of leased aircraft in various forms by operators in international air transport, and the potential problems and confusions on the use of bilateral agreements or arrangements in transferring safety oversight functions or responsibilities involving leased aircraft from one State to another.

2.17 The experience of some aviation authorities in handling aircraft leasing and implementation of Article 83 bis was shared which was considered useful by the Conference. Participants were also reminded of the importance and value of ratifying the Cape Town Convention of 2001 in aircraft financing arrangements.

3. Outcome of the Conference

3.1 To reflect the results of the discussions, the Conference considered and adopted a Statement on the Development of Air Transport in North America, Central America, the Caribbean and South America, which is reproduced in the **Appendix** to this Information paper.

APPENDIX

**STATEMENT ON THE DEVELOPMENT OF
AIR TRANSPORT
IN NORTH AMERICA, CENTRAL
AMERICA, THE CARIBBEAN AND SOUTH
AMERICA**

(Montego Bay, Jamaica, 9 October 2014)

The International Civil Aviation Organization (ICAO) convened a Regional Air Transport Conference for States in North America, Central America, the Caribbean and South America, in Montego Bay, Jamaica, from 7 to 9 October 2014, to review the current air transport situation and to discuss issues and solutions pertaining to the future of the sustainable development of international air transport. The Conference was hosted by the Government of Jamaica and the Jamaica Civil Aviation Authority and attended by 191 participants from 28 States/Territories, 5 international organizations and other aviation stakeholders from the regions and other parts of the world.

The Conference:

Recognizes the essential role of international air transport and its contribution to national, regional and global economic and social development, and to the expansion of trade and tourism;

Urges the promotion of sustainable development of air transport in the region;

Acknowledges the need to adapt to the changes in the air transport regulatory and operating environment in the region and the world;

Emphasizes the need of all stakeholders working together to address the challenges in the development of air transport facing States and the industry in the region;

**CONCLUSIONES SOBRE EL
DESARROLLO DEL TRANSPORTE
AÉREO**

**EN NORTEAMÉRICA, CENTROAMÉRICA,
CARIBE Y SUDAMÉRICA**

(Montego Bay, Jamaica, 9 de octubre de 2014)

La Organización de Aviación Civil Internacional (OACI) convocó una Conferencia Regional de Transporte Aéreo para los Estados de Norteamérica, Centroamérica, Caribe y Sudamérica, en Montego Bay, Jamaica, del 7 al 9 de octubre de 2014, para revisar la situación actual del transporte aéreo, y discutir asuntos y soluciones sobre el futuro del desarrollo sustentable del transporte aéreo internacional. La Conferencia fue auspiciada por el Gobierno de Jamaica y la Autoridad de Aviación Civil de Jamaica y participaron 191 participantes representando 28 Estados/Territorios, 5 organizaciones internacionales y otras partes interesadas de la aviación de las regiones y otras partes del mundo.

La Conferencia:

Reconoce el papel esencial del transporte aéreo internacional y su contribución al desarrollo económico y social nacional, regional y mundial, y la expansión del comercio y el turismo;

Insta la promoción del desarrollo sustentable del transporte aéreo en la región;

Reconoce de la necesidad de adaptarse a los cambios en el entorno normativo y operacional del transporte aéreo en la región y en el mundo;

Hace hincapié en que es necesario que todas las partes interesadas trabajen juntas para abordar los retos del desarrollo del transporte aéreo que encaran los Estados y la industria en la región; y

Reaffirms the leadership role of ICAO in developing policy guidance on international air transport regulation and liberalization, and facilitating and assisting those States that desire assistance with the liberalization process;

STATES that:

ICAO and its Member States, national and regional aeronautical authorities of the respective regions, air transport industry and other aviation stakeholders, will seek to work together to foster the development of a sound and economically viable civil aviation system in the regions and the world as a whole, and to ensure that international air transport is developed in accordance with the following principles:

Aviation safety and security must remain of paramount importance in the operation and development of international air transport. All necessary measures should be taken to ensure the highest levels of safety and security of air transport.

Effective and sustained participation in and benefit from international air transportation is a fundamental objective shared by all States. While liberalization could bring about benefits to national and regional development and to the travelling public, regulatory change should be pursued by States by choice and at their own pace in accordance with specific needs and situations.

Reafirma el papel de liderazgo de la OACI de elaborar guías sobre políticas de regulación y liberalización del transporte aéreo, y de facilitar y asistir a los Estados que así lo deseen con respecto al proceso de liberalización;

CONCLUYE que:

La OACI y sus Estados Miembros, las autoridades aeronáuticas nacionales y regionales las respectivas regiones, la industria del transporte aéreo y otras partes interesadas de la aviación buscarán trabajar juntos para promover el desarrollo de un sistema de aviación civil sólido y económicamente viable en la región y en el mundo como un todo, y para asegurar que el transporte aéreo internacional se desarrolle en conformidad con los siguientes principios:

La seguridad operacional y la seguridad de la aviación deben seguir siendo de primordial importancia en la operación y el desarrollo del transporte aéreo internacional. Deberían tomarse todas las medidas necesarias para asegurar los más altos niveles de seguridad operacional y seguridad de la aviación en el transporte aéreo.

La participación eficaz y sostenida en el transporte aéreo internacional y sus beneficios son objetivos fundamentales compartidos por todos los Estados. Mientras que la liberalización podría traer beneficios al desarrollo nacional y regional y al público viajero, el cambio regulatorio debería continuar a elección de los Estados a su propio ritmo en conformidad con necesidades y situaciones específicas.

ICAO should continue to play a leadership role in developing policies and guidance on air transport regulation and liberalization to take into account States' changes and needs including those of other interested stakeholders, in the development of new regulatory arrangements. ICAO should ensure that policies, guidance and other material related to economic regulation remain relevant, current and responsive to changing situations and requirements of States.

As recommended by the ICAO Sixth Worldwide Air Transport Conference (ATConf/6), States in the regions 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. States in the regions should also support ICAO's efforts in developing new multilateral regulatory arrangements.

States should give due consideration to the distinct features of air cargo services when developing service(s) arrangements and continue to liberalize air cargo services.

States and air transport regulatory authorities in the respective regions should enhance intra and inter regional cooperation, dialogue and exchange of information to foster harmonized or compatible approaches in dealing with international air transport services, including competition policies and practices, and consumer protection, as well as air transport facilitation, giving due regard to the applicable ICAO policy guidance and Standards and Recommended Practices (SARPs), respectively.

La OACI debería continuar jugando un papel de liderazgo al desarrollar políticas y orientación sobre la reglamentación y liberalización del transporte aéreo para tomar en consideración los cambios y necesidades de los Estados incluyendo aquellos de las otras partes interesadas en el desarrollo de nuevos arreglos regulatorios. La OACI se cerciore de que las políticas, orientaciones y cualquier otro material relativo a la reglamentación económica sigan siendo pertinentes, vigentes y respondan a las circunstancias y necesidades cambiantes de los Estados.

Como fue recomendado durante la Sexta Conferencia de Transporte Aéreo Mundial de la OACI (ATConf/6), los Estados sigan buscando liberalizar el acceso a los mercados al ritmo y de la manera conveniente de acuerdo con las necesidades y circunstancias, teniendo debidamente en cuenta los intereses de todas las partes involucradas, el cambiante entorno comercial y requisitos de infraestructura. Los Estados de las regiones también deberían apoyar los esfuerzos de la OACI para elaborar nuevos arreglos regulatorios multilaterales.

Los Estados deberían considerar debidamente las distintas características de los servicios de carga aérea al desarrollar arreglos de servicio(s) aéreo(s) y continuar liberalizando los servicios de carga aérea.

Los Estados y las autoridades normativas de transporte aéreo en las respectivas regiones deberían mejorar la cooperación, el diálogo y el intercambio de información intra e inter regionales para promover enfoques armonizados o compatibles al tratar con los servicios de transporte aéreo internacional, incluyendo políticas y prácticas de competencia y la protección al consumidor, brindando la debida consideración a las guías de la OACI sobre políticas aplicables.

States in the regions that have not yet become parties to the *International Air Services Transit Agreement* and the *Montréal Convention of 1999 for the Unification of Certain Rules for International Carriage by Air* should give urgent consideration to so doing.

States should endeavour to provide necessary infrastructure of airports and air navigation services to meet the needs of traffic growth and the technical requirements of ICAO, and that the recovery of the costs in providing these services be based on ICAO's policies on charges.

States and relevant authorities are strongly urged to follow the ICAO policies on taxation in the air transport field and avoid imposition of discriminatory taxes and levies on air transport.

Aviation and tourism sectors in the regions should strengthen cooperation to maximize the synergies between the two sectors and promote the common development of both air transport and tourism.

States, that have not yet done so and desire to do so, are encouraged to ratify the Cape Town Convention of 2001.

ICAO should, as recommended by the ATConf/6 and endorsed by the Assembly, urgently explore the value of adding a new Annex to the Chicago Convention, or other possible mechanisms on economic regulation in order to strengthen implementation of ICAO air transport policies.

A need was identified to perform research and studies by States and ICAO on taxation and liberalization in order to have better understanding of their impact on the development of air transport.

— END —

Los Estados en las regiones que aún no son parte del *Acuerdo relativo al Tránsito de los Servicios Aéreos Internacionales*, ni del *Convenio para la unificación de ciertas reglas para el transporte aéreo internacional* de Montreal de 1999, deberían considerar urgentemente serlo.

Los Estados deberían asegurar que se proporcione la infraestructura de servicios de aeropuertos y de navegación aéreas necesaria para cumplir con las necesidades del crecimiento del tránsito y los requerimientos técnicos de la OACI, y que la recuperación de costos para el suministro de estos servicios está basada en las políticas de tarifas de la OACI.

Se insta a los Estados y autoridades competentes a seguir las políticas de la OACI sobre impuestos en la esfera del transporte aéreo y evitar la imposición de impuestos discriminatorios y gravámenes al transporte aéreo.

Los sectores de la aviación y el turismo en la región deberían fortalecer la cooperación para maximizar la sinergia entre ambos sectores y promover el desarrollo común tanto del transporte aéreo como del turismo.

Se alienta a los Estados que aún no lo han hecho y así lo consideren conveniente, a ratificar el Convenio de Ciudad del Cabo de 2001.

La OACI debería, según las recomendaciones del ATConf/6 y el endoso de la Asamblea, explorar con carácter de urgencia el valor de incorporar un nuevo Anexo al Convenio de Chicago o cualquier otro mecanismo posible sobre regulación económica con la finalidad de fortalecer la implementación de las políticas de transporte aéreo de la OACI.

Se identificó la necesidad de desarrollar investigaciones y estudios por parte de los Estados y la OACI sobre impuestos y liberalización con la finalidad de tener una mejor comprensión de su impacto en el desarrollo del transporte aéreo.

— FIN —