



| ICAO

Doc 10221, A42-EC

ASSEMBLY  
FORTY-SECOND SESSION

Montréal, 23 September–3 October 2025

ECONOMIC  
COMMISSION

REPORT

*Approved by the Economic Commission of the Assembly  
and published by authority of the Secretary General*





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Published in separate English, Arabic, Chinese, French, Russian  
and Spanish editions by the  
INTERNATIONAL CIVIL AVIATION ORGANIZATION  
999 Robert-Bourassa Boulevard, Montréal, Quebec, Canada H3C 5H7

For ordering information and for a complete listing of sales agents  
and booksellers, please go to the ICAO website at [www.icao.int](http://www.icao.int)

**Doc 10221, *Report of the Economic Commission***

Order Number: 10221

ISBN 978-92-858-0025-3

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ASSEMBLY — 42ND SESSION  
MONTRÉAL, 23 SEPTEMBER TO 3 OCTOBER 2025

**REPORT OF THE ECONOMIC COMMISSION**

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## **REPORT OF THE ECONOMIC COMMISSION TO THE ASSEMBLY**

### **General**

1. The Economic Commission held three meetings on 25 September, 27 September and 1 October 2025.
2. Mr. Silas Udahemuka (Rwanda) was elected Chairperson of the Commission at the first Plenary meeting of the Assembly. The Commission, at its first meeting, elected Mr. Tiago Pereira (Brazil) and Ms. Ana Vieira da Mata (Portugal) as First and Second Vice-Chairperson, respectively.
3. The Secretary of the Commission was Mr. Mohamed Khalifa Rahma, Director of the Air Transport Bureau (ATB). The Deputy Secretaries were Mr. P. Alawani, Chief of the Economic Regulatory Framework Section, Mr. A. Sainarayan, Chief of the Aviation Data and Analysis Section, and Ms. J. Zorbas, Chief of the Joint Financing Section, from Economic Development, ATB. The Assistant Secretaries were Mr. C. Robinson, Ms. R. Ismail, Mr. A. Combes, Ms. J. Diaz de Leon, Ms. J. Zabrodska and Mr. B. Taghipour Hajiabadi.

### **Agenda and working arrangements**

4. Agenda Items 26 and 27 referred to the Commission by the Plenary were considered:  
  
Item 26: Economic Development of Air Transport  
Item 27: Other issues to be considered by the Economic Commission
5. The documentation considered by the Commission is available on the ICAO website ([https://www.icao.int/events/assembly-42nd-session/Working-Papers-by-Number?Category=\(EC\)](https://www.icao.int/events/assembly-42nd-session/Working-Papers-by-Number?Category=(EC))). The Commission carried out all of its work in full session. The action taken by the Commission in respect of each item is reported on separately.

**Agenda Item 26: Economic Development of Air Transport*****Liberalization and regulation of international air transport (part 1)***

26.1 WP/409 Revision No. 1 presented by Argentina and sponsored by Belize, Bolivia (Plurinational State of), Brazil, Chile, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Nicaragua, Panama, Paraguay and Uruguay, proposed the development of a multilateral Single Skies Agreement for the South American Region (SAM) Member States, beginning with South American Common Market (MERCOSUR) Member States and associate States. Drawing on Argentina's successful Open Skies reforms, the paper highlighted the benefits of liberalized air transport. The Assembly is invited to note the initiative, instruct the Council to promote regional open skies agreements and consider establishing working groups to develop template model agreements for ICAO regions.

26.2 In WP/421, Bangladesh raised concerns over limited regulatory oversight of airline ticket pricing, particularly in developing States where affordability of air travel remains a key public priority. The paper emphasized the need for proportionate economic oversight to prevent fare surges during peak travel periods, emergencies and on monopoly routes without undermining airlines' commercial flexibility. Drawing on ICAO's policy guidance, it proposed that States adopt modern, balanced economic oversight mechanism that promote transparency, ethical pricing and consumer protection. The Assembly is invited to encourage States to modernize their aviation legislation and request ICAO to update guidance on fair and transparent airfare practices.

26.3 WP/178 presented by Brazil and supported by 16 Latin American Civil Aviation Commission (LACAC) Member States<sup>1</sup>, addressed ICAO's mandate under Assembly Resolution A41-27 to advance the liberalization of airline ownership and control. While the Air Transport Regulation Panel (ATRP) concluded that a Convention on Foreign Investment in Airlines could not be finalized in its current form, survey responses revealed a recognition of its potential benefits. To accommodate varying levels of readiness among States, the paper proposed the development of a model instrument under the ICAO Template Air Services Agreement (TASA). It further recommended an amendment to Section II of the *Consolidated statement of continuing ICAO policies in the air transport field* for requesting the Council to develop a template for a multilateral instrument on the liberalization of air carrier ownership and control within the TASA framework.

26.4 In WP/305 the Dominican Republic and supported by 16 LACAC Member States<sup>2</sup>, shared their experience in implementing a progressive aviation policy aligned with ICAO's liberalization principles. Seven key reform initiatives were outlined, resulting in measurable improvements in connectivity, traffic growth and competitiveness. The Working paper (WP) emphasized that liberalization, supported by a robust regulatory framework, inclusive public policies and strategic development vision, could serve as an effective engine for economic development, regional integration and promotion of tourism. The Assembly was invited to encourage States to consider the adoption of progressive approaches to liberalization and request the Council to continue developing guidelines, studies and technical cooperation mechanisms to support Member States in the design and implementation of aviation policies aligned with the Organization's strategic goals.

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<sup>1</sup> Belize, Bolivia (Plurinational State of), Chile, Colombia, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Nicaragua, Panama, Paraguay, Peru and Uruguay.

<sup>2</sup> Argentina, Belize, Bolivia (Plurinational State of), Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Nicaragua, Panama, Paraguay, Peru and Uruguay.

26.5 Through WP/255, Qatar reaffirmed its support for ICAO's Strategic Plan 2026-2050 and efforts to advance the liberalization of international air transport. The paper emphasized the importance of enabling tools such as the TASA, legal modernization and capacity building to ensure inclusive, meaningful and sustainable liberalization progress for all Member States. The Assembly was invited to reaffirm ICAO's leadership role in advancing the liberalization of international air transport, encourage active Member States' participation in ICAO-led initiatives and request the Council and the Secretariat to continue working through the ATRP and other bodies to advance liberalization and strengthen support mechanisms.

26.6 In WP/463, Venezuela (Bolivarian Republic of) and supported by nine Member States<sup>3</sup> of LACAC, called for ICAO to develop tools and methodologies to ensure air transport liberalization promotes equitable growth and does not reinforce existing economic and technological disparities among States. The paper emphasized that while liberalization aims to foster equal opportunity, structural imbalances in the aviation sector development hinder its benefits for less advanced States. Venezuela (Bolivarian Republic of) proposed that ICAO undertake comprehensive analyses and provide guidance to support fair competition and inclusive development. The Assembly was invited to request the Council to adopt measures and monitoring tools that promote non-discriminatory liberalization aligned with the principles of the *Convention on International Civil Aviation* (Chicago Convention).

26.7 In WP/125 the African Civil Aviation Commission (AFCAC) on behalf of its 54 Member States<sup>4</sup>, reported the progress and challenges in implementing the Single African Air Transport Market (SAATM). AFCAC invited the Assembly to encourage ICAO to fast-track the review of the TASA, and to support international cooperation in addressing capacity gaps within Member States, to advance sustainable air transport liberalization across Africa.

26.8 The Commission noted the proposals in WP/409 and WP/125, aimed at advancing regional air transport liberalization, and expressed appreciation for the ongoing liberalization efforts at national and regional levels, considering the significant benefits it can deliver in terms of air connectivity and economic development. The Commission supported the proposal for ICAO to continue its engagement in promoting regional liberalization frameworks through creating more awareness, capacity-building initiatives, sharing of best practices and review of the TASA. The Commission highlighted that sufficient tools are available to States within existing structures and that there is no need to establish new working groups on this matter. The Commission therefore recommended that initiatives related to the promotion of regional liberalization and addressing capacity gaps continue to be considered for inclusion in ICAO's future work programme and urged Member States to actively contribute to the ongoing efforts related to the current review of model clauses in the TASA.

26.9 The Commission noted the concerns raised in WP/421, in particular the growing concern over airfare affordability during peak travel and emergency periods. However, most States highlighted that a regulatory oversight of airline ticket pricing would go against the principles of air transport liberalization and recommended instead to focus ICAO's work on the review of the TASA to strengthen regulatory frameworks establishing fair, transparent, and competitive airfare practices. Some States expressed the need for more information regarding the issue of airfare affordability and transparency of pricing practices. The

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<sup>3</sup> Belize, Bolivia (Plurinational State of), Cuba, Ecuador, El Salvador, Guatemala, Honduras, Jamaica and Nicaragua.

<sup>4</sup> Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cabo Verde, Central African Republic, Chad, Comoros, Congo, Côte d'Ivoire, Democratic Republic of the Congo, Djibouti, Egypt, Equatorial Guinea, Eritrea, Eswatini, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, South Sudan, Sudan, United Republic of Tanzania, Togo, Tunisia, Uganda, Zambia and Zimbabwe.

Commission requested the Council to continue its efforts, in its review of the TASA, to strengthen policy guidance that supports fair, transparent, and competitive airfare practices.

26.10 The Commission considered WP/178, which addressed ICAO's role in advancing the liberalization of air carrier ownership and control. The majority of Member States expressed support for the development of a model of a multilateral instrument on foreign investment in airlines within the TASA, the majority of States also highlighted that the survey on barriers to market access conducted by the ATRP was inconclusive on States' preferences in this matter. Moreover, the ATRP had recommended at its Seventeenth meeting that work on the development of a draft Convention on Foreign Investment in Airlines in its current form was not feasible. Consequentially, the Commission agreed that additional data was required and that subsequently further work would be needed by the respective working groups to explore the inclusion of optional model instruments under the TASA to accommodate varying levels of readiness and willingness.

26.11 The Commission acknowledged the national experiences presented in WP/305 and WP/255, which highlighted the benefits of progressive liberalization of international air transport. It recognized that both working papers demonstrated how liberalization, when supported by sound regulatory frameworks and inclusive policies, could foster economic growth, regional integration, and enhanced air connectivity. In light of these contributions, the Commission recommended that the Council and the Secretariat continue to advance liberalization efforts and encourage Member States to actively contribute to and participate in ICAO-led initiatives. In particular, the work undertaken by the ATRP aimed at promoting progressive air transport liberalization was encouraged. It further recommended that ICAO should strengthen technical assistance, capacity-building, and cooperative initiatives to support Member States in formulating and implementing air transport policies that are aligned with the Organization's strategic goals.

26.12 In considering WP/463, some States expressed their concern that liberalization in certain instances does not provide for equal opportunities to compete in the market. Overall, the Commission expressed its support for the need to ensure fair competition among States, as many positive effects can be derived from air transport liberalization. However, the majority of States were not in support of the proposal for the development of measures and tools to monitor and ensure equitable, and non-discriminatory air transport liberalization.

### ***Liberalization and regulation of international air transport (part 2)***

26.13 Through WP/141, Brazil proposed that the Assembly request the Council and the Secretariat to systematically pursue the Strategic Goal *Economic Development of Air Transport Assures the Delivery of Economic Prosperity and Societal Well-Being for All* across all areas of ICAO's agenda. The proposal calls for integrating economic development considerations into ICAO's activities, programmes, policies and frameworks, including standard-setting, work programme implementation and event planning. Brazil also recommended adopting a coherent, cross-cutting agenda, with focused deliverables for the 2026–2028 triennium and addressing long-term objectives through the Seventh Worldwide Air Transport Conference (ATConf/7) in 2026, ensuring a holistic approach to ICAO's economic development efforts.

26.14 In WP/144 Revision No.1, India raised concerns over alleged discriminatory slot allocation practices at capacity constrained airports in developed countries, which undermine the principle of "equal opportunity" enshrined in the Chicago Convention. Despite liberal bilateral air services agreements (ASAs), carriers from developing countries often face limited or non-viable access to premium slots, effectively

nullifying their traffic rights. The paper highlighted systemic barriers such as high secondary market pricing, grandfather rights, relegation to non-viable pools for new entrants, monopolistic ground handling arrangements, and restrictive general sales agent policies that disadvantage certain air carriers. India called on ICAO to develop guidance materials for an effective slot allocation framework and guidance on promoting non-discriminatory business operating conditions at international airports to ensure meaningful market access for all Member States.

26.15 WP/180 presented by the Republic of Korea, proposed the development of standardized monitoring indicators to assess fair competition and consumer protection in international air transport. Drawing on recent market development and analytical tools such as the Herfindahl-Hirschman Index, the paper underscored the need for ICAO-led efforts to establish standardized indicators that enhance the objectivity and consistency of evidence-based policymaking in monitoring market concentration, competition and consumer welfare, beyond academic models. The Assembly was invited to consider initiating the development of such indicators, encourage the exchange of best practices and explore their integration into related ICAO guidance materials.

26.16 In WP/89, the United Kingdom proposed transforming the TASA into a comprehensive, multi-faceted “toolbox” with a “negotiator’s handbook” approach, aimed at keeping it fit for purpose and supporting States in improving and liberalizing their bilateral and multilateral ASAs. The paper recommended mandating ATRP’s Working Group 4 (WG4) to oversee this initiative through specialized subgroups, with a project plan and structure due by mid-2026. The Assembly was invited to endorse the approach, mandate WG4’s continued work and encourage active Member States’ involvement to ensure TASA remains inclusive, agile and aligned with *ICAO’s Long-term Vision for International Air Transport Liberalization*.

26.17 Through WP/99, the United Kingdom proposed a thematic framework and multi-format approach for the convening of ATConf/7. The paper underscored the importance of ensuring broad and inclusive participation, encompassing both traditional aviation stakeholders and emerging non-traditional actors. To support the effective planning and successful delivery of ATConf/7, the United Kingdom recommended the establishment of a dedicated ATRP Working Group.

26.18 WP/129 presented by the United States and co-sponsored by the European Union (EU) and its Member States<sup>5</sup> and the other Member States of the European Civil Aviation Conference<sup>6</sup>, as well as by the International Air Transport Association (IATA) and the International Business Aviation Council (IBAC) addressed initiatives to enhance compliance with Article 15 of the Chicago Convention, which establishes principles of transparency and non-discrimination in the application of user charges for international civil aviation. The paper outlined collaborative efforts by the ATRP and the Airport Economics Panel and Air Navigation Services Economics Panel (AEP-ANSEP) to develop guidance material, a draft State letter and a proposed process for Council’s review of concerns raised by States regarding the implementation of Article 15. The United States invited the Assembly to support the finalization and timely dissemination of the guidance material and State letter.

26.19 In WP/242 presented by Airports Council International (ACI), the organization addressed the need to modernize airport slots policy frameworks to reflect the evolving aviation dynamics and public policy priorities. The paper identified key areas to ensure the slot policy remains responsive, equitable and fit for purpose. ACI emphasized the importance of a clearly defined role for airport operators within the

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<sup>5</sup> Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden

<sup>6</sup> Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, Iceland, Moldova, Monaco, Montenegro, North Macedonia, Norway, San Marino, Serbia, Switzerland, Türkiye, Ukraine and United Kingdom

regulatory and governance process, while maintaining the independence of the slot coordination function. It invited the Assembly to encourage Member States to engage in the modernization of global airport slots best practices, and to ensure that airport slot policy reflects local infrastructure realities and broader aviation and economic objectives.

26.20 Through WP/245, ACI and Ethiopia and supported by Kazakhstan and the Aviation Services Association (ASA) World, examined persistent policy and fiscal barriers that continue to constrain air connectivity and limit aviation's contribution to socio-economic development. These barriers include limited liberalization of air transport, discriminatory taxation, high concession fees, and restrictive visa regimes. The paper called upon the Assembly to reaffirm commitments made under ICAO Assembly Resolutions A41-24 and A41-27 and encouraged Member States to implement ICAO's policies on taxation.

26.21 WP/492 presented by HERMES, the Arab Air Carriers' Organization (AACO), ASA World, the Civil Air Navigation Services Organisation (CANSO), The International Air Cargo Association (TIACA), the Air Transport Research Society (ATRS), and the International Federation of Air Traffic Safety Electronics Associations (IFATSEA), emphasized the need for a coordinated regulatory approach to support the sustainable and inclusive development of global air transport. Through the *Aviation4All* declaration, endorsed by 43 sectoral stakeholders, the paper identified strategic priorities aimed at enhancing the economic resilience of air transport systems. It invited ICAO and Member States to endorse and implement these principles to strengthen regulatory frameworks that promote equitable access, operational efficiency, and long-term economic prosperity.

26.22 In Information paper WP/574 presented by Cameroon, the State outlined its initiative to establish a structured framework for economic supervision of air transport. Drawing on a diagnostic study, the paper identified key regulatory and institutional gaps and proposed priority actions aligned with ICAO and AFCAC principles. The initiative aims to enhance transparency, market efficiency, and service quality. Cameroon invited the Assembly to take note of these developments and to support its efforts to strengthen economic oversight in line with international best practices.

26.23 In Information paper WP/572, China shared its development of a comprehensive analytical framework to assess the civil aviation industry's contribution to national economic growth. Through research and collaboration with academic institutions, China established classification standards, a digital industry profile, and an input-output model covering over 27,000 entities. Preliminary findings indicate a growing economic impact, with civil aviation projected to become a strategic pillar industry. China invites ICAO and Member States to consider these methodologies as a reference for advancing global aviation governance and sustainable development.

26.24 In Information paper WP/577, China shared the "Linking the Trunk and Branch" (LTB) MODEL and dual digital platforms to enhance fairness and efficiency in domestic air transport. These innovations improve connectivity between major cities and remote regions through streamlined check-in, baggage handling, and transfer services. With widespread adoption across airlines and airports, the initiative has significantly reduced transfer times, expanded service coverage, and increased passenger satisfaction. China invites ICAO and Member States to take note of these advancements and consider their relevance to global air transport development.

26.25 Information paper WP/552 by ASA World highlights the ground handling industry's vital role in aviation and the wider economy, while facing economic and operational challenges such as constrained profitability, workforce limitations, and disparity in commercial practices. It calls for reforms

in licensing, contracting, cost recovery, and investment incentives to strengthen the industry's resilience and support the long-term sustainability of the aviation ecosystem.

26.26 The Commission considered WP/141 and WP/492 and expressed support for strengthening ICAO's role in promoting the economic development of air transport through a more integrated and strategic approach. It recommended that the Council should incorporate economic development considerations across ICAO's work programme and regulatory activities, and pursue coherent frameworks that enhance the sector's resilience, inclusiveness, and long-term prosperity.

26.27 The Commission discussed WP/144 concerning the proposal for ICAO to develop guidance on fair and transparent slot allocation frameworks and promote non-discriminatory operating conditions at international airports. Member States expressed divergent views, with several supporting the initiative, citing a need to address systemic barriers to market access, while others emphasized that slot allocation is governed by diverse national and regional frameworks and cautioned against premature global standardization. In particular, several Member States highlighted that existing global slot coordination and allocation frameworks are functioning effectively and already provide basis for fair and transparent practices. It was also suggested that ICAO's role in this area should remain facilitative. The Commission agreed to keep the matter under consideration and encouraged continued dialogue among stakeholders to explore possible approaches within ICAO's existing policy framework.

26.28 The Commission reviewed WP/180 and noted the importance of strengthening ICAO's role in promoting fair competition in international air transport. It expressed support for further exploration by the Council on the development of regulatory guidance, practical tools, and indicators to support evidence-based policymaking and address anticompetitive practices. While acknowledging this, several Member States and industry stakeholder highlighted that the standardization of competition regulatory frameworks may not fully reflect the diverse economic and legal conditions of States. In this regard, caution was raised on the need for flexibility and sensitivity to national contexts when developing such global guidance. The Commission also encouraged Member States to share best practices to enhance transparency, consistency, and alignment in the application of competition policies.

26.29 In reviewing WP/89, the Commission acknowledged the importance of ensuring that ICAO's tools for air services negotiations, particularly the TASA, remain fit for purpose and responsive to evolving dynamics of the industry including liberalization needs. It agreed that the Council's ongoing work should follow a structured approach to enhance existing instruments. Member States were invited to actively contribute to this initiative to ensure that the resulting framework remains inclusive, practical, and aligned with *ICAO's Long-term Vision for International Air Transport Liberalization*. While there was broad support for the proposal to adopt a comprehensive toolbox approach to this work, the Commission also noted reservations expressed by a few Member States regarding the overall approach to the TASA review process, suggesting that the ongoing work on the TASA should focus only on the review of the existing document for now and that subsequent steps, such as the development of the TASA as a toolbox may be considered later. It was also emphasized in this context that the TASA is non-binding and should remain neutral as regards to the different options presented.

26.30 The Commission considered WP/99, which outlined a proposed thematic framework and format for ATConf/7. Member States broadly supported the initiative, underscoring the importance of inclusive participation that reflects the evolving air transport landscape. Several Member States emphasized the value of early and structured planning and highlighted the need for wide consultations with all stakeholders to ensure practical, valuable and beneficial outcomes. The Commission recommended that the ATRP, working with other ICAO Panels as relevant, establish a dedicated working group to assist the Council in its preparations, which should also include consultation with various stakeholders to ensure a

successful Conference with valuable outcomes that would contribute to the growth of international air transport in the next ten years.

26.31 The Commission reviewed WP/129 and took note of the collaborative efforts undertaken by the ATRP and AEP-ANSEP in developing guidance material, a draft State letter, and a proposed process for Council's review of concerns raised by States relating to user charges, as provided for in Article 15 of the Chicago Convention. The Commission acknowledged the value of the proposed documents in supporting Member States' implementation of Article 15. Based on the proposal from a Member State, the Commission agreed that the draft guidance material, the draft State letter, and the proposed process for Council's review of concerns raised by States, should be referred to the Legal Committee for an expeditious legal review in 2026. The Commission noted that the timing of the Legal Committee's review will depend on the scheduling of a next meeting of the Legal Committee. The Commission acknowledged the need for the Legal Committee to coordinate with ATRP Working Group #1 to ensure that the Legal Committee has the full context with respect to the development of the draft materials, including the relevant economic policy and regulatory considerations. The Commission also noted the information shared by the Director of the Legal Affairs and External Relations Bureau (LEB), who indicated that the Legal Commission, under Agenda Item 28, would consider whether or not to add a legal review of the drafts to its Work Programme of the Legal Committee. Finally, the Commission consented that Member States should be granted access to the Aero Tariffs platform free of charge, including the benchmarking application.

26.32 The Commission considered WP/242 and noted the issues raised concerning the need to modernize airport slots policy frameworks to reflect aviation dynamics and public policy priorities. Several Member States and industry stakeholders expressed support for the paper and emphasized the importance of evolving airport slot policies to ensure they are equitable, responsive to public interest, and reflective of national circumstances. However, some Member States did not support the paper, citing concerns over its applicability and alignment with existing national frameworks. Following deliberations, the Commission encouraged relevant stakeholders to continue engaging in strategic discussions on the modernization of airport slot practices, while taking into consideration local infrastructure realities.

26.33 The Commission considered WP/245, which highlighted persistent policy and fiscal barriers affecting air connectivity and aviation's socio-economic contribution. Member States recognized the importance of addressing these challenges and reaffirmed relevant Assembly resolutions on implementing ICAO's policies on taxation to enhance connectivity and support sustainable development. The Commission requested the Council to continue promoting the use of ICAO policies by States in their regulatory practices, particularly on the issue of taxation and charges, and to support Member States in advancing policy reforms that foster more liberalized and fiscally balanced air transport frameworks.

26.34 The Commission noted the information shared in WP/574, WP/572, WP/577 and WP/552.

### ***Taxation in international air transport***

26.35 In WP/374 Revision No. 2, Oman, on behalf of the Arab Civil Aviation Organization (ACAO)<sup>7</sup>, expressed concern over the recent amendment to Article 8 of the United Nation Model Double Taxation Convention between Developed and Developing Countries (the UN Model), which allows States to impose taxes on airline income where air services are operated. The paper presented five key arguments supporting ACAO's objection. The Assembly was invited to reaffirm ICAO's role as the primary platform

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<sup>7</sup> Algeria, Bahrain, Comoros, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Qatar, Saudi Arabia, Somalia, Sudan, Syrian Arab Republic, Tunisia, United Arab Emirates and Yemen.

for aviation taxation matters, support reconsideration of the amendment, and request the Council to assess its implications and engage relevant United Nations (UN) bodies to uphold ICAO's taxation principles.

26.36 Through WP/181 the United States, co-sponsored by IATA, drew attention to the increasing recourse to revenue-raising taxation measures targeting international aviation. It emphasized that such measures, which are not linked to the provision of aviation-specific services are inconsistent with ICAO's policies on taxation, risk distorting market competition and place disproportionate burdens on developing and tourism-dependent economies. The United States invited the Assembly to reaffirm ICAO's principles discouraging general taxation on international air transport and to request the Council's engagement with relevant UN bodies and other international organizations to prevent further proliferation of such practices.

26.37 In WP/267, IATA and co-sponsored by IBAC and the International Coordination Council of Aerospace Industries Association (ICCAIA) expressed concern over recent taxation developments that undermine ICAO's established policies and the integrity of global efforts under the Chicago Convention. These include amendments to the UN Model Tax Convention introducing source-based taxation on airline income, and the growing imposition of taxes on the use of international air transport services, particularly for environmental purposes. IATA highlighted increasing policy fragmentation and urged the Assembly to encourage States and other UN agencies to implement ICAO's taxation policies and coordinate with their relevant taxation or finance authorities to avoid double or discriminatory taxation on air transport, and to prevent the proliferation of inconsistent and duplicative measures that threaten global aviation connectivity and sustainability, and to abide by Assembly Resolution A41-22 specifying that the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) as the only global market-based measure for international aviation CO2 emissions.

26.38 The Commission considered WP/374 and WP/267, which addressed recent developments in international taxation with implications for international air transport, including the amendment to Article 8 of the UN Model. The majority of Member States viewed the issue as critical, citing concerns over the compatibility of the amendment with ICAO's established taxation policies and its potential impact on the viability of international air services, including significant market distortions and detrimental effects on trade and tourism. While there was general support for preserving ICAO's role as the principal forum for international aviation taxation matter, some States highlighted that taxation matters also reside with other United Nation bodies and international entities with whom ICAO should coordinate closely. One State expressed its understanding that it would be important to count on the contributions of tax authorities for a technical discussion at ICAO, without prejudging one alternative or another of Article 8 of the UN Model and taking into account the views of developing countries. The Commission urged Member States to continue to apply the provisions of Doc 8632, *ICAO's Policies on Taxation in the Field of International Air Transport*, to avoid double or discriminatory taxation and maintain residence-based taxation principle for international air transport.

26.39 The Commission reviewed WP/181, which addressed concerns regarding the increasing use of taxation mechanisms. The Commission recognized the critical nature of the issue, noting the potential for market distortion and disproportionate impacts on developing and tourism-dependent economies. While one State expressed that taxation can be a legitimate tool to contribute to global sustainable development and assist in achieving climate goals, the majority of States highlighted that ICAO's long-standing taxation principles contained in Doc 8632 need to be complied with to prevent the disproportionate targeting of international aviation. The Commission requested the Council to engage with the relevant UN bodies and international organizations to facilitate coordination on this issue. Separately, it was noted that CORSIA should be leveraged as the sector's only global market-based measure mechanism

for the reduction of CO2 emissions from international aviation, to serve the achievement of ICAO's environmental goals.

### ***Consumer protection***

26.40 Through WP/483, the Dominican Republic and supported by 17 LACAC Member States<sup>8</sup> emphasized the need for ICAO to advance efforts toward harmonizing passenger rights in international air transport. The WP highlighted that the absence of a binding international framework has led to inconsistent protections, undermining fairness and consumer trust. While ICAO has promoted non-binding principles, many States lack the resources to implement them effectively. The paper urged renewed dialogue, technical cooperation and the development of common standards to ensure equitable and effective passenger protection.

26.41 In WP/257, IATA marked the tenth anniversary of ICAO's Core Principle on Consumer Protection. The paper commended ICAO's leadership in promoting regulatory coherence and highlighted the growing complexity of consumer protection regimes across jurisdictions. It called for reaffirmation of the Core Principles and proposed the development of additional guidance to address emerging challenges, including jurisdictional overlaps, mass disruptions, shared accountability and the role of intermediaries. The Assembly was invited to support updating the Core Principles to ensure their continued relevance and effectiveness and to consider the appropriateness of developing guidance to reflect developments since 2015.

26.42 The Commission acknowledged the concerns raised in WP/483 regarding the uneven implementation of passenger rights protections, despite the availability of the ICAO Core Principles on Consumer Protection. With respect to the recommendation for ICAO to take a more active role in developing harmonized legal standards and guidelines on consumer protection, some Member States recommended that ICAO should first compile existing national best practices as a basis for any future guidance. While several Member States expressed support for harmonization of consumer protection guidelines, one Member State noted that the current Core Principles remain adequate and that further harmonized legal standards and guidance may be unnecessary at this time. The Commission therefore encouraged ICAO to continue fostering dialogue, strengthening technical cooperation and engaging stakeholders to support equitable and effective passenger protection.

26.43 The Commission reviewed WP/257 and noted the support for undertaking a review of the Core Principles to ensure their continued relevance. The Commission further noted support from several Member States for the development of complementary best practices to promote consistent application of consumer regulations across jurisdictions. It was recommended that such best practices should reflect lessons learned, incorporate passenger perspectives and support practical implementation. Concerns were expressed regarding the complexity of addressing jurisdictional risks, such as extra-territorial application and regulatory duplication, given the inherently cross-border nature of international aviation and the challenges in defining "extraordinary circumstances". It was agreed that any consideration of shared accountability should not address compensation or liability, since service providers other than airlines do not maintain direct contractual relationships with passengers, but focus instead on encouraging all stakeholders to work collaboratively to improve consumer outcomes. In light of the views expressed, the Commission reaffirmed support for the core principles and agreed that future work should be informed by

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<sup>8</sup> Belize, Bolivia (Plurinational State of), Chile, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Mexico, Nicaragua, Panama, Peru, Uruguay and Venezuela (Bolivarian Republic of).

stakeholders' input and developed in a manner that promotes consistency while respecting national and regional approaches.

### ***Social sustainability and labour issues***

26.44 In WP/176, India raised concerns over the uncoordinated recruitment of its trained aviation personnel by carriers from other Member States without consultation or notice. This practice disrupts operational continuity and orderly development of civil aviation, particularly in fast-growing markets. The paper urged the development of a model code of conduct to guide the movement of aviation personnel in a way that respects States' legitimate interests in maintaining operational continuity and safety standards. The Assembly was invited to request the ATRP to develop guidance material to support this initiative.

26.45 WP/205 presented by Austria, the International Federation of Air Line Pilots' Association (IFALPA), the International Transport Workers' Federation (ITF) and the International Federation of Air Traffic Controllers' Association (IFATCA) underscored the critical role of social sustainability in civil aviation as a foundation of safety and economic development. The paper linked decent working conditions to a strong safety culture and industry resilience. The agreement between ICAO and the International Labour Organization (ILO) was highlighted as a key step instrument for promoting sustainable employment and advancing the UN Sustainable Development Goal 8 (SDG 8). The Assembly was invited to reaffirm ICAO's commitment to social sustainability and strengthen collaboration with ILO.

26.46 WP/164 presented by Denmark on behalf of the EU<sup>9</sup> and its Member States and the other Member States of the European Civil Aviation Conference<sup>10</sup> and EUROCONTROL, and co-sponsored by Canada and the Member States of ACAO, addressed the dual challenges of supply chain disruptions and human capital shortages in civil aviation. The WP outlined targeted recommendations for these issues. The Assembly was invited to request ICAO to explore alternative growth strategies and to coordinate efforts across relevant bodies, encourage Member States to improve aviation workforce recruitment and retention, and to use ATConf/7 to advance solutions to these pressing issues.

26.47 Information Paper WP/308 presented by the Air Transport Action Group (ATAG), ACI, ASA World, CANSO, IBAC, ICCAIA and IFALPA highlighted aviation's broad contributions to global sustainable development. Drawing from the 2024 report *Aviation: Benefits Beyond Borders*, the WP outlined aviation's role in driving global socio-economic growth and supporting nearly all UN SDGs. It emphasized the need for continued collaboration between industry, governments, and international institutions to maximize aviation's development impact and ensure sustainable growth.

26.48 While the Commission expressed appreciation for the issues raised in WP/176, it noted that the majority of States did not support the action items presented in the paper as these were considered to undermine the core principles of labour market competition. The Commission agreed with the views expressed by several States that these issues should be dealt with at a national level and do not fall within the purview of ICAO. The Commission further advised the focus of States should be on dialogue, retention and collaboration between stakeholders.

26.49 The Commission considered WP/205 and WP/164, which highlighted the global importance of human capital and social sustainability in supporting safety, resilience, and sustainable growth in civil aviation. All interventions from Member States supported action items in WP/164, while

<sup>9</sup> Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden.

<sup>10</sup> Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, Iceland, Monaco, Montenegro, North Macedonia, Norway, Republic of Moldova, San Marino, Serbia, Switzerland, Türkiye, Ukraine and United Kingdom.

almost all interventions supported action items in WP/205. The Commission welcomed ICAO's collaboration with ILO, its alignment with UN SDG 8 and the establishment of the Council's Small Group on Social Sustainability. Work with respect to the ICAO-ILO agreement should not be undertaken solely by the ATRP. It encouraged Member States to consider incorporating social sustainability into their national aviation policies and invited the Council to strengthen engagement with ILO, including by committing to renew and amend as required the ICAO-ILO agreement, and advance related discussions through ATConf/7. Some States did not support the continuation of the Council's Small Group on Economic Development of Air Transport.

26.50 The Commission noted the information presented in WP/308.

### *Airport and air navigation services*

26.51 WP/541 reports on the Council's efforts to address Assembly Resolution A41-27 concerning cost recovery for space weather information services. Since the previous Assembly, the Council has held extensive deliberations on the development of a cost recovery mechanism, as summarized in the Appendix, and elaborated two options, Operator Charge and State Charge, which were subsequently circulated to Member States for consultation. The responses showed divided preferences and raised legal, administrative, and equity concerns, resulting in no consensus on a global approach. Consequently, the Council recommends no further work be undertaken on a global cost recovery mechanism, while it agreed to reconvene on the matter during its 236th Session, with the support of the Air Navigation Commission, to identify the next steps.

26.52 In WP/77, Oman highlighted the limitations of the current charging framework outlined in *ICAO's Policies on Charges for Airports and Air Navigation Services* (Doc 9082), which was developed under State-owned airport structures and no longer reflects the realities of privatization, low-cost carrier growth, multi-airport competition, and reliance on non-aeronautical revenues. Oman underscored the need for more flexible, market-based and performance-oriented pricing models that support competitiveness, financial sustainability, and environmental objectives. The paper invited the Assembly to recognize these limitations, endorse the modernization of ICAO's policies, establish a task force, and support pilot programmes and stakeholder consultations to develop updated airport pricing guidance.

26.53 In Information paper WP/377, Brazil informed of the absence of harmonized ICAO guidance on charging frameworks for new entrants into the airspace, including electric vertical take-off and landing (eVTOL) and unmanned aircraft systems (UAS). The paper noted that the absence of such guidance may create risks of inefficiency, cost asymmetries, and reduced interoperability as diverging national practices are already emerging. Brazil encouraged ICAO to accelerate work on the development of cost-recovery mechanisms in line with the key charging principles outlined in Doc 9082, while giving due consideration to the specificities of certain operations, such as open-category UAS operations, which should remain exempt from charges.

26.54 In Information paper WP/532, India outlined the regulatory approach and tariff-setting methodology adopted in India since 1997 as a result of the liberalization process for the management of its airports. The paper explained the objectives and the processes of the Airports Economic Regulatory Authority of India (AERA), which aims to ensure fair, transparent, and consultative tariff determination for major airports - balancing investment needs, passenger interests, and efficient operations - through a cost-plus, hybrid-till framework aligned with ICAO charging principles.

26.55 In Information paper WP/556, ACI reported that global airport passenger traffic had fully recovered in 2024, surpassing pre-pandemic levels. However, airport revenues remained below 2019 figures due to a slower recovery in non-aeronautical income. The paper reviewed traffic trends, cargo performance, and long-term forecasts, noting that while growth is expected to continue, macroeconomic and geopolitical uncertainties may affect future demand.

26.56 In Information paper WP/571, ACI highlighted the financial challenges faced by small, emerging and regional airports (SERAs), which often operate at a loss despite their critical role in connectivity, regional development and system resilience. The paper emphasized the need for diversified financing approaches, including targeted support, proportionate regulation and tailored public-private partnerships, aligned with ICAO Assembly Resolution A41-27 and Resolution 5 of the ACI World Annual General Assembly (WAGA). The paper encouraged States to create enabling investment climates and integrate SERAs into national infrastructure strategies to ensure their long-term viability and sustainability.

26.57 In Information paper WP/282, AFCAC provided an update on the 2023 Aviation Infrastructure Gap Analysis conducted jointly by the African Union Commission, AFCAC, and ICAO under the SAATM framework. Based on data from 41 States and 70 airlines, the study identified 60 key infrastructure gaps across airports, air navigation, communications, meteorology, and airline operations, against forecasts showing a tripling of passenger volumes and doubling of aircraft movements by 2050. The analysis is intended to guide the development of regional projects, in cooperation with the World Bank and the African Development Bank. The paper informed that the findings of the gap analysis and subsequent project proposals will be presented to the African Union (AU) Ministers in October 2025.

26.58 The Commission reviewed WP/541 and endorsed the proposed recommendations in the paper. In the discussion, one State cautioned against frameworks that could disadvantage developing States. One State, noting investments by designated centres, expressed disappointment and urged lessons-learned exercise and stronger outreach, citing low State letter response rates which, according to the Secretariat, was normal for this consultation. The Commission agreed with the conclusion of the paper that in the absence of consensus among Member States on the way forward for a global cost recovery mechanism, that no further work should be undertaken for the development of a global cost recovery mechanism for space weather services and that the Council reconvene on the matter, with the support of the Air Navigation Commission, to identify the next steps.

26.59 The Commission considered WP/77, presented by Oman, which underscored the limitations of the current charging framework set out in Doc 9082. While Member States acknowledged key developments in the aviation industry, the majority of States opposed the actions presented in the WP, highlighting that the current structure of user charges, underpinned by the key charging principles outlined in Doc 9082, serve the sector well and provide sufficient flexibility to accommodate various fleets and operations. One State expressed support for the modernization of pricing policies although it did not endorse that the existing ICAO framework would be limiting for the development of the industry. The Commission therefore recommends that the provisions of Doc 9082 on the key charging principles, recently reviewed by the AEP-ANSEP and published by the Council in December 2024 are adequate for now, and that the joint panels could examine the issues raised in WP/77 in their future work.

26.60 The Commission noted the information contained in WP/377, WP/532, WP/556, WP/571 and WP/282.

***Aviation data – monitoring and analysis***

26.61 In WP/113 Revision No. 1, Brazil, supported by 17 LACAC Member States<sup>11</sup>, proposed revising the mandate of the Aviation Competitiveness Working Group (ACWG) under the Aviation Data and Analysis Panel (ADAP) concerning the development of a single Global Aviation Competitiveness Index. The paper highlighted methodological risks and the inability of a composite global ranking to reflect the diverse realities and priorities of Member States, particularly developing countries. In this regard, Brazil advocated for a flexible “dashboard” of independent reference indicators that would allow States to select metrics relevant to their own contexts, avoid arbitrary weighting, and align with ICAO strategic plans such as the Global Air Navigation Plan (GANP), the Global Aviation Safety Plan (GASP), and the Global Aviation Security Plan (GASeP).

26.62 In WP/462, Chile emphasized the urgent need to modernize ICAO’s data-collection and statistical management methods. The paper noted that ICAO still relies heavily on Air Transport Reporting (ATR) forms which are in Excel format and emailed to the ICAO Secretariat, which limit comparability and efficiency. Chile proposed adopting best practices from data science, updating reporting tools with open-source software, ensuring interoperability among States’ data systems, and granting reporting States free access to ICAO databases. The paper also recommended automating processes and establishing common standards to improve timeliness, quality, and usefulness of global aviation statistics.

26.63 The Commission considered WP/113, which reviewed the mandate for developing a Global Aviation Competitiveness Index. While Brazil, supported by LACAC Member States, proposed replacing the single composite index with a flexible dashboard of reference indicators, the majority of States—acknowledging the significant progress achieved in the development of the Global Aviation Competitiveness Index within the ACWG—were of the opinion that work should continue on the single composite index. The Commission therefore agreed that the expert working group under ADAP should proceed with the current development of the index, as directed by the Council in its 235th Session. Some States were of the opinion that the ACWG, while working on the global competitiveness index, should also provide the framework to arrive at composite panel indicators.

26.64 The Commission supported the recommendations of WP/462 to further modernize ICAO’s data management tools and standards to meet today’s demands in the field of information technology, data science and artificial intelligence. The Commission also agreed that States’s focal points should be granted access to ICAO data platforms free of charge.

### ***Consolidated statement of continuing ICAO policies in the air transport field***

26.65 In WP/42, the Council of ICAO presented a progress report on ICAO’s activities related to the economic development of air transport, pursuant to Assembly Resolution A41-27, Consolidated statement of continuing ICAO policies in the air transport field. The WP outlined the advancements in the areas of a) economic regulation; b) taxation; c) economics of airports and air navigation services; d) aviation data and statistics; and e) forecasting, planning and economic analysis. Building upon the progress achieved and guided by the Strategic Goals and the Business Plan for 2026-2028, the Council proposed substantive and editorial amendments to Assembly Resolution A41-27. The revisions aim to reflect recent developments, address emerging challenges and ensure continued alignment with evolving industry needs.

26.66 The Commission noted the progress report on the activities related to economic development of air transport and approved the revised Assembly Resolution A41-27, as below.

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<sup>11</sup> Belize, Bolivia, Chile, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Mexico, Nicaragua, Paraguay, Peru, Uruguay and Venezuela (Bolivarian Republic of).

## **Resolution 26/1: Consolidated statement of continuing ICAO policies in the air transport field**

*Whereas the Convention on International Civil Aviation* establishes the basic principles to be followed by governments to ensure that international air transport services may be developed in an orderly, regular, efficient, economical, harmonious and sustainable manner and it is therefore one of the purposes of ICAO to support principles and arrangements in order that international air transport services may be established on the basis of equality of opportunity, sound and economic operation, mutual respect of the rights of States and taking into account the general interest;

*Whereas* air transport is of fundamental importance to the sustainable development of the economies of States by promoting and facilitating tourism and trade;

*Whereas* it is increasingly difficult, particularly for developing countries, to secure the necessary resources required to optimize the opportunities and meet the challenges inherent in the development of air transport, and to keep pace with the challenges posed by demands on air transport;

*Whereas* the Organization prepares guidance, studies and statistics on the development of air transport for Member States on a continuing basis and these should be kept current, focused and relevant and should be disseminated to Member States through the most effective means;

*Whereas* Member States are required to provide accurate and factual statistical data and other information in order that the Organization may prepare relevant guidance and studies;

*Whereas* the Organization is moving toward management by objective with more focus on implementation of air transport policies and associated guidance in line with the *No Country Left Behind* (NCLB) Goal, rather than considering setting standards under this Strategic Goal;

*Whereas* guidance developed by the Organization, and action taken by the Organization in implementing its Strategic Goal – *The Economic Development of Air Transport Assures the Delivery of Economic Prosperity and Societal Well-Being for All*, should assist Member States in developing policies and practices that facilitate the globalization, commercialization and liberalization, as well as the creation of a favourable environment for the sustainable development of international air transport;

*Whereas* the Organization has developed *Guidance on Economic and Financial Measures to Mitigate the Impact of the Coronavirus Outbreak on Aviation* for Member States and the industry to cope with the economic fallout of the COVID-19 pandemic, alleviate the imminent liquidity and financial strain on the industry, and strengthen the industry resilience to future crises;

*Whereas* the Ministerial Declaration adopted at the High-level Conference on COVID-19 (HLCC 2021) confirmed the importance of support provided for the aviation sector, including economic and financial support, to sustain operations and ensure the provision of essential services while safeguarding fair competition and equal opportunities;

*Whereas* the Organization has decided to convene the Seventh Worldwide Air Transport Conference (ATConf/7) in 2026, a global platform for policy and decision-making that determines measures to improve the economic regulatory environment aimed at fostering the development of a sound and economically viable and affordable civil aviation system;

*Whereas* there is need to integrate economic development of air transport across all aviation aspects, particularly on cross-cutting issues, to understand the reciprocal impacts of various actions on economic development of air transport; and

*Whereas* it is important for Member States to participate in the work of the Organization in the air transport field.

*The Assembly:*

1. *Resolves* that the Appendices attached to this resolution and listed below constitute the consolidated statement of continuing ICAO policies in the air transport field, as these policies exist at the close of the 42nd Session of the Assembly:

Appendix A — Economic regulation of international air transport

Appendix B — Taxation

Appendix C — Airports and air navigation services economics

Appendix D — Aviation data and statistics

Appendix E — Forecasting, planning and economic analyses

2. *Urges* Member States to have regard to these policies and their continuing elaboration by the Council and by the Secretary General in the relevant ICAO documents;

3. *Urges* Member States to make every effort to fulfil their obligations, arising from the Convention and Assembly resolutions, to support the work of the Organization in the air transport field, and, in particular, to provide complete and prompt statistical and other information requested by the Organization for its air transport work;

4. *Urges* Member States in their regulatory functions to have regard to the policies and guidance material developed by ICAO on economic regulation of international air transport, such as those contained in Doc 9587, *Policy and Guidance Material on Economic Regulation of International Air Transport*;

5. *Requests* the Council to attach particular importance to financing challenges of aviation infrastructure and capacity development, commensurate with the level of predicted traffic growth, especially in developing countries;

6. *Requests* the Council, when it considers it of benefit to the work on any air transport issue, to consult expert representatives from Member States by the most appropriate means, including the establishment of panels or Secretariat study groups of such qualified experts, who would meet or work by correspondence and subsequently report to the Air Transport Committee in accordance with Doc 9482, *Directives for Panels of the Air Transport Committee and the Aviation Security Committee*;

7. *Requests* the Council to convene Conferences or Divisional meetings, in which all Member States may participate, as the principal means of progressing the resolution of issues of worldwide importance in the air transport field, when such meetings are justified by the number and importance of the issues to be dealt with and where there is the likelihood of constructive action upon them;

8. *Requests* the Council and the Secretary General to disseminate and promote ICAO's air transport policies and associated guidance to and amongst Member States;

9. *Requests* the Council and the Secretary General to continue to promote and raise awareness of the

Ministerial Declaration of the High-level Conference on COVID-19, while efforts are made to implement the relevant provisions of the Declaration;

10. *Requests* the Council President and the Secretary General to continue to use their good offices to promote and raise awareness among Heads of State and Government on socio-economic benefits of air transport to their national economies.

11. *Requests* the Council and the Secretary General to take necessary action to implement Assembly resolutions and decisions concerning the Organization's air transport activities, and to monitor and assist the implementation by States of ICAO's policies in the air transport field;

12. *Requests* the Council to keep the consolidated statement of ICAO's air transport policies under review and advise the Assembly when changes are required to the statement;

13. *Requests* the Council to keep ICAO's policies and guidance material in the air transport field current and responsive to changes and the needs of Member States while preserving the core principles on which they are based;

14. *Requests* the Council to develop a multi-format, thematic framework to ensure maximum attendance, effective engagement, and optimal outcomes for ATConf/7;

15. *Requests* the Council to develop policy that would enhance coordination on cross-cutting issues related to economic development of air transport, in order to integrate economic development considerations systematically across all ICAO activities and programmes and implement a cross-cutting agenda that ensures effective pursuit of the Strategic Goal of Economic Development of Air Transport; and

16. *Declares* that this resolution supersedes Resolution A41-27.

## **APPENDIX A**

### **Economic regulation of international air transport**

#### **Section I. Basic principles and long-term vision**

*Whereas* the basic principles of sovereignty, fair and equal opportunity, non-discrimination, interdependence, harmonization and cooperation set out in the Convention have served international air transport well and continue to provide the basis for and contribute to its future development;

*Whereas* multilateralism to liberalize international air transport, especially the exchange of commercial rights, including traffic rights, on a multilateral basis to the greatest possible extent continues to be an objective of the Organization;

*Whereas* within the framework of the Convention, Member States have many differing regulatory goals and policies but share a fundamental objective of participation through reliable and sustained involvement in the international air transport system;

*Whereas* there is a need to adapt to the changing regulatory and operating environment in the air transport field and the Organization has accordingly developed policy guidance for the regulation of international air transport, including model clauses and template air services agreements;

*Whereas* the tremendous impact of COVID-19 on the aviation sector in terms of resilience, sustainability or recovery requires interaction between different policy and technical areas to find adequate solutions for the sector;

*Whereas*, most international air services are governed by bilateral or multilateral Air Services Agreements (ASAs) among States or regional groups of States, and which are indispensable to international air transport because they provide a predictable framework where air carriers can operate and sustain future air services, and therefore any restrictions introduced in response to a crisis should be kept to a minimum and reconciled with the requirements of ASAs;

*Whereas* there is need to build further understanding of the challenges and benefits associated with market access liberalization, both in terms of passenger and cargo services;

*Whereas* the provision of regular and reliable air transport services is of fundamental importance to the development of the economies of States, especially the developing States, including those dependent on tourism;

*Whereas* the Organization has adopted the long-term vision for international air transport liberalization which states: *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;*

*Whereas* the compliance of Member States with provisions of the Convention and the universal adherence to the *International Air Services Transit Agreement* (IASTA), the *Convention for the Unification of Certain Rules for International Carriage by Air* (Montréal Convention of 1999), the *Convention on International Interests in Mobile Equipment* (Cape Town Convention) and its Protocol on Matters Specific to Aircraft Equipment and other ICAO instruments governing international air transport can facilitate and contribute to the achievement of the objectives of the Organization;

*Whereas* consumer interest should be given due regard in the development of national or regional policies and regulations of international air transport; and

*Whereas* discussions in the Air Transport Regulation Panel indicate wide support to examine the economic and regulatory aspects of international operations of unmanned aircraft, in view of the increasing global operations of unmanned aircraft.

*The Assembly:*

1. *Urges* all Member States to give regard to, and apply, the ICAO *Long-term Vision for International Air Transport Liberalization* in policymaking and regulatory practices;
2. *Encourages* Member States 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, as well as to the principles pertaining to safeguard measures designed to ensure the sustained and effective participation of all States,

including the principle of giving special consideration to the interests and needs of developing countries;

3. *Urges* Member States to avoid adopting unilateral and extraterritorial measures that may affect the orderly, sustainable and harmonious development of international air transport and to ensure that domestic policies and legislation are not applied to international air transport without taking due account of its special characteristics;

4. *Urges* Member States that have not yet become parties to the IASTA, the Montréal Convention of 1999, the Cape Town Convention and its Protocol and other ICAO instruments governing international air transport to give urgent consideration to so doing;

5. *Urges* all Member States to register all agreements and arrangements relating to international civil aviation with ICAO in accordance with Article 83 of the Convention and the *Rules for Registration with ICAO of Aeronautical Agreements and Arrangements*, to enhance transparency;

6. *Urges* Member States to keep the Council fully informed of serious problems arising from the application of air services agreements or arrangements and of any significant developments in the liberalization process;

7. *Encourages* States to ensure that national regulations on air transport reflect and complement key ICAO priorities;

8. *Urges* Member States to give due regard to the distinct features of air cargo services when exchanging market access rights in the framework of air service agreements and grant appropriate rights and operational flexibility so as to promote the development of air cargo services, including those enabling e-commerce;

9. *Urges* Member States, in dealing with the issues related to slot allocation and night flight restrictions, to give due consideration to the needs and concerns of other States and make every effort to resolve any concerns through consultation between the parties concerned, in a transparent and non-discriminatory manner, and to respect and follow the ICAO Balanced Approach principle in regulatory action on aircraft noise management at airports;

10. *Urges* Member States and concerned stakeholders to give regard to, and apply, the ICAO high-level, non-binding, non-prescriptive core principles on consumer protection in policy-making and regulatory and operational practices, including in case of massive disruptions impacting aviation, and to keep ICAO informed of the experiences gained or issues encountered in their application;

11. *Requests* the Council to strongly support the exchange of views and good practices on the application of the ICAO core principles on consumer protection as this effort could help encourage compatibility among national or regional regimes, taking into account the needs of States for flexibility given their social, political and economic characteristics;

12. *Encourages* Member States to continue to make use of and benefit from the ICAO Air Services Negotiation (ICAN) facility, which facilitates and improves the efficiency of their air services negotiations and consultations;

13. *Encourages* Member States to develop appropriate national strategies focusing on increasing the competitiveness and attractiveness of the aviation sector, in terms of staff recruitment and retention.

14. *Requests* the Council to continue to build a better understanding of the benefits and challenges of liberalization and barriers to opening market access, so that further consideration could be given to the development of a multilateral approach at the appropriate time;
15. *Requests* the Council through the Air Transport Regulation Panel (ATRP) to review the ICAO Template Air Services Agreement (TASA) to support Member States' bilateral and multilateral arrangements. The TASA should be seen as a living document, which takes into account the dynamism and technological development of the industry, reflecting multiple options, to assist negotiations, build awareness and generate dialogue, whilst retaining a neutral and non-binding stance;
16. *Requests* the Council to continue to monitor the progress of the unmanned aircraft systems (UAS) industry, promote and coordinate the gathering and sharing of information and best practices on economic regulatory issues on unmanned aircraft amongst Member States;
17. *Requests* the Council to continue to promote the use and adherence to the key principles of the *ICAO Guidance on Economic and Financial Measures to Mitigate the Impact of the Coronavirus Outbreak on Aviation*, which should be updated when deemed necessary;
18. *Requests* the Council to establish appropriate interactions between different committees, panels and working bodies within the Organization to make sure that their respective policy areas are appropriately addressed in their respective work;
19. *Requests* the Council to continue to enhance dialogue and exchange of information with Member States and industry, taking into account the goals of the *ICAO Long-term Vision for International Air Transport Liberalization*, concerning the past experiences and achievements of States, including existing liberalization agreements concluded at bilateral, regional and multilateral levels, as well as the applicability and relevance of the existing multilateral air law treaties, and the various proposals presented during the Sixth Worldwide Air Transport Conference (ATConf/6);
20. *Requests* the Council to continue to cooperate with regional and subregional bodies in the examination and development of measures of cooperation, including liberalized arrangements, and the results of these measures, in order to see whether similar or other measures should at the appropriate time be recommended to Member States for application on a wider basis;
21. *Requests* the Council for ease of accessibility by Member States to update the TASA to include the guidelines to ensure that ASAs continue to provide a predictable framework during crises impacting international air services;
22. *Requests* the Council to continue the comparative and analytical study of the policies and practices of Member States in the regulation of international air transport, including the provisions of air services agreements, and to share such information with Member States; and
23. *Requests* the Council to explore the appropriateness of existing economic regulatory frameworks in light of emerging industry trends including supply chain bottlenecks and ensure the coordination of ICAO activities aimed at addressing human capital shortages so that they address the dynamic challenges of the global aviation sector.

## **Section II. Air carrier ownership and control**

*Whereas* the strict application of the criterion of substantial ownership and effective control for the authorization of an airline to exercise route and other air transport rights could deny many States a fair and equal opportunity to operate international air services and to optimize the benefits to be derived therefrom;

*Whereas* airline designation and authorization for market access should be liberalized at each State's pace and discretion progressively, flexibly and with effective regulatory control in particular regarding safety and security;

*Whereas* the broadening or the flexible application of the criteria for airline designation and authorization could help create an operating environment in which international air transport may develop and flourish in a stable, efficient and economical manner, and contribute to the participation objectives of States in the liberalization process, without prejudice to States' obligations for aviation safety and security; and

*Whereas* the realization of developmental objectives among States is increasingly being promoted by cooperative arrangements in the form of regional economic groupings and functional cooperation symbolic of the affinity and community of interest.

*The Assembly:*

1. *Urges* Member States to continue to liberalize air carrier ownership and control, according to needs and circumstances, through various existing measures such as waivers of ownership and control restrictions in bilateral air services agreements or designation provisions recognizing the concept of community of interest within regional or subregional economic groupings, and those recommended by ICAO;
2. *Urges* Member States to accept such designations and allow such airlines to exercise the route rights and other air transport rights of a State or States, in particular developing States, within the same grouping, under mutually acceptable terms and conditions including air transport agreements negotiated or to be negotiated by the parties concerned;
3. *Urges* Member States to recognize the concept of community of interest within regional or subregional economic groupings as a valid basis for the designation by one State or States of an airline of another State or States within the same regional economic grouping where such airline is substantially owned and effectively controlled by such other State or States or its or their nationals;
4. *Urges* Member States to give consideration to the use of alternative criteria for airline designation and authorization, including those developed by ICAO, and to adopt a flexible and positive approach to accommodate other States in efforts to liberalize air carrier ownership and control without compromising safety and security;
5. *Invites* Member States with experience in various forms of joint operation of international air services to submit to the Council, on a continuing basis, information concerning their experience, so that the Organization may have information that might be of assistance to Member States; and
6. *Requests* the Council to give assistance, when approached, to Member States that take the initiative in developing cooperative arrangements for the joint ownership and operation of international air services, directly among themselves or whose airlines develop such arrangements, and to promptly circulate to States information concerning such cooperative arrangements.

### **Section III. Cooperation in regulatory arrangements and competition**

*Whereas* certain economic, financial and operational constraints unilaterally introduced at the national level affect the stability of, and tend to create unfair discriminatory trading practices in, international air transport and might be incompatible with the basic principles of the Convention and the orderly and harmonious development of international air transport;

*Whereas* one of the key principles recommended by the ICAO Council Aviation Recovery Task Force (CART), for a safe, secure and sustainable restart and recovery of the global aviation sector from the disastrous impact of the COVID-19 pandemic, was for States and financial institutions to consider the need to provide direct and/or indirect support in various proportionate and transparent ways; and

*Whereas* the Organization has developed policy guidance for States to foster harmonization and compatibility of regulatory approaches and practices for international air transport, including on competition matters.

*The Assembly:*

1. *Urges* Member States to take into consideration that fair competition is an important general principle in the operation of international air transport services;
2. *Urges* 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;
3. *Urges* Member States to encourage cooperation among regional and/or national competition authorities when dealing with matters relating to international air transport, including in the context of approval of alliances and mergers;
4. *Encourages* Member States to incorporate the basic principles of fair and equal opportunity to compete, non-discrimination, transparency, harmonization, compatibility and cooperation set out in the Convention and embodied in ICAO's policies and guidance in national legislation, rules and regulations, and in air services agreements;
5. *Requests* the Council to develop tools such as an exchange forum to enhance cooperation, dialogue and exchange of information on fair competition between States with a view to promoting compatible regulatory approaches towards international air transport; and
6. *Requests* the Council to continue to monitor developments in the area of competition in international air transport and update, as necessary, its policies and guidance on fair competition.

### **Section IV. Trade in services**

*Whereas* the General Agreement on Trade in Services (GATS) adopted by the World Trade Organization (WTO) has included certain aspects of international air transport; and

*Whereas* ICAO has actively promoted an understanding by all parties concerned of the provisions of the Convention on International Civil Aviation and of the particular mandate and role of ICAO in international air transport.

*The Assembly:*

1. *Reaffirms* the need for ICAO to continue to explore future regulatory arrangements and develop recommendations and proposals to meet the challenges facing international air transport, responding to the internal and external changes affecting it;
2. *Recognizes* that such arrangements should create an environment in which international air transport may develop and continue to flourish in an orderly, efficient and economical manner without compromising safety and security, while ensuring the interests of all Member States and their effective and sustained participation in international air transport;
3. *Reaffirms* the primary role of ICAO in developing policy guidance on the regulation of international air transport;
4. *Urges* Member States that participate in trade negotiations, agreements and arrangements relating to international air transport to:
  - a) ensure internal coordination in national administrations and, in particular, the direct involvement of aeronautical authorities and the aviation industry in the negotiations;
  - b) ensure representatives are fully aware of the provisions of the *Convention on International Civil Aviation*, the particular characteristics of international air transport and its regulatory structures, agreements and arrangements;
  - c) take into account rights and obligations vis-à-vis those of ICAO Member States which are not members of the WTO;
  - d) examine carefully the implications of any proposed inclusion of an additional air transport service or activity in the GATS, bearing in mind, in particular, the close linkage between economic, environmental, safety and security aspects of international air transport;
  - e) promote a full understanding of the role and mandate of ICAO in developing policy guidance on economic regulation, including liberalization of international air transport, and consider using this guidance; and
  - f) file with ICAO under Article 83 of the Convention copies of any exemptions and specific commitments pertaining to international air transport made under the GATS;
5. *Requests* the WTO, its Member States and observers to accord due consideration to:
  - a) the particular regulatory structures and arrangements of international air transport and the liberalization taking place at the bilateral, subregional and regional levels;
  - b) ICAO's constitutional responsibility for international air transport and, in particular, for its safety and security; and
  - c) ICAO's existing policy and guidance material on the economic regulation of international air transport and its continued work in the field;

6. *Requests* the Council to:
- a) continue to exert a global leadership role in facilitating and coordinating the process of economic liberalization while ensuring safety, security and environmental protection in international air transport;
  - b) pursue in a proactive manner developments in trade in services that might impinge on international air transport and inform Member States accordingly; and
  - c) promote continued effective communication, cooperation and coordination between ICAO, the WTO, and other intergovernmental and non-governmental organizations dealing with trade in services.

## APPENDIX B

### Taxation

*Whereas* the imposition of taxes on international air transport, such as on aircraft, fuel, and consumable technical supplies, on the income of international air transport enterprises, and on the sale or use of such services, may have an adverse economic and competitive impact on international air transport operations;

*Whereas* ICAO's *Policies on Taxation in the Field of International Air Transport* as contained in Doc 8632, make a conceptual distinction between a charge and a tax in that "a charge is a levy that is designed and applied specifically to recover the costs of providing facilities and services for civil aviation, and a tax is a levy that is designed to raise national or local government revenues which are generally not applied to civil aviation in their entirety or on a cost-specific basis";

*Whereas* it is a matter of great concern that taxes are increasingly being imposed by some Member States in respect of certain aspects of international air transport and that levies imposed on air traffic, several of which can be categorized as taxes on the sale or use of international air transport, are proliferating;

*Whereas* the matter of aircraft engine emission-related levies is addressed in Assembly Resolution A42-20, *Consolidated statement of continuing ICAO policies and practices related to environmental protection — General provisions, noise and local air quality* (Appendix H, *Aviation impact on local air quality*);

*Whereas* the ICAO policies on taxation in Doc 8632 supplement Article 24 of the Convention and are designed to recognize the nature of international civil aviation and the need to accord tax-exempt status to certain aspects of the operations of international air transport;

*Whereas* the organization publishes and keeps up to date a supplement to Doc 8632, a compilation of responses from Member States on their status of implementation of the consolidated resolutions on taxation; and

*Whereas* there has been an amendment to Article 8 – International Shipping and Air Transport of the *United Nations Model Double Taxation Convention between Developed and Developing Countries*, which

introduces a change to the options suggested for the taxation of income of international air transport enterprises.

*The Assembly:*

1. *Urges* Member States to follow ICAO's *Policies on Taxation in the Field of International Air Transport* as contained in Doc 8632, and to avoid imposing discriminatory taxes on international aviation;
2. *Urges* Member States to avoid double taxation in the field of air transport;
3. *Urges* Member States to forward information when required to ICAO, on the status of their implementation of the consolidated resolutions on taxation for the update of the supplement to Doc 8632; and
4. *Requests* the Council to continue to promote ICAO's policies on taxation, monitor developments, and update its policies and supplement to Doc 8632, as required.

## **APPENDIX C**

### **Airports and air navigation services economics**

#### **Section I. Charging policy**

*Whereas* Article 15 of the Convention establishes the basis for the application and disclosure of charges for airports and air navigation services;

*Whereas* ICAO's *Policies on Charges for Airports and Air Navigation Services* as contained in Doc 9082 make a conceptual distinction between a charge and a tax in that "a charge is a levy that is designed and applied specifically to recover the costs of providing facilities and services for civil aviation, and a tax is a levy that is designed to raise national or local government revenues which are generally not applied to civil aviation in their entirety or on a cost-specific basis";

*Whereas* the matter of aircraft engine emission-related levies and market-based measures is addressed separately in Assembly Resolution A42-20, *Consolidated statement of continuing ICAO policies and practices related to environmental protection — General provisions, noise and local air quality* (Appendix H, *Aviation impact on local air quality*), and in Assembly Resolution A42-21, *Consolidated statement of continuing ICAO policies and practices related to environmental protection — Climate change*;

*Whereas* the Council has been directed to formulate recommendations for the guidance of Member States with regard to the principles on which providers of airports and air navigation services for international civil aviation may charge to recover the costs of their provision and derive other reasonable revenue therefrom, and with regard to the methods that may be employed to that effect;

*Whereas* Member States have called on the Organization to provide advice and guidance aimed at promoting equitable recovery of airport and air navigation services costs consistent with ICAO's policies while maintaining a balance between the respective financial interests of providers of airports and air navigation services on the one hand and air carriers and other users on the other;

*Whereas* there has been the growing need for States to secure sufficient and sustainable funding to support their regulatory oversight functions, including those related to safety, security and economic oversight;

*Whereas* the Council has adopted policy guidance on the allocation of Global Navigation Satellite System (GNSS) costs to ensure an equitable treatment of all users who can actually derive benefits from GNSS services;

*Whereas* the provision of aeronautical meteorological services for international civil aviation continues to transform, and the associated cost recovery should remain consistent with ICAO's charging policies; and

*Whereas* there was no consensus among Member States on the way forward for a global cost recovery mechanism, and consequently the Council decided that no further work be undertaken for the development of a global cost recovery mechanism for space weather services.

*The Assembly:*

1. *Urges* Member States to ensure that Article 15 of the Convention is fully respected;
2. *Urges* Member States to base the recovery of the costs of the airports and air navigation services they provide or share in providing for international civil aviation on the principles set forth in Article 15 of the Convention and ICAO's policies as contained in Doc 9082, regardless of the organizational structure under which the airports and air navigation services are operated;
3. *Urges* Member States to ensure that airport and air navigation services charges are applied towards defraying the costs of providing facilities and services for civil aviation;
4. *Urges* Member States to make every effort pursuant to Article 15 of the Convention to publish and communicate to the Organization any charges that may be imposed or permitted to be imposed by a Member State for the use of airports and air navigation facilities by the aircraft of any other Member State;
5. *Urges* Member States to adopt the principles of non-discrimination, cost-relatedness, transparency and consultation, as set out in ICAO's policies in Doc 9082, in national legislation, regulation or policies, as well as in air services agreements, to ensure compliance by airports and air navigation services providers;
6. *Urges* Member States to ensure that the current ICAO policies for cost recovery of security measures and functions at airports and by air navigation services providers, as set out in Doc 9082, are implemented so that security user charges are reasonable, cost-effective and foster harmonization worldwide;
7. *Urges* Member States to cooperate in the recovery of costs of multinational air navigation facilities and services and to consider the use of the ICAO policy guidance on the allocation of GNSS costs;
8. *Urges* Member States to strike an appropriate balance between service providers and users when implementing economic and financial measures in times of crisis, including the revision of charges, through effective consultation and ensuring that difficulties are shared amongst all parties in a reasonable manner;
9. *Requests* the Council to continue to update, as required, ICAO's policies on user charges and related guidance material with a view to contributing to increased efficiency and improved cost-effectiveness in

the provision and operation of airports and air navigation services and a sound cooperation between providers and users, and reinforce the responsiveness of the policies to future crisis;

10. *Requests* the Council to assess mechanisms to address the issue of ensuring sustainable funding for States' safety, security and economic oversight functions, and to update and/or develop, as required, guidance related to funding of States' oversight functions;

11. *Requests* the Council to continue to update, as required, guidance on the allocation of GNSS costs, as well as to address the cost recovery for provision of aeronautical meteorological (MET) service for international civil aviation; and

12. *Requests* the Council to continue to promote ICAO's policies on user charges and related guidance material in order to increase the awareness of, and implementation by, Member States and their airports and air navigation services entities.

## **Section II. Aviation infrastructure management and financing**

*Whereas* Member States are placing increased emphasis on improving efficiency and cost-effectiveness in the provision of airports and air navigation services;

*Whereas* Member States are increasingly assigning the operation of airports and air navigation services to commercialized and privatized entities, which may have less awareness and knowledge of States' obligations specified in the Convention and its Annexes and of ICAO's policies and guidance material in the economic field, and are using multinational facilities and services to meet the commitments they have assumed under Article 28 of the Convention;

*Recognizing* the need to make substantial investments over the long term in the development and modernization of quality aviation infrastructure commensurate with the level of predicted traffic growth, including the future needs of new entrants and relevant Sustainable Development Goals;

*Whereas* the aviation industry has been paying for a vast majority of its own infrastructure costs, rather than being financed through taxation, public investment or subsidies;

*Whereas* the development of air transport infrastructure and the global plan for Aviation System Block Upgrades (ASBUs) requires necessary business case justification to secure funding and financing to support implementation;

*Whereas* the rapid expansion of new airspace entrants, including, inter alia, UAS and the advance air mobility (AAM), necessitates investment in both existing and new aviation infrastructure to support their integration and ensure safe and efficient operations; and

*Recalling* that the Declaration and Framework for a *Plan of Action for Development of Aviation Infrastructure in Africa* was adopted within the framework of the Lomé Plan of Action (2017-2019) of the African Union at the Third ICAO World Aviation Forum (IWAF/3) in Abuja, Nigeria in November 2017.

*The Assembly:*

1. *Reminds* Member States that with regard to airports and air navigation services they remain responsible for the commitments they have assumed under Article 28 of the Convention, regardless of what

entity or entities operate the airports or air navigation services concerned;

2. *Encourages* Member States to consider the establishment of autonomous entities to operate airports and air navigation services providers, taking into account economic viability as well as the interests of the users and other interested parties;
3. *Urges* Member States to establish good governance, for example, the creation of enabling institutional, legal and regulatory frameworks, the use of a data-driven approach, and the cooperation and compatible decision-making among transport authorities and other ministries in charge of related portfolios, which can provide a strong impetus to boost investment in aviation infrastructure;
4. *Urges* Member States to develop national and/or regional aviation infrastructure programmes and plans, which should be aligned and integrated with an appropriately-balanced development of transport modes, linked with national and/or regional development frameworks and strategies, and harmonized with the international economic and financial frameworks;
5. *Encourages* Member States to establish a transparent, stable and predictable investment climate to support aviation infrastructure development, for example, by engaging stakeholders, diversifying funding sources and elevating the role of private sector, including through private investment, business reform, private finance initiatives, public-private partnership and various incentive schemes;
6. *Encourages* Member States to consider the appropriateness of financial and regulatory support to airports and air navigation service providers in response to any unprecedented economic difficulties stemming from the COVID-19 pandemic. Such support should be consistent with the principle of fair and equal opportunity to compete;
7. *Requests* the Council to continue to develop and update, as required, guidance and tools on financing for the development and modernization of quality aviation infrastructure, including mechanisms to support operational improvements as described in the ASBU modules;
8. *Requests* the Council to continue to assess the emerging funding and financing needs arising from the industry technology advancement, including investment in infrastructure to support the operation of new entrants such as the UAS and AAM;
9. *Requests* the Council to keep the ICAO Guidance on Economic and Financial Measures to Mitigate the Impact of the Coronavirus Outbreak on Aviation updated and promote its use; and
10. *Requests* the Council to continue to conduct and support relevant follow up work to implement the *Declaration and Framework for a Plan of Action for Development of Aviation Infrastructure in Africa* under existing arrangements, especially under the ICAO Comprehensive Regional Implementation Plan for Aviation Safety in Africa (AFI Plan).

## APPENDIX D

### Aviation data and statistics

*Whereas* ICAO's Aviation Data and Statistics Programme provides an independent and global foundation for the purpose of fostering the planning and sustainable development of international air transport;

*Whereas* each Member State has undertaken that its international airlines shall file the data and statistics requested by the Council in accordance with Article 67 of the Convention;

*Whereas* the Council has laid down requirements for data and statistics on domestic airline operations, international airports, and international route facilities, pursuant to Articles 54 and 55 of the Convention;

*Whereas* the Council has also laid down requirements for data and statistics collection on civil aircraft on register pursuant to Article 21 of the Convention;

*Whereas* the Council has adopted a policy of management by objective which requires collection of pertinent data, statistics and analysis to measure the performance of the Organization as a whole and of its constituent parts in meeting the Strategic Goals of the Organization;

*Whereas* cooperation among international organizations active in the area of collection and distribution of aviation data and statistics may enable expansion of scope, coverage and quality of data, avoidance of duplication of efforts and reduction in the burden on States;

*Whereas* ICAO's role in processing and disseminating aviation data and statistics allows States to use it as a significant tool for the safe and orderly growth of international civil aviation services that are operated soundly and economically;

*Recognizing* that aviation data analytics is under transformation with velocity and increasing quantity of data, as well as data innovations and Artificial Intelligence (AI) enabling advanced analysis of such data; and

*Recognizing* the on-going collaboration on big data analytics with Member States in the provision of continuously updated operational and economic impact analysis through business intelligence tools.

*The Assembly:*

1. *Urges* Member States to nominate focal points for aviation data and statistics, and to make every effort to provide it to ICAO on time and electronically whenever possible;
2. *Encourages* Member States to use the continuously updated big data dashboards and monthly monitors for their data-driven decision-making, capacity planning and implementation needs;
3. *Requests* the Council, calling on national experts in the relevant disciplines as required, to examine on a regular basis the collection of official statistics, including the processing of big data and use of AI in order to meet more effectively the needs of the Member States and the Organization; and
4. *Requests* the Council to:
  - a) continue to collect, process and analyze aviation data, including big data, while ensuring the harmonization of aviation data and statistics from different sources in order to facilitate the provision of accurate, reliable and consistent data required for informed decision-making by States;

- b) disseminate and share with Member States aviation data that are of common interest in the air transport field in accordance with the principles and provisions as contained in the Convention and relevant decisions of the Organization;
- c) continue to explore ways of closer cooperation with the United Nations (UN), its agencies and other international organizations in the collection and distribution of aviation data, statistics and analysis, including big data as required; and
- d) make arrangements, on an appropriate basis, for assistance to be given upon request to Member States by ICAO for the improvement of aviation data, statistics and analysis, including the adoption of new technologies such as AI and big data analytics.

## **APPENDIX E**

### **Forecasting, planning and economic analyses**

#### **Section I. Forecasting and planning**

*Whereas* Member States require global and regional forecasts of future civil aviation developments for various planning and implementation purposes;

*Whereas* the Council, in carrying out its continuing functions in the air transport economic field, must foresee future developments likely to require action by the Organization and must initiate such action in good time; and

*Whereas* the Organization requires specific forecasts for airports and air navigation systems planning and environmental monitoring purposes.

*The Assembly:*

1. *Requests* the Council to develop and update forecasts of future trends and developments in civil aviation, and to make these available to Member States;
2. *Requests* the Council to continue to update one single set of long-term traffic forecast, from which customized or more detailed forecasts can be produced for various purposes, such as air navigation systems planning and environmental analysis; and
3. *Requests* the Council to keep improving the accuracy of forecasts and conduct more frequent updates of the forecasts through the refinement of forecasting methodologies and use of AI algorithms embedded in big data.

#### **Section II. Economic analysis**

*Whereas* there is a continuing interest among Member States, international organizations, financial institutions, as well as aviation, tourism, and trade industries, in the economic analysis of air transport, including aviation's contribution to global, regional and national economies;

*Whereas* the economic studies conducted by ICAO on international air transport costs and revenues have promoted neutrality and have resulted in a more equitable system of revenue sharing of airlines;

*Whereas* ICAO requires economic analyses to assist the Council in assessment of the effectiveness of measures proposed for the implementation of the Strategic Goals of the Organization, and for environmental planning, investment studies and other purposes; and

*Whereas* there is a growing need among Member States to measure their ability to create and maintain value from the civil aviation sector, requiring the development of methodologies to define a global aviation competitiveness index.

*The Assembly:*

1. *Requests* the Council to develop methodologies and procedures for the measurement of direct, indirect and induced impacts of aviation activity on the national economy in lines with internationally accepted standards;
2. *Requests* the Council to issue periodically a study on regional differences in the level of international air transport operating costs, analysing how differences in operations and input prices may affect their levels and the impact that changes in costs may have on air transport tariffs;
3. *Requests* the Council to monitor developments, conduct studies on major issues of global importance, and share its analyses with States, international organizations and the industry; and
4. *Requests* the Council to develop a standard methodology for establishing a global aviation competitiveness index for States to maximize market output, economic efficiencies and productivity.

### **Section III. Air mail**

*Whereas* air mail is an integral component of international air transport, which is increasingly affected by e-commerce;

*The Assembly:*

1. *Urges* Member States to take into account the effects on international civil aviation whenever policy is being formulated in the field of international air mail, and particularly at meetings of the Universal Postal Union (UPU);
  2. *Directs* the Secretary General to furnish to the UPU, on request and as stipulated in relevant cooperation arrangements between UPU and ICAO, information of a factual character which may be readily available; and
  3. *Requests* the Council to monitor and analyse international logistics constraints for e-commerce in collaboration with UPU.
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**Agenda Item 27: Other issues to be considered by the Economic Commission*****Aviation data – monitoring and analysis***

27.1 In WP/142, India presented an approach to use low-cost Software Defined Radio (SDR)-based Automatic Dependent Surveillance–Broadcast (ADS-B) receivers to capture aircraft-movement data for non-surveillance operational and analytical purposes, underscoring the need for accurate traffic data to support air traffic flow management (ATFM), capacity planning, economic regulation, billing accuracy, performance monitoring, and national reporting. The paper notes gaps at non-radar airports and remote locations and the high costs of traditional surveillance, and proposes a cost-effective, tiered deployment—certified surveillance with SDR backup at major airports and SDR-based receivers at regional/remote sites—feeding a centralized national repository integrated with billing, slot-management and ATFM systems. It highlighted expected economic benefits (lower capex/opex and improved data-driven oversight and forecasting) and invited the Assembly to support the establishment of a working group to standardize recommendations and guidance for adoption of SDR-based ADS-B for non-surveillance/statistics purposes.

27.2 In WP/143, India proposed a standardized Airline Health Score (AHS) to help airport operators manage financial exposure arising from credit-based service provision to airlines, noting the absence of a unified, transparent mechanism to gauge airline creditworthiness. Drawing on operational, financial, safety and customer-experience metrics and informed by existing dashboards in other jurisdictions, the paper envisaged a data-driven, scalable and transparent framework—potentially hosted by ICAO in partnership with industry—that would enable risk-based payment terms, improve contracting, and strengthen financial resilience. The Assembly was invited to take note of the issue, support the creation of a global working group to develop a standardized airline credit/health scoring system, and encourage cooperation among States, airport operators and industry associations under ICAO guidance.

27.3 In WP/140, the Republic of Korea highlighted the absence of a universally-agreed definition and scope of the civil aviation industry, which undermines consistent data reporting, economic measurement (including alignment with the Aviation Satellite Account), and policy planning. Noting divergent national interpretations—such as whether to include aircraft manufacturing—and the emergence of new domains (e.g., urban air mobility (UAM), unmanned aircraft, and commercial space), the paper proposed a core/extended framework aligned with international statistical standards (International Standard Industrial Classification (ISIC), Central Product Classification (CPC), System of National Accounts (SNA)) to strengthen comparability and institutional coordination. It invited the Assembly to initiate an ICAO-led process, in collaboration with the United Nations Statistics Division (UNSD) and stakeholders, to develop a standardized classification and to incorporate it into future Aviation Satellite Account updates and related ICAO statistical guidance.

27.4 The Commission opined that the proposal for the deployment of SDR based ADS-B receivers, in WP/142, had the potential to enhance statistical accuracy and improve forecasting at a relatively low cost. However, concerns were raised regarding non-safety-related use of ADS-B and the security risks for aircraft operators. In this regard, the Commission recommended that the Assembly refer the proposals, set forth in WP/142, for further examination and refinement by the appropriate ICAO technical panels and working groups.

27.5 The Commission considered WP/143, which proposed the development of a standardized Airline Health Score to monitor the financial and operational soundness of airlines. While acknowledging

India's concerns in WP/143, the majority of States was not in favour of the proposal, noting that oversight of airline financial health is a matter of State responsibility, that effective monitoring tools already exist, and that the suggested framework would be overly complex. The Commission therefore agreed that the responsibility for monitoring airline financial viability rests with individual State authorities and did not support the establishment of an ICAO-led Airline Health Score system.

27.6 The Commission welcomed the initiatives outlined in WP/140 and emphasized the importance of establishing a harmonized definition and scope for the civil aviation industry. It expressed support for developing a standardized global definition to enhance data comparability and strengthen policy planning. One State, however, cautioned that a single worldwide definition might be neither necessary nor practical, stressing the need for States to retain flexibility in classifying their aviation sectors according to national priorities. In response, the Secretariat informed the Commission that related work is already underway through the Statistics Division which are specifically designed to incorporate such flexibility.

#### ***Other issues***

27.7 In WP/484, co-sponsored by IBAC, Chile highlighted the vital role of aerial work in disaster response and emergencies, noting its contribution to economic development and public safety. The paper emphasized that activities such as firefighting, medical evacuations, and surveillance often face regulatory barriers when conducted across borders. Chile shared the 2023 LACAC Memorandum of Understanding as a successful regional initiative to facilitate foreign aerial work operations during emergencies. The Assembly was invited to take note of this experience and consider including guidance or model agreements in ICAO's work programme to facilitate foreign operators' access to markets for aerial work, especially in cases of urgent need.

27.8 In WP/405, Cuba reported that the continued imposition of unilateral and extraterritorial measures, particularly the embargo imposed by the United States, has severely hindered the economic development and sustainability of its civil aviation sector. These measures, which include restrictions on aircraft acquisition, financial transactions, and limited access to meeting/event platforms, were described as violations of the Chicago Convention and international law. Cuba called on the Assembly to recognize the negative impact of such actions and urged States to refrain from enacting laws that undermine the sovereignty and legitimate interests of other States, in support of ICAO's principles and the *No Country Left Behind* initiative.

27.9 Through WP/136, India highlighted the growing strategic importance of non-aeronautical revenues for airports, particularly in the context of public-private partnerships and rapid traffic growth. The WP shared key trends in non-aeronautical agreements, global best practices in non-aeronautical revenue generation, as well as India's perspective and strategic priorities. India called on ICAO to develop guidance and model clauses for non-aeronautical agreements, promote regulatory harmonization, and support capacity-building initiatives to enhance financial sustainability, innovation, and equitable commercial partnerships in line with ICAO's economic policies and the *No Country Left Behind* initiative.

27.10 In Information paper WP/248 Revision No. 1, Iran (Islamic Republic of), co-sponsored by the Interstate Aviation Committee (IAC), highlighted the wide-ranging adverse impacts of unilateral economic sanctions on its civil aviation sector, emphasizing that such measures compromise safety, efficiency, and economic viability at both national and global levels. The paper outlines constraints affecting aircraft procurement, maintenance, financial transactions, insurance, operational continuity, and workforce stability, all of which undermine the principles of equality, cooperation, and safe air transport established in the Chicago Convention. Iran called on the Assembly to exclude civil aviation from the scope

of unilateral sanctions, assist affected States through ICAO technical and policy support and promote international cooperation to safeguard civil aviation from disruptions caused by unilateral sanctions.

27.11 In Information paper WP/277, Saudi Arabia presented the recent reforms aimed at strengthening the economic regulatory environment for civil aviation in the State. The Information paper outlined the issuance and updating of regulations governing airports, ground handling, air cargo, air transport services, and air navigation, designed to enhance market efficiency, attract investment, and support national objectives in line with the Saudi Vision 2030. These measures promote fair competition, transparency, and service quality while creating job opportunities and increasing market efficiency and value. Saudi Arabia emphasized the adoption of key principles, including stakeholder engagement, phased implementation to ensure smooth transition, and the provision of an operational model and guiding principles to support effective application.

27.12 The Commission discussed the proposal in WP/484, highlighting the importance of aerial work in emergency response and public safety. It noted the regional initiative aimed at facilitating aerial work by foreign operators during emergencies, along with the proposal to develop ICAO guidance or model agreements to enable timely and coordinated access in such situations. Member States expressed general support for this initiative, recognizing its potential to enhance regulatory clarity and operational efficiency in cross-border emergency contexts. At the same time, several Member States emphasized the need to carefully assess legal and practical implications, particularly considering that this type of activity is not conventionally addressed in ASAs. In light of the general support and the considerations raised, the Commission recommended that the Assembly requested that the Council, with contributions of the relevant technical bodies, explore the feasibility of developing general guidance or model agreements for States with a view to facilitating aerial work by foreign operators, particularly in emergency situations.

27.13 The Commission noted the information contained in WP/405. Some States expressed caution against unilateral measures, citing their negative impact on the ability of States to develop civil aviation as safeguard under the Chicago Convention. They emphasized ICAO's role as a neutral platform for fostering safe and orderly development of international civil aviation, based on equality of opportunity. One State reaffirmed the position that ICAO is not an appropriate forum to discuss its sanctions. It also reiterated its actions in and commitment to fulfilling its international obligations to ensure the safety and security of international aviation. The Commission noted that the issues have been raised at previous Assemblies.

27.14 The Commission discussed WP/136 and noted the proposal for ICAO to develop guidance and model clauses for non-aeronautical agreements, promote regulatory harmonization, and support capacity-building initiatives to enhance financial sustainability and equitable commercial partnerships. While several Member States expressed support for the initiative, recognizing the need for more diverse revenue models given the growth of public private partnerships and global airport management structures, the majority of interventions voiced clear reservations. Concerns were raised regarding ICAO's mandate in commercial matters, the complexity of developing practical guidance and the distinct nature of non-aeronautical activities, which may require alternative approaches. It was further highlighted that ICAO has existing guidance addressing non-aeronautical sources of revenue. In view of the mixed perspectives, the Commission recommended that ICAO continue monitoring developments and revisit the issue when considered appropriate.

27.15 The Commission noted WP/248 and WP/277.



ISBN 978-92-858-0025-3



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