



WORKING PAPER

**SEVENTH WORLDWIDE AIR TRANSPORT CONFERENCE
(ATCONF/7)**

Montréal, HQ, 16 to 20 November 2026

Agenda Item 3: Strengthening regulatory and institutional frameworks

3.3: Strengthening emergency planning mechanism and consumer protection for a resilient aviation system

**PROTECTING CONSUMERS BY ENSURING SAFE AND
AFFORDABLE AIR CONNECTIVITY**

(Presented by International Air Transport Association (IATA))

EXECUTIVE SUMMARY

This paper discusses developments related to consumer protection regulation since the Sixth Worldwide Air Transport Conference (ATConf/6), including the alignment of passenger rights regimes with consumer priorities. The paper proposes complementing the International Civil Aviation Organization (ICAO) Core Principles on Consumer Protection with a model handbook that can be adopted by governments and industry stakeholders to ensure that consumers understand their rights and responsibilities through all stages of the journey process, from booking to arrival.

Ensuring safe and affordable air connectivity for all requires a competitive and dynamic airline industry in which air carriers can innovate and differentiate themselves from their competitors. Commercial freedoms have delivered very significant benefits to passengers through lower fares and greater choice and connectivity. These freedoms are now under threat from economic re-regulation.

Action: The Conference is invited to review the information and proposals set out in this paper, and:

- a) Request that ICAO develop an Air Passenger Handbook as described in this paper.
- a) Request that ICAO establish a multidisciplinary group with the participation of States and industry to assist ICAO in developing the Handbook.
- b) Encourage States to safeguard commercial and pricing freedoms that are critical to ensuring safe and affordable air connectivity for all.

<i>Strategic Goal:</i>	This working paper relates to Strategic Goal: <i>The Economic Development of Air Transport Assures the Delivery of Economic Prosperity and Societal Well-Being for All.</i>
<i>Financial implications:</i>	Establishing a multidisciplinary group and producing the Air Passenger Handbook will imply limited costs.
<i>References:</i>	

¹ English, Arabic, Chinese, French, Russian and Spanish versions provided by IATA.

1. INTRODUCTION

1.1 The International Civil Aviation Organization (ICAO) has been aware of the issue of consumer regulation since the Fifth Worldwide Air Transport Conference in 2003, which concluded that States should take steps to avoid the legal uncertainty that could arise from the extra-territorial application of national laws. In 2012, ICAO carried out a study on the effectiveness of consumer protection regulations. By the time of the Sixth Worldwide Air Transport Conference (ATConf/6) in 2013, ICAO acknowledged that a growing number of States were enacting consumer regulations in the field of air transport and that a coordinated approach was needed.

1.2 In response to these developments, and most notably the proliferation of national passenger rights regimes, ICAO adopted a set of Core Principles on Consumer Protection in 2015. The Core Principles acknowledge that passengers benefit from a competitive air transport sector, especially one which offers choice and a variety of service offerings. Accordingly, the Core Principles note that government authorities should have the flexibility to develop consumer protection regimes which strike an appropriate balance between protection of consumers and industry competitiveness and which take into account States' different social, political, and economic characteristics.

2. DEVELOPMENTS SINCE ATCONF/6

2.1 Since ATConf/6, the proliferation of national regimes has continued. A major challenge is the conflicting regulatory responses taken by different States. Moreover, numerous provisions in existing and proposed passenger rights legislation add significant cost and operational complexity to airlines. These provisions range from compensation obligations that can be greater than the price paid for the ticket in some cases, to requiring airlines to maintain dedicated staff and resources to meet government reporting requirements and comply with the multitude of regimes.

3. UNDERSTANDING AND ADDRESSING PASSENGER PREFERENCES

3.1 Consumer research offers valuable insight into passenger preferences. Safe, affordable connectivity is the number one priority for passengers, and more so in an era when inflationary pressures are challenging the budgets of both households and firms. This creates a potential tension between aviation consumer protection regimes and the interests of the very passengers that such regimes are intended to protect.

3.2 This extends to interventions that affect commercial and pricing freedoms, including airlines' ability to market their products and services freely as provided for by many liberal Air Services Agreements (ASAs). Industry polling shows that travelers are familiar with product unbundling and understanding what is and isn't included in each fare. Many passengers value the freedom to choose a basic fare and add the additional service(s) that they require for a specific journey, such as baggage, seat selection or priority boarding.

3.3 Passengers are equally clear about what they want in unfortunate cases where journeys are disrupted, with a key priority being relevant and timely information, along with appropriate care and assistance and onward travel to their destination.

3.4 Ensuring that consumers have access to relevant information at all stages of the journey process is a common goal for both governments and industry stakeholders. Informed consumers are empowered consumers. Following this logic several governments and industry stakeholders are developing

guidance materials and “handbooks” to ensure that passengers can make informed choices throughout the journey process from the time of booking through to arrival.

3.5 Information also plays an important role in ensuring that passengers are aware of what is required of them and that they have responsibilities as well as rights. Relevant considerations include having complete and valid documentation for the entire journey, ensuring that potentially dangerous items including electronics and lithium batteries are packed and transported properly and stressing the importance of complying with crew instructions throughout the flight.

3.6 By ensuring that consumers are properly informed, and by extension protected, ex ante, such documents can mitigate the need for more burdensome ex post consumer protection instruments. The ICAO Core Principles already recognize the important role of information in delivering consumer protection, therefore providing all relevant information in a single source is a logical extension to the Core Principles.

4. SAFEGUARDING COMMERCIAL AND PRICING FREEDOMS

4.1 Air passengers have access to an extensive and growing network of routes around the world. They also have access to an extensive variety of fares tailored to their needs and travel purposes. Air carriers can offer low fares to an ever-greater number of passengers as a result of air fare pricing freedoms which enable air carriers to offer a range of fare types, each with different terms and conditions, in response to demand and competition in the market.

4.2 Commercial freedoms support a dynamic, competitive aviation sector resulting in consumers being able to choose between a wide range of carriers offering a varied range of product offerings. In many States commercial freedoms are accompanied by pricing transparency rules to ensure that consumers are well informed and understand the terms and conditions that apply to their journey.

4.3 The aviation sector mirrors developments in other industries. Product personalization and customization are wider trends in consumer-facing retail sectors. Consumers increasingly demand the ability to configure products and services to their specific requirements rather than being forced to purchase according to a standardized template. This pattern can be seen in sectors as diverse as the automotive and apparel industries.

4.4 However, there is a growing trend for consumer protection regulations in the aviation sector to limit the ability of air carriers to set their own prices and policies, and their ability to compete not only in the type of services that they offer, but also in the conditions that they consider appropriate to provide that service. Such regulations erode the rights incorporated in many ASAs that allow carriers to price and distribute their services freely.

4.5 Regulations that restrict no-show policies and sequential coupon use rules or which limit overbooking undermine sophisticated revenue management practices that airlines have implemented in order to protect their inventory. Similarly, regulations that mandate certain amenities being included in an air fare restrict airlines’ freedom to unbundle their product and passengers’ ability to customize their journey to their specific requirements. All of these regulations impact an airline’s ability to offer low fares and offer air connectivity on low-margin routes. In turn, these regulations limit access to air travel for price sensitive consumers and limit access to regional markets and remote communities.

5. CONCLUSION

5.1 Considering the discussion above, the following may be concluded:

5.1.1 Achieving the goal of safe and affordable air connectivity for all requires a competitive and dynamic airline industry, where air carriers can compete, innovate and differentiate their service offerings;

5.1.2 Air passengers need to be informed of their rights and responsibilities at all stages of the journey process. Empowering consumers by ensuring that relevant information is provided in a timely and accessible manner can mitigate the need for burdensome consumer protection regulations. An ICAO Air Passenger Handbook would be an invaluable resource for both governments and industry stakeholders to provide this information in a standardized, single-source form; and

5.1.3 The commercial and pricing freedoms contained within many ASAs play an important role in enabling air carriers to offer affordable connectivity.

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