



**Opening Remarks by the Secretary General  
of the International Civil Aviation Organization (ICAO)  
Dr. Fang Liu,  
to the 2016 ICAO Air Transport Symposium (IATS)**

*(ICAO HQ – 30-31 March 2016)*

I am delighted to be with you this morning for the opening of the third ICAO Air Transport Symposium. Unlike the 2012 and the 2014 ICAO Air Transport symposia that addressed a wide spectrum of air transport topics, this event, as reflected in its theme, put specific focus on issues of competition, a subject of keen interest to policy makers, regulators, operators in the industry and other stakeholders.

Against a backdrop of the evolution of a better industry operating environment and deepening regulatory liberalization process, organizing this Symposium demonstrates ICAO's resolve to provide leadership for the sustainable development of air transport by addressing the challenges through collaboration and cooperation with our Member States and industry stakeholders, in order to ensure the continuous growth and prosperity of aviation.

Air transport has become an essential component of our global society. Aviation is a crucial driver of economic, social and cultural development worldwide, supporting roughly 60 million jobs globally and generating more than 2.4 trillion dollars in economic activity.

These accomplishments are made possible through our collective commitment to working together to make air transportation the safest and most efficient mode of transportation. Coupled with this commitment, is the liberalization of air transport services, which has resulted in the continuous growth of air traffic, enhanced connectivity, the emergence of strong carriers, more passenger-friendly airports, increased utilization of airspace, competitive fares and more choices for the travelling public.

In order to encourage our Member States to continue to embrace liberalization, ICAO adopted a long term vision for air transport liberalization in June 2015, which will serve as an inspirational guide for our Member States. Furthermore, based on the recommendation of the Sixth Worldwide Air Transport Conference (ATConf/6), ICAO initiated the development of international agreements on the

liberalization of market access, air cargo service and air carrier ownership and control, which represents an important step by the aviation community in modernizing the global regulatory system, which is currently dominated by bilateral agreements.

I am pleased to inform you that the ICAO Air Transport Regulation Panel has been working hard on this challenging task of developing new international agreements, and progress is being made in the production of draft text.

Distinguished ladies and gentlemen, as aviation and competition experts, you may agree with me that as the operating environment becomes more market driven, competition among airlines and airports will increase and further intensify. How to ensure a sound and orderly operating environment, and fair and equal opportunity for all become major challenges facing regulators, who are also required to address issues such as: abuse of dominant position, capacity dumping and predatory pricing, collusive behaviours including price-fixing, consolidation through mergers and acquisitions, vertical integration of business relationships, and State aids and subsidies.

It is noteworthy to recall that Article 44 of the Chicago Convention states the aims and objectives of ICAO are to develop the principles and techniques to “[...] prevent economic waste caused by unreasonable competition and insure that [...] every Contracting State has a fair opportunity to operate international airlines” This is why ICAO believes that as we pursue liberalization goals, we should ensure that these principles are observed.

I would also like to remind you that ICAO Assembly Resolution A38-14 urged Member States to develop competition laws and policies that apply to air transport, taking into account national sovereignty and to consider ICAO guidance on competition while fostering dialogue and cooperation in addressing competition related issues.

While competition laws exist in many States and in a number of bilateral competition cooperation and agreements between States and within the framework of regional bodies, the lack of regulatory convergence in competition regimes becomes an impediment to sustainable growth of the industry. In an effort to increase transparency and promote harmonized regulatory approaches, ICAO developed a compendium of competition policies and practices,

and continues to provide opportunities for dialogue and exchange of information on competition issues among Member States and industry stakeholders.

I sincerely believe that this Symposium represents another opportunity for all of us to exchange ideas and explore the best way forward to address such important issues as the role of government in a liberalized environment, the application of national and regional competition policies to international air transport and aviation-specific safeguards for competition.

Distinguished ladies and gentlemen, as you go into your discussions for the next two days, let me remind you that my vision as the President of the Council is for all ICAO Member States to realize greater prosperity through safe, secure and sustainable air transport through the No Country Left Behind initiative. Our collaborative efforts should be to put in place a global regulatory convergence on competition issues as we pursue of liberalization of air transport services.

I am delighted to see such high-calibre Moderators and Panellists at this Symposium. I am confident that the Symposium will achieve its objectives, and its

outcome will contribute to our efforts in improving the regulatory convergence and compatibility for a better operating environment, and more specifically, developing the new international agreements on liberalization of market access, air cargo service and air carrier ownership and control at the global level.

I wish you fruitful deliberations. Thank you.

— END —