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ASSEMBLY — 35TH SESSION

REPORT OF THE ECONOMIC COMMISSION ON AGENDA ITEMS 28, 29, 30, 31 AND 32

(Presented by the Chairman of the Economic Commission)

The attached report on Agenda Items 28, 29, 30, 31 and 32 has been approved by the Economic Commission. Resolutions 29/1 and 31/1 are recommended for adoption by the Plenary.

Note.— After removal of this covering sheet, this paper should be inserted in the appropriate place in the report folder as the complete report on Agenda Items 28, 29, 30, 31 and 32.

(30 pages)

Agenda Item 28: Regulation and organization of airports and air navigation services

28:1 At its second meeting, the Commission considered regulatory and organizational aspects of the provision of airports and air navigation services on the basis of a report by the Council (WP/10). In addition, seven papers were presented by States and observers: WPs 154, 155, 158, 200, 258, 270 and 294.

28:2 In WP/10, the Council reported on the developments in the regulation and organization of the provision of airports and air navigation services that had taken place since the 33rd Session of the Assembly. Faced with a series of unfavourable factors, airports and air navigation services providers had to cope with a severe reduction in overall air transport activity. Service providers had reacted by either freezing or even decreasing user charges, while trying to offset losses by attracting more traffic, or by raising charges in order to maintain revenues through the application of increased rates. In the increasingly commercialized environment, the need had emerged to introduce economic regulation to ensure that monopoly power was not abused, especially with regard to airport or air navigation services charges. A revised version of the ICAO's *Policies on Charges for Airports and Air Navigation Services* (Doc 9082/7) had recently been published and posted on ICAO's website together with a supplement containing information on States' implementation of these policies. The revised *Airport Economics Manual* (Doc 9562) and the *Manual on Air Navigation Services Economics* (Doc 9161) would also be published and posted on the web. Considering that the commercialization process was still in its development phase, guidance material on key aspects related to commercialization would have to be kept under review, revised and expanded as necessary based on the experiences gained over time in different States. Following a recommendation by the 33rd Session of the Assembly, new and revised policy and guidance material had been developed on collection problems. With respect to a study on allocation of GNSS costs, certain principles and assumptions had been established by the Air Navigation Services Economics Panel (ANSEP), *inter alia* indicating that cost allocation between civil aviation and other users should take place at the regional level. In the future work on this study, coordination with other international organizations and non-aeronautical users would be necessary. Priorities during the 2005-2007 triennium would include the further development of policy and guidance material on economic oversight and regulation; benchmarking and measuring performance and productivity; cost allocation; and cost recovery of security measures. This material would also be valuable for the future implementation of a global air navigation system.

28:3 In WP/294, Belarus, Georgia, the Republic of Moldova, Ukraine and Uzbekistan invited the Assembly to recommend that ICAO: develop guidance material on procedures regarding the application of pre-trial and court procedures as well as settlement of disputes in relation to debt recovery of air navigation services charges, analyse the opportunity to establish an international debt recovery mechanism under the aegis of ICAO, and urge Contracting States to supplement the licensing and issuing of certificate with the responsibility for aircraft operators to pay their charges and relevant penalties.

28:4 In WP/158, the 41 member States of the European Civil Aviation Conference (ECAC) described the approach for measuring the performance of air navigation services in Europe and the results obtained. They emphasized the importance of ICAO accelerating and amplifying its work in the field of economic performance of air navigation service providers and proposed that ICAO develop standards for reporting requirements of performance results and information disclosure, as well as associated guidance material.

28:5 In WP/155, the Netherlands, on behalf of the European Union and its member States, described the current status of the Galileo programme and expressed a full agreement with the basic principles and assumptions related to cost allocation developed by ANSEP. It was recommended that the ongoing work

be completed on the basis of these principles and that guidance be rapidly issued on the proposed allocation schemes, noting that cost allocation was closely related to legal and technical questions.

28:6 IATA, in WP/200, encouraged States to support measures to improve efficiency, reduce costs and exercise appropriate economic oversight of airports and air navigation services providers. It also encouraged industry partners to seek innovative and cooperative arrangements that would improve and support the working relationship between air carriers and service providers.

28:7 In WP/154, the International Transport Workers' Federation (ITF) commented on ICAO's policies on charges in Doc 9082 and called for a review of the current charging formula. Such a review should include consultation with all stakeholders, including the professional associations concerned.

28:8 In an information paper (WP/258), Pakistan provided a brief overview of the organization and regulation of aerodromes and process of aerodrome certification in Pakistan.

28:9 In another information paper (WP/270), the United States expressed the view that the basic principles and assumptions for cost allocation adopted by ANSEP are essential to expediting efficient GNSS services and fostering equitable cost recovery.

28:10 There was strong support for the future work programme on regulation and organization of airports and air navigation services proposed in WP/10. Attention was drawn to the need to take into consideration the differences between regions. A view was expressed that ICAO's regional offices should assist States to move in the direction towards commercialization and privatization.

28:11 The Commission noted the proposals presented by Belarus, Georgia, the Republic of Moldova, Ukraine and Uzbekistan in WP/294 and decided to refer them to the Council for further consideration. With respect to the suggestions made by IATA in WP/200 and ITF in WP/154, the Commission noted that they could be considered within the scope of the future work programme outlined in the Council's report. In particular, States should be encouraged to support measures to improve efficiency, reduce costs and provide appropriate economic oversight. Regarding ITF's call for a review of the current charging formula for en-route services with respect to the application of the distance and weight elements, reference was made to the consideration of this issue in the context of establishing air navigation services charges within the European Single Sky initiative. Further to a suggestion by ITF in WP/154, the establishment of reserve funds for managing business cycles was questioned from a cost recovery policy point of view.

28:12 With regard to WP/158 presented by ECAC, the Commission noted that the paper had already been considered by the Technical Commission. The Commission was informed that ICAO was already progressing the work proposed in the working paper and that the Technical Commission had agreed that, at an appropriate time, ICAO would convene, in cooperation with other organizations, a global meeting to agree on performance objectives and monitoring requirements.

28:13 Furthermore, the Commission noted the support expressed by the European Commission (WP/155) and in the information paper presented by the United States for the basic principles and assumptions on GNSS cost allocation, between civil aviation and other users, established by ANSEP. Regarding WP/155, the Commission considered that there was no need for any action on the proposal concerning the development of SARPs, since this was already in the work programme of the Air Navigation Commission. Any proposals related to the development of SARPs should be presented to the relevant technical forum. Concern was expressed over the possible use of encrypted signals for cost recovery.

28:14

In concluding its deliberations under this agenda item the Commission:

- a) endorsed the Council's plans for future work on regulation and organization of airports and air navigation services; and
- b) recommended that the Council take the proposals made in the various working papers into account in its future work in this field.

Agenda Item 29: Facilitation

29:1 At its 2nd and 3rd meetings, the Commission considered developments in the Facilitation Programme since the last Assembly on the basis of three reports by the Council: one on the outcome of the Twelfth Session of the Facilitation Division (WP/43); the second on protecting the security and integrity of passports and other travel documents (WP/11); and the third on preventing the introduction of invasive alien species (WP/12 and Corr. 1). In addition, six papers were presented by States and observers: WPs 65, 107, 159, 160, 180 and 202.

29:2 For ease of consideration, the working papers were taken up under the following headings: Results of the Twelfth Session of the Facilitation Division and Protecting the security and integrity of passports and other travel documents; Preventing the introduction of invasive alien species; Facilitation and quality of service at airports; and Security and facilitation enhancement.

Results of the Twelfth Session of the Facilitation Division and Protecting the security and integrity of passports and other travel documents

29:3 The Commission considered three working papers relating to the Twelfth Session of the Facilitation Division (FAL/12), held in Cairo, Egypt, from 22 March to 1 April 2004, under the theme “*Managing Security Challenges to Facilitate Air Transport Operations.*”

29:4 In WP/43, the Council presented a report on the outcome of FAL/12, which had adopted sixteen A-type Recommendations and sixteen B-type Recommendations.

29:5 The A-type Recommendations proposed amendments to the Standards and Recommended Practices (SARPs) of Annex 9. These Recommendations were aimed at smoother passage of travellers through border controls, heightened aviation security, controls on travel document fraud, illegal migration and added protection against identity theft. In May 2004, the Air Transport Committee had completed its preliminary review of all the proposed amendments to Annex 9 and directed that these be sent, along with its observations, to Contracting States for their comments (State letter SD 6/4-04/57 dated 30 July 2004). The Committee expects to consider the A-type Recommendations again in January 2005, taking into account the comments from States, and would subsequently refer them to the Council with recommendations concerning adoption.

29:6 The B-type Recommendations proposed other actions by Contracting States or by the Council, within the purview of the Facilitation Programme. Following a review by the Air Transport Committee, the Council had approved and adopted these recommendations in June 2004.

29:7 WP/202, submitted by the Netherlands on behalf of the European Community (EC) and its Member States, presented the position of the EC on the development of standards relevant to the transfer to Passenger Name Record (PNR) data from airline systems to government agencies for the purposes of improving aviation security and facilitating border controls. The paper reiterated the support of the EC, first made at FAL/12, for the expeditious development of ICAO guidelines and uniform practices for processing PNR data, and proposed that the work being undertaken by ICAO should address categories of data, data processing requirements, data transfer requirements and data structure, as set out in the EC paper presented at FAL/12.

29:8 WP/65, presented by IATA, expressed the views and support of the air transport industry on the results of FAL/12, particularly with respect to the decisions related to automated data exchange and inadmissible persons/deportees.

29:9 In WP/11, the Council reported on the progress made since the 33rd Session of the Assembly on work undertaken to assist States to maintain the integrity and security of their passports and other travel documents.

29:10 The Technical Advisory Group on Machine Readable Travel Documents (TAG/MRTD) had updated the technical specifications of Doc 9303, *Machine Readable Travel Documents* to allow for additional data storage technologies, such as integrated circuits, in order to accommodate, for example, encoded biometric images for identity confirmation, along the lines prescribed in ICAO's global, harmonized "biometric blueprint" that had been endorsed by the Air Transport Committee in May 2003. The Machine Readable Passport (MRP) specifications contain, in addition, an annex describing minimum security standards for Machine Readable Travel Documents (MRTDs). The new visa specifications (yet to be published) provide for changes intended to deter the misuse of a visa by someone other than the rightful holder. Technical reports describing the blueprint can be found on the new website, www.icao.int/mrtd.

29:11 An important component of the biometric blueprint is the use of a modified public key infrastructure (PKI) to encrypt and decrypt digital signatures with electronic key pairs consisting of a private key and a public key. This procedure assures the reader that the data on a passport has not been altered and that the data was entered by the passport issuing authority. Thus PKI is an effective deterrent to forgery, counterfeiting, and use of stolen passports to gain access to aircraft. In response to a question the Secretariat acknowledged that a central public key directory (PKD) is being planned, and explained that the Council, during the forthcoming Session, will be invited to consider a proposal that ICAO adopt the management of the PKD as a new service to its member States.

29:12 The Twelfth Session of the Facilitation Division (FAL/12) had made recommendations for new and upgraded provisions for inclusion in Annex 9—*Facilitation* that would enhance the security of travel documents. If adopted by the Council, these provisions would require all Contracting States to issue MRPs, to regularly update security features in new versions of their travel documents to guard against their misuse and facilitate detection, if counterfeited, and to control their travel document-issuance process in order to safeguard against stock-theft and misappropriation of newly issued documents.

29:13 During the discussion of the four papers, some delegations expressed the view that all Contracting States should begin issuing MRPs as early as possible, for example by the year 2008, prior to the date recommended by FAL/12. They also considered that there should also be a cut-off date beyond which non-MRPs would no longer be valid and 2015 was suggested. Other delegations expressed the view that decisions reached at FAL/12 on issues such as the date of implementation of MRPs had been reached by consensus, which should remain. Delegations also expressed views both agreeing and disagreeing with the Division's recommendation that, with regard to inadmissible persons, carriers shall not be held liable in instances where proper travel documents had been presented. With regard to the proposal on Standards on PNR data access, one delegation expressed the view that it would be up to the Council to decide what form the results of the Study Group should take.

29:14 The Commission agreed that ICAO, in developing guidelines for PNR data access, should take into consideration the relevant proposals made by the EC during FAL/12.

29:15 The Commission, in reviewing the report presented in WP/43 noted that the A-type Recommendations, with the observations of the Air Transport Committee, had been sent out to Contracting

States with a request for comments by 31 October 2004, and that the B-type Recommendations had been adopted by the Council in June 2004.

29:16 The Commission also agreed that the Council and Contracting States should continue their work, on maintaining the integrity and security of passports and other travel documents, as a matter of high priority.

Preventing the introduction of invasive alien species

29:17 In WP/12, the Council reported on the progress made in implementation of Resolution A33-18: *Preventing the introduction of invasive alien species*.

29:18 In order to determine the extent to which unintentional introductions of invasive alien species (IAS) via civil aircraft posed a problem for Contracting States, the Secretariat had conducted a survey in 2002 to gather more information, with a view to reassessing the prospect of multilateral action on this matter. The survey had revealed that international civil aviation appears to be a significant pathway for the unintentional introduction of one kind of species “hitchhiking” on other species intentionally introduced from one State to another. On the other hand, international civil aviation is not a significant pathway for species that, by chance, make their own way onto aircraft and are thus unintentionally transported from one State to another.

29:19 Nevertheless, the responses to the survey implied that the fact that IAS were being introduced into States was important, the mode of introduction (intentional or unintentional) being merely incidental. Therefore, action should be taken at borders regardless of the mode of entry of the alien species.

29:20 The Council had therefore concluded that as species are introduced via international civil aviation during the import/export process, measures preventing such introductions could best be applied at the border, the point of convergence of interest of all interested government agencies. It therefore recommended that ICAO should develop a strategy for the prevention of introductions of IAS via international civil aviation and also recommended that Resolution A33-18 be replaced by an updated version.

29:21 The Commission, in endorsing the Council’s plan of action, agreed that:

- a) Contracting States and interested international organizations should be apprised of the results of the survey in State letter EC 6/21-02/78 on the introduction of invasive alien species by air;
- b) Contracting States should be requested to forward to ICAO the “best practices” from their various agencies (agriculture, horticulture, customs, quarantine, health) on the prevention of invasive alien species introductions by air, for publication by the Organization as guidance material; and
- c) appropriate ICAO bodies should consider drafting Standards and Recommended Practices, if appropriate, reflecting the most common procedures or practices of States, for adoption in the relevant Annex(es) to the Chicago Convention.

29:22 The Commission also agreed to submit for adoption to the Plenary, Resolution 29/1, to supersede Resolution A33-18.

**RESOLUTION FRAMED BY THE ECONOMIC COMMISSION
AND RECOMMENDED FOR ADOPTION BY THE ASSEMBLY**

Resolution 29/1

Preventing the introduction of invasive alien species

Whereas the global community has increasingly recognized the threat to biological diversity posed by invasive alien species;

Whereas international transportation, including civil air transportation, represents a potential pathway for the introduction of invasive alien species; and

Whereas the Convention on Biological Diversity, the Global Invasive Species Programme and other intergovernmental and non-governmental international organizations are currently working on means to effectively assess and manage alien species that threaten ecosystems, habitats and native species;

The Assembly:

1. *Urges* all Contracting States to support one another's efforts to reduce the risk of introducing, through civil air transportation, potentially invasive alien species to areas outside their natural range;
2. *Requests* the ICAO Council to develop guidance material and, if appropriate, Standards and Recommended Practices, to assist Contracting States to reduce the risk of introducing potentially invasive alien species to areas outside their natural range and to continue working with the appropriate organizations in this regard;
3. *Requests* the ICAO Council to report on the implementation of this Resolution at the next ordinary session of the Assembly; and
4. *Declares* that this resolution supersedes Resolution A33-18.

Facilitation and quality of service at airports and Security and facilitation enhancement

29:23 The Commission considered WP/180 presented by ACI, which expressed the view that facilitation, in addition to border control, also applied to activities that brought about improvements in the quality of service, utilization of resources and capacity. The Commission noted that ICAO may need to update ICAO/IMO Doc 9636, *International Signs to Provide Guidance to Persons at Airports and Marine Terminals*, and ICAO Doc 9279, *Dynamic Flight-related Public Information Displays*, subject to availability of resources.

29:24 The Commission considered WP/107 presented by the World Tourism Organization (WTO-OMT), which stressed that there is a need for greater emphasis on integrating security and facilitation

for travellers across, between and beyond national borders, on controlling security costs, and on providing assistance in relieving the cost burdens of security for developing countries; facilitation should be integral to both design and operation of security devices and procedures. In this regard, WTO-OMT reported on its recently launched strategy, S.A.F.E. - Security and Facilitation Enhancement, four key components of which were establishing benchmarks, building capacity, assessing performance and identifying remedial projects and building confidence. The Assembly was invited to agree that ICAO should explore increased cooperation with WTO-OMT in the field of security and facilitation, and some potential areas for such cooperation were identified.

29:25 During the discussion on both these papers, one delegation expressed the view that the proposals concerning amendments to Annex 9 should be left to the well-established ICAO amendment process, and also expressed reservations with regard to broadening the application of aviation security measures to other modes of transport and other activities because of differing conditions.

Information papers

29:26 In WP/159, the Republic of Korea provided information on the operational status of Incheon International Airport which was opened on 29 March 2001, and the efforts made by the Government and the airport operator to improve its function and facilities. In WP/160, the Republic of Korea provided information on its plan to implement a trial system for air travel baggage tracking and monitoring based on Radio Frequency Identification (RFID) in six domestic airports by the first half of 2005.

29:27 The Chairman of Pakistan's National Database and Registration Authority (NADRA) made a presentation on Pakistan's Machine Readable Passport (MRP). The new passport, issued according to ICAO Doc 9303 specifications, contains a two-dimensional barcode and a contactless integrated circuit chip, in which are stored four fingerprint templates, a facial image and the data in the machine readable zone.

Agenda Item 30: Other air transport issues

30:1 At its third meeting, the Commission reviewed other developments arising from ICAO's work since the 33rd Session of the Assembly under the following headings: ICAO Integrated Statistical Database (ISDB), forecasting and economic planning and economic contribution of civil aviation.

The Integrated Statistical Database (ISDB)

30:1 On the basis of a report by the Council in WP/14, the Commission noted that the new Integrated Statistical Database (ISDB) had become operational in late 2002. The report summarized the progress made by ICAO in this area to streamline and render more efficient the work of the Organization in the collection, analysis and dissemination of civil aviation statistics. It was noted that following the introduction of the dissemination of data on-line, free of charge, to the national administrations of Contracting States in February 2004, States now have more timely access to the statistics submitted to ICAO. Hence, as a cost-saving measure, the Secretariat had decided to cease the publication of the Digests of Statistics. The Commission also noted that during the Assembly, ICAO, in collaboration with Reed Business Information (trading as Air Transport Intelligence - ATI), had launched a commercial website where, subject to payment of an annual subscription, other users would be granted on-line access to part or the whole of the ICAO civil aviation statistics.

30:2 The Commission noted these developments, in particular the availability of data on-line which had been one of the long-term goals of States. The Commission noted that in order to take full advantage of the potential benefits offered by the new system, States needed to ensure the timely submission of data to ICAO. To this effect, the Commission endorsed the action proposed by the Council to modify the text of Appendix B of Assembly Resolution A33-19 — *Consolidated statement of continuing ICAO policies in the air transport field* to bring the new ICAO database to the attention of States and to urge States to submit civil aviation statistics on time.

Forecasting and economic planning

30:3 In WP/13, the Council reported on ICAO's forecasting and economic planning work since the 33rd Session of the Assembly, in pursuance of Appendix C of Assembly Resolution A33-19 and the Council strategy for the evolution of traffic forecasting activity to support the planning and implementation of air navigation systems, and provided highlights of the proposed future work programme in this field. The work included the development of a set of long-term traffic forecasts, through to the year 2015, published in *Outlook for Air Transport to the Year 2015* (Circ. 304), and three sets of medium-term traffic and financial forecasts for the periods 2002-2004, 2003-2005 and 2004-2006 published in *The World of Civil Aviation, 2001-2004* (Circ. 291), *The World of Civil Aviation, 2002-2005* (Circ. 299) and *The World of Civil Aviation, 2003-2006* (Circ. 307) respectively (the latter made available to the Assembly in its preliminary version). Within regional traffic forecasting groups, traffic forecasts and other planning parameters had been developed to meet the requirements of the respective planning and implementation regional groups (PIRGs) concerned. In support of ICAO's environmental work, the Secretariat had taken a leadership role in the development of passenger traffic and fleet mix forecasts to the year 2020, and had contributed to the preparation of guidance material on cost/benefit analysis for the balanced approach to aircraft noise management. In addition, the *Manual on Air Traffic Forecasting* had been updated and guidance material had been developed on business case analysis for the implementation of CNS/ATM systems.

30:4 The Commission noted the activities undertaken and endorsed the proposed future work in forecasting and economic planning.

Economic contribution of civil aviation

30:5 In WP/42, the Council reported to the Assembly on ICAO's work on the evaluation of the economic contribution of civil aviation and outlined future work on this subject. The work stemmed from renewed Assembly mandates which had been carried out with two objectives, namely to assess the contribution of civil aviation in the global economy and to develop guidance material on assessment methodologies. The results are to be published in *Economic Contribution of Civil Aviation* (Circ. 292), a preliminary version of which was made already available to the Assembly. The Circular consisted of Volume I – *Global Perspective* and Volume II – *Assessment Methodologies*. Volume I emphasized the importance of civil aviation in the global economy and provided an assessment of the contribution of civil aviation, in terms of global output and employment, followed by a profile of the major contributing civil aviation industries. Volume II provided methodological guidelines on how to assess the impact of an airport in a local/regional or national economy; followed by the impact of civil aviation in a national economy. Case studies were used as illustrative examples to demonstrate the assessment methodologies.

30:6 In WP/197, Airports Council International (ACI) fully endorsed ICAO's work, including the development of methodological guidance material, on the economic contribution of civil aviation, presented in WP/42. ACI emphasized the importance of airports in economic activities and recommended that multiplier effects of investments in aviation infrastructure be taken into account by States when assigning priorities for the allocation of national budgetary resources. In WP/199, ACI presented results of their recent airport economics surveys in support of airports' role as a vital catalyst for economic growth.

30:7 The Commission supported ICAO's activities on the evaluation of the economic contribution of civil aviation. While noting with concern the limited funding for future work in this area, it urged the Secretariat to develop training modules, as referred to in WP/42, and to make them available to States that may need them, particularly developing countries.

Agenda Item 31: Development of an up-to-date consolidated statement of continuing ICAO policies in the air transport field

31:1 At its third meeting, the Commission considered WP/44, a report by the Council on a substantive review of resolutions in the air transport field. A resolution on a Consolidated statement of continuing ICAO policies in the air transport field (A33-19) had been adopted by the 33rd Session of the Assembly. In response to a requirement in Resolution A33-19 that the Council keep the consolidated statement under review, and advise the Assembly as appropriate when changes are needed, a substantive review of Resolution A33-19 had been undertaken and a revised and updated version was presented for consideration and adoption by the Assembly.

31:2 The draft presented by the Council consisted of introductory material and eight appendices which together comprised a draft consolidated statement of continuing policies in the air transport field, structured as follows:

- Introduction
- Appendix A — Economic regulation
- Appendix B — Statistics
- Appendix C — Forecasting and economic planning
- Appendix D — Facilitation
- Appendix E — Taxation
- Appendix F — Airports and air navigation services
- Appendix G — Air carrier economics
- Appendix H — Air mail

31:3 The Commission reviewed the draft consolidated resolution and endorsed the text as presented with minor amendments to resolving Clause 2 of Section II and resolving Clause 6 a) of Section IV of Appendix A. The Commission also noted that the consolidated statement would be comprehensively reviewed prior to each regular session of the Assembly and the need for updating or other change brought to the attention of the Assembly.

31:4 With regard to the proposed amendments by the Council to Appendix A, Section II, relating to airline designation and authorization, Japan made a proposal to further amend the Council's proposed text, in particular resolving Clause 4 of Section II. Japan's proposal drew on certain elements in the decisions of the fifth Worldwide Air Transport Conference (ATConf/5), namely paragraph b) of Recommendation I of the Conference and paragraph 4.6 of the Conference Declaration. This proposal, which entailed considerable discussion, received support from a number of delegations who felt that it correctly reflected the Conference decision. However, it was opposed by other delegations who felt that the original text best met the purpose of the consolidated statement and reflected the result of ATConf/5 on this subject.

31:5 Information was provided by the Secretariat on the background and intent of the proposed amendments by the Council. Japan subsequently made a further proposal to delete all the proposed amendments in Section II by the Council. In the absence of a consensus, the Commission decided that the Council's amendments be retained without change.

31:6 In conclusion, the Commission agreed to recommend to the Plenary that it adopt the following draft resolution, noting that on its adoption the resolution would supersede Resolution A33-19 which thereby would no longer be in force.

**RESOLUTION FRAMED BY THE ECONOMIC COMMISSION AND
RECOMMENDED FOR ADOPTION BY THE ASSEMBLY**

Resolution 31/1

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

Introduction

Whereas the Convention establishes the basic principles to be followed by governments to ensure that international air transport services may be developed in an orderly and harmonious 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 a major factor in promoting and fostering sustained economic development at national as well as international level;

Whereas it is becoming increasingly difficult, particularly for developing countries, to secure the necessary resources for the development of air transport;

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

Whereas Contracting States are required to provide accurate and factual statistical data and other information in order that the Organization may prepare this guidance and these studies and statistics;

Whereas guidance developed by the Organization should assist Contracting States in developing policies and practices that facilitate the globalization, commercialization and liberalization of international air transport; and

Whereas it is important for Contracting 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, up to date as these policies exist at the close of the 35th Session of the Assembly:

- Appendix A — Economic regulation
- Appendix B — Statistics
- Appendix C — Forecasting and economic planning
- Appendix D — Facilitation
- Appendix E — Taxation
- Appendix F — Airports and air navigation services
- Appendix G — Air carrier economics
- Appendix H — Air mail

2. *Urges* Contracting States to have regard to these policies and their continuing elaboration by the Council in documents identified in this consolidated statement and by the Secretary General in manuals and circulars;

3. *Urges* Contracting States to make every effort to fulfil their obligations, arising out of the Convention and Assembly resolutions, to support the work of the Organization in the air transport field, and, in particular, to provide as completely and promptly as possible the statistical and other information asked for by the Organization for its air transport studies;

4. *Requests* the Council to attach particular importance to the problem of financing the development of the human and technical resources necessary to ensure the best possible contribution of air transport to the economic and social well-being of developing countries;

5. *Requests* the Council, when it considers that it would be of benefit in assisting its work on any air transport question, to seek consultation of expert representatives of Contracting States by the most appropriate means, including the establishment of panels of qualified experts reporting to the Air Transport Committee or of Secretariat study groups, and work by correspondence or by meetings;

6. *Requests* the Council to convene Conferences or Divisional meetings, in which all Contracting 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;

7. *Requests* the Council to provide for workshops, seminars and other such meetings as may be required to disseminate ICAO's air transport policies and associated guidance to and amongst Contracting States;

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

9. *Declares* that this resolution supersedes Resolution A33-19.

APPENDIX A

Economic regulation

Section I. Agreements and arrangements

Whereas the Assembly is of the opinion that there is no present prospect of achieving a comprehensive and global multilateral agreement, although multilateralism in commercial rights to the greatest possible extent continues to be an objective of the Organization;

Whereas within the framework of the Convention, Contracting 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 one of the objectives of the Convention is that international air transport services may be operated soundly and economically and in that regard the International Air Services Transit Agreement (IASTA) strengthens the operation of international scheduled services and facilitates the achievement of that objective for the Contracting States who are already parties to it;

Whereas the Assembly has repeatedly stressed the obligation of each Contracting State to comply with Article 83 of the Convention by registering with the Council as soon as possible all arrangements relating to international civil aviation, in accordance with the *Rules for Registration with ICAO of Aeronautical Agreements and Arrangements*;

Whereas undue delays and non-compliance relating to the registration of aeronautical agreements and arrangements is not desirable for the accuracy and completeness of regulatory information, and for enhancing transparency;

Whereas the establishment of international air transport fares and rates that are fair and reasonable and designed to promote the satisfactory development of air services is a matter of major importance to the economies of many States;

Whereas the rules and conditions associated with international air transport fares and rates should avoid unnecessary complication, be uniform where possible and reasonably protect user interests; and

Whereas governments have a responsibility in fares and rates matters pursuant to their national legislation and to obligations under bilateral and other air services agreements;

The Assembly:

1. *Reaffirms* the primary role of ICAO in developing policy guidance on the regulation of international air transport and in facilitating safeguarded liberalization;
2. *Urges* Contracting States which have not yet become parties to the International Air Services Transit Agreement (IASTA) to give urgent consideration to so doing;

3. *Urges* all Contracting States to register cooperative 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*;
4. *Urges* Contracting States to keep the Council fully informed of important problems arising from the application of bilateral agreements and of any developments achieved or contemplated which tend toward the objective of multilateralism in the exchange of commercial rights;
5. *Requests* the Council to continue to cooperate with regional and subregional bodies in their 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 Contracting States for application on a wider basis;
6. *Requests* the Council to continue the comparative and analytical study of the policies and practices of Contracting States and airlines concerning commercial rights and the provisions of air services agreements and to inform all Contracting States of any new developments in international cooperation, including liberalized arrangements, with respect to commercial rights;
7. *Requests* the Council to keep under review the machinery for the establishment of international tariffs as well as the rules and conditions associated with international tariffs;
8. *Requests* the Council to review periodically the rules for registration with a view to simplifying the process of registration of aeronautical agreements and arrangements;
9. *Requests* the Secretary General to remind Contracting States of the importance of registration without undue delay of aeronautical agreements and arrangements and to provide such assistance to Contracting States as they may require in registering their aeronautical agreements and arrangements with the Council; and
10. *Requests* the President of the Council and the Secretary General to promote universal adherence to and implementation of the International Air Services Transit Agreement (IASTA) and to ask Contracting States to inform the Secretariat of their intentions with respect to adherence to the agreement.

Section II. Cooperation in regulatory arrangements

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

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 to many developing States a fair and equal opportunity to operate international air services and to optimize the benefits to be derived therefrom;

Whereas air carrier 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;

Whereas the realization of developmental objectives among such 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 which is particularly shared among developing States belonging to such regional economic integration movements; and

Whereas the exercise of route and other air transport rights of a developing State having such community of interest by an airline substantially owned and effectively controlled by another developing State or States or its or their nationals sharing the same community of interests will serve to promote the foregoing interests of developing States;

The Assembly:

1. *Urges* Contracting States to avoid adopting unilateral measures which may affect the orderly 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;

2. *Urges* Contracting 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* Contracting States to recognize the concept of community of interest within regional or subregional economic groupings as a valid basis for the designation by one developing State or States of an airline of another developing State or States within the same regional economic grouping where such airline is substantially owned and effectively controlled by such other developing State or States or its or their nationals;

4. *Urges* Contracting 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 their efforts to liberalize air carrier ownership and control without compromising safety and security;

5. *Invites* Contracting States with experience in various forms of joint operation of international air services to submit to the Council, on a continuing basis, full information concerning their experience, so that the Organization may have in this particular field all information that might be of assistance to Contracting States;

6. *Requests* the Council, when approached, to render all feasible assistance to Contracting States wishing to enter regional or subregional economic groupings with respect to the operation of international air services; and

7. *Requests* the Council to give assistance, when approached, to Contracting 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 promptly circulate to States information concerning such cooperative arrangements.

Section III. Computer reservation systems

Whereas there is a need to define principles of worldwide applicability for computer reservation systems based on transparency, accessibility and non-discrimination to enhance competition among airlines and among such systems, to afford international air transport users access to the widest possible choice of options to meet their needs, and to avoid abuse of these systems which can lead to harmful practices in the distribution of air carrier products;

The Assembly:

1. *Urges* Contracting States:
 - a) to follow the revised *ICAO Code of Conduct for the Regulation and Operation of Computer Reservation Systems* adopted by the Council on 25 June 1996;
 - b) to use as appropriate the Model Clauses, approved by the Council on the same date, to strengthen and complement the Code; and
 - c) to cooperate at the bilateral, regional and inter-regional levels with a view to reducing difficulties connected with the introduction and operation of computer reservation systems in various parts of the world; and
2. *Requests* the Council to revise the ICAO CRS Code when required.

Section IV. Trade in services

Whereas on the issue of including aspects of international air transport under the General Agreement on Trade in Services (GATS), 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 be based on the general goal of gradual, progressive, orderly and safeguarded change towards market access, and the interests of all Contracting States in ensuring 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* Contracting States which participate in trade negotiations, agreements and arrangements relating to international air transport to:

- a) ensure internal coordination in their national administrations and in particular the direct involvement of aeronautical authorities and the aviation industry in the negotiations;
- b) ensure that their representatives are fully aware of the provisions of the Chicago Convention, the particular characteristics of international air transport and its regulatory structures, agreements and arrangements;
- c) take into account their rights and obligations vis-à-vis those ICAO Member States which are not members of the World Trade Organization;
- 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 World Trade Organization, its Member States and Observers to accord due consideration to:

- a) the particular regulatory structures and arrangements of international air transport and the progressive liberalization taking place at the bilateral, sub-regional 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; and

6. *Requests* the Council to:

- a) continue to exert the 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 which might impinge on international air transport and inform Contracting States accordingly; and

- c) promote continued effective communication, cooperation and coordination among ICAO, the World Trade Organization, and other intergovernmental and non-governmental organizations dealing with trade in services.

Section V. Elaboration of policy guidance

Whereas governments have responsibilities in the economic regulation of international air transport and to international obligations; and

Whereas the Organization has addressed many of the regulatory issues concerned and compiled the resulting recommendations and other guidance material;

The Assembly:

1. *Urges* Contracting States in their regulatory functions to have regard to the advice contained in Doc 9587, *Policy and Guidance Material on the Regulation of International Air Transport*; and
2. *Requests* the Council to ensure that the advice contained in Doc 9587 is current and responsive to the requirements of Contracting States.

APPENDIX B

Statistics

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

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

Whereas ICAO has developed an integrated statistical database in order to provide to Contracting States and other users an efficient online system for the validation, storage and retrieval of statistical data;

Whereas a number of Contracting States have still not filed, or have not filed completely, the statistics requested by the Council; and

Whereas cooperation amongst international organizations active in the area of collection and distribution of aviation statistics may enable reduction in the burden of filing statistics;

The Assembly:

1. *Urges* Contracting States to make every effort to provide the statistics required on time, and to submit them electronically whenever possible;
2. *Requests* the Council, calling on statistical and accounting experts as required, to examine the statistical problems of Contracting States and ICAO in order to meet more effectively the needs of the

Organization and to improve the uniformity of the statistics, the completeness and timeliness of reporting by Contracting States, the form and content of analyses and publications, and the speed of dissemination by the Organization; and

3. *Requests* the Council to:
 - a) continue to explore ways of closer co-operation with other international organizations active in the collection and distribution of aviation statistics; and
 - b) make arrangements, on an appropriate basis, for assistance to be given upon request to Contracting States by personnel of the Secretariat for the improvement of their civil aviation statistics and their statistical reporting to the Organization.

APPENDIX C

Forecasting and economic planning

Whereas Contracting States require global and regional forecasts of future civil aviation developments for various purposes;

Whereas the Council, in carrying out its continuing functions in the 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 and economic support for airports and air navigation systems planning and environmental planning purposes;

The Assembly:

1. *Requests* the Council to prepare and maintain, as necessary, long-term and medium-term forecasts of future trends and developments in civil aviation of both a general and a specific kind, including, where possible, regional as well as global data, and to make these available to Contracting States;
2. *Requests* the Council to develop methodologies and procedures for the preparation of forecasts, the analysis of cost-benefit or cost-effectiveness, and the development of business cases, to meet the needs of the regional air navigation planning groups and, as required, other systems or environmental planning bodies of the Organization; and
3. *Requests* the Council to make arrangements to collect and develop material on current forecasting methods both for the purposes described in clauses 1 and 2 and for dissemination to Contracting States from time to time as guidance in their own forecasting and economic planning.

APPENDIX D

Facilitation

Section I. Development of facilitation provisions

Whereas Annex 9, *Facilitation*, was developed as a means of articulating the obligations of Contracting States under Articles 22, 23 and 24 of the Convention and standardizing procedures for meeting the legal requirements referred to in Articles 10, 13, 14, 29 and 35;

Whereas it is essential that Contracting States continue to pursue the objective of maximum efficiency in air transport while at the same time safeguarding international civil aviation operations against acts of unlawful interference;

Whereas the development of specifications for machine readable travel documents by the Organization has proved effective in the development of systems which accelerate the movement of international passengers and crew members through clearance control at airports while enhancing security and immigration compliance programmes; and

Whereas the development of a set of standard signs to facilitate the efficient use of airport terminals by travellers and other users has proved effective and beneficial;

The Assembly:

1. *Requests* the Council to ensure that Annex 9, *Facilitation* is current and addresses to the contemporary requirements of Contracting States with respect to administration of border controls;
2. *Requests* the Council to ensure that the provisions of Annex 9, *Facilitation* and Annex 17, *Security* are compatible with and complementary to each other;
3. *Requests* the Council to ensure that its specifications and guidance material in Doc 9303, *Machine Readable Travel Documents*, remain up to date in the light of technological advances, and to continue to explore technological solutions aimed at improving clearance procedures; and
4. *Requests* the Council to ensure that Doc 9636, *International Signs to Provide Guidance to Persons at Airports and Marine Terminals*, is current and responsive to the requirements of Contracting States.

Section II. Implementation of Annex 9

Whereas implementation of the Standards and Recommended Practices in Annex 9 aimed at improving procedures at border-control points to facilitate the clearance of aircraft, passengers and their baggage, cargo and mail is essential to the efficiency of air transport;

The Assembly:

1. *Urges* Contracting States to give special attention to their obligations arising from Articles 22, 23 and 24 of the Convention and increase their efforts to implement Annex 9 Standards and Recommended Practices;
2. *Urges* Contracting States to examine critically, at least once a year, any differences that exist in their territory between their national regulations and practices and the provisions of the current edition of Annex 9, and make special efforts to modify their policies in order to eliminate such differences;
3. *Urges* each Contracting State to notify the Organization of the status of implementation of Annex 9 in its territory in accordance with Article 38 of the Convention; and
4. *Requests* the Council to review, whenever necessary or at least once every three years, the status of implementation of Annex 9 and indicate those aspects which require intensified implementation efforts by Contracting States.

Section III. International cooperation in protecting the security and integrity of passports

Whereas the passport is the basic official document which denotes a person's identity and citizenship and provides an assurance for the State of transit or destination that the bearer can return to the State which issued the passport;

Whereas international confidence in the integrity of the passport is the very essence of the functioning of the international travel system;

Whereas the United Nations General Assembly has requested ICAO to consider ways and means to enhance international cooperation to combat the smuggling of aliens, while emphasizing that such efforts should not undercut the protection provided by international law to refugees;

Whereas the United Nations General Assembly and the Economic and Social Council have requested member States to establish or improve procedures to permit the ready discovery of false travel documents, to cooperate bilaterally and on a multilateral basis to prevent the use of fraudulent documents, and to take measures to provide penalties for the production and distribution of false travel documents and the misuse of international commercial aviation; and

Whereas high level cooperation among States is required in order to strengthen resistance to passport fraud, including the forgery or counterfeiting of passports, the use of forged or counterfeit passports, the use of valid passports by imposters, the misuse of authentic passports by rightful holders in furtherance of the commission of an offence, the use of expired or revoked passports, and the use of fraudulently obtained passports;

The Assembly:

1. *Urges* Contracting States to intensify their efforts to safeguard the security and integrity of their passports, to protect their passports against passport fraud, and to assist one another in these matters; and

2. *Requests* the Council to continue the work being undertaken to enhance the effectiveness of controls on passport fraud, including the possible preparation of necessary SARPs and guidance material, to assist Contracting States in maintaining the integrity and security of their passports and other travel documents.

Section IV. National and international action and cooperation on facilitation matters

Whereas there is a need for continuing action by Contracting States to improve the effectiveness and efficiency of clearance control formalities;

Whereas the establishment and active operation of national facilitation committees is a proven means of effecting needed improvements; and

Whereas cooperation on facilitation matters amongst Contracting States and with the various national and international parties interested in facilitation matters has brought benefits to all concerned;

The Assembly:

1. *Urges* Contracting States to establish and utilize national facilitation committees and adopt policies of cooperation on a regional basis among neighbouring States;

2. *Urges* Contracting States to participate in regional and subregional facilitation programmes of other intergovernmental aviation organizations;

3. *Urges* Contracting States to take all necessary steps, through national facilitation committees or other appropriate means, for:

- a) regularly calling the attention of all interested departments of its government to the need for:
 - 1) making the national regulations and practices conform to the provisions and intent of Annex 9; and
 - 2) working out satisfactory solutions for day-to-day problems in the facilitation field; and
- b) taking the initiative in any follow-up action required;

4. *Urges* Contracting States to encourage the study of facilitation problems by their national and other facilitation committees, and to coordinate the findings of their committees on facilitation problems with those of other Contracting States with which they have air links;

5. *Urges* neighbouring and bordering States to consult one another about common problems that they may have in the facilitation field whenever it appears that these consultations may lead to a uniform solution of such problems;

6. *Urges* Contracting States to encourage their aircraft operators to continue to cooperate intensively with their governments as regards:

- a) identification and solution of facilitation problems; and
- b) developing cooperative arrangements for the prevention of illicit narcotics trafficking, illegal immigration and other threats to national interests;

7. *Urges* Contracting States to call upon international operators and their associations, to participate to the extent possible in electronic data interchange systems in order to achieve maximum efficiency levels in the processing of passenger and cargo traffic at international terminals; and

8. *Urges* States and operators, in cooperation with interested international organizations, to make all possible efforts to speed the handling and clearance of air cargo.

APPENDIX E

Taxation

Whereas international air transport plays a major role in the development and expansion of international trade and travel and the imposition of taxes on aircraft, fuel, and consumable technical supplies used for international air transport, taxes on the income of international air transport enterprises and on aircraft and other movable property associated with the operation of aircraft in international air transport, and taxes on its sale or use, may have an adverse economic and competitive impact on international air transport operations;

Whereas ICAO policies 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 Contracting States in respect of certain aspects of international air transport and that charges 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 A35-..., *Consolidated statement of continuing ICAO policies and practices related to environmental protection*;

Whereas the resolution in Doc 8632, *ICAO’s Policies on Taxation in the Field of International Air Transport*, supplements Article 24 of the Convention and is designed to recognize the uniqueness of international civil aviation and the need to accord tax exempt status to certain aspects of the operations of international air transport;

The Assembly:

1. *Urges* Contracting States to follow the resolution of the Council as contained in Doc 8632, *ICAO’s Policies on Taxation in the Field of International Air Transport*; and

2. *Requests* the Council to ensure that the guidance and advice contained in Doc 8632 is current and responsive to the requirements of Contracting States.

APPENDIX F

Airports and air navigation services

Section I. Charging policy

Whereas ICAO policies 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 is addressed separately in Assembly Resolution A35-..., *Consolidated statement of continuing ICAO policies and practices related to environmental protection*;

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

Whereas the Council has been directed to formulate recommendations for the guidance of Contracting 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 revenue therefrom, and with regard to the methods that may be employed to that effect; and

Whereas the Council has adopted and revised as necessary, and published in Doc 9082, *ICAO’s Policies on Charges for Airports and Air Navigation Services*;

The Assembly:

1. *Urges* Contracting States to ensure that Article 15 of the Convention is fully respected;
2. *Urges* Contracting 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 additionally in Doc 9082, *ICAO’s Policies on Charges for Airports and Air Navigation Services* regardless of the organizational structure under which the airports and air navigation services are operated;
3. *Urges* Contracting States to ensure that airport and air navigation services charges only be applied towards defraying the costs of providing facilities and services for civil aviation;
4. *Urges* Contracting 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 Contracting State for the use of air navigation facilities and airports by the aircraft of any other Contracting State; and
5. *Requests* the Council to ensure that the guidance and advice contained in Doc 9082 is current and responsive to the requirements of Contracting States.

Section II. Economics and management

Whereas in handling growing volumes of traffic the global costs of providing airports and air navigation services continue to rise;

Whereas Contracting States are placing increased emphasis on improving financial efficiency in the provision of airports and air navigation services;

Whereas a balance should be maintained between the respective financial interests of providers of airports and air navigation services on one hand and air carriers and other users on the other;

Whereas Contracting States have called on the Organization to provide advice and guidance aimed at promoting equitable recovery of airport and air navigation services costs; and

Whereas Contracting States are to an increasing extent assigning the operation of airports and air navigation services to autonomous entities and using multinational air navigation facilities and services to meet the commitments they have assumed under Article 28 of the Convention;

The Assembly:

1. *Reminds* Contracting States that with regard to airports and air navigation services they alone 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. *Urges* Contracting States to cooperate actively in the recovery of costs of multinational air navigation facilities and services;

3. *Requests* the Council to provide economic, organizational and managerial advice to Contracting States on the provision of airports and air navigation services;

4. *Requests* the Council to keep the economic situation of airports and air navigation services under review and make reports thereon to Contracting States at appropriate intervals; and

5. *Urges* Contracting States to make every effort to provide with the least possible delay the financial data relating to their airports and air navigation services to enable Council to provide such advice and prepare such reports.

APPENDIX G

Air carrier economics

Whereas there is a continuing interest among users, tourist, aviation and trade interests and their international organizations about the level of international air carrier costs of operation, fares, rates and appropriate revenue yields;

Whereas the objective studies by ICAO on international air transport costs and revenues are widely used by Contracting States and other international organizations and have promoted neutrality and resulted in a more equitable system of revenue sharing; and

Whereas ICAO requires air carrier revenue and cost data for environmental planning, investment studies and other purposes;

The Assembly:

1. *Requests* the Council to instruct the Secretary General to issue periodically a study on regional differences on 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; and

2. *Urges* Contracting States to make every effort to obtain from their international air carriers with the least possible delay the cost, revenue and other data requested by ICAO.

APPENDIX H

Air mail

Whereas the Assembly has given ongoing directions with regard to ICAO's work in the field of international air mail;

The Assembly:

1. *Urges* Contracting 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); and

2. *Directs* the Secretary General to furnish the UPU, on request, information of a factual character which may be readily available.

Agenda Item 32: Assembly resolutions to be consolidated or to be declared no longer in force

32:1 The Plenary had referred Appendix C of WP/33 on Assembly resolutions to be consolidated or to be declared no longer in force to the Economic Commission, which agreed with the Council's recommendation that following action under Agenda Item 31 none of the resolutions in Part III of the Assembly Resolutions in force (as of 5 October 2001) (Doc 9790) be declared no longer in force.

— END —