

**WORLDWIDE AIR TRANSPORT CONFERENCE: CHALLENGES AND
OPPORTUNITIES OF LIBERALIZATION**

Montreal, 24 to 29 March 2003

Agenda Item 1: Preview

1.1: Background to and experience of liberalization

**GRADUAL DEVELOPMENT OF THE AIR TRANSPORT: AN
EXPERIENCE**

(Presented by Cuba)

INFORMATION PAPER

SUMMARY

This paper presents a synthesis of the experience of Cuba in the gradual development of the air transport. A necessary process in the way of the liberalization.

1. DISCUSSION

1.1 Our experience in the air transport activity has been stated, among other things, by the settlement of flexible bilateral agreements, looking for the loyal competition in all aspects of the market, as well as for a balance of opportunities in just conditions, either for national as for the foreign airlines.

1.2 This policy has provided a major access to our markets and accordingly, a major development of our airlines, as well as for those coming from the countries that fly to/from Cuba.

1.3 Fifth freedom, stopover, multiples designation, tariffs from the country of origin, double tariff disapproval, charter operations to our capital, authorizations of codes shared between airlines of third countries, and others that were specially restricted, have shaped in the Agreements and Memorandum of Understanding that we have negotiated and subscribed.

1.4 We have signed air transport Agreements or Bilateral Memorandum of Understanding with more than 80 countries. These agreements reflect our policy in a scope of reciprocal interchange and mutual benefit.

1.5 In 1995, 43 foreign airlines were flying to/from our country with regular and charter operations. Until the year 2002, 79 foreign airlines had operated, representing a growth of 54 per cent in the course of 7 years. Facilities have been extended for these airlines with the intention that they can offer their services in a safe and efficient manner.

1.6 In that period, our airlines have experienced a growth of 11 per cent in passenger transportation, and 23 per cent in cargo.

1.7 The growth reached by our international airports due to the transportation of passengers and cargo by foreign airlines that operate in Cuba, are in the order of 16.8 per cent and 15 per cent respectively.

1.8 Regarding the airport infrastructure, only during the year 2002, we started the exploitation of the Gardens of the King International Airport in Key Coco, with a new control tower and a new terminal building; a new control tower at Jose Martí International Airport; and a new Air Traffic Control Center of the Republic of Cuba that soon will enter in operation.

1.9 All these goals that we designed have been obtained despite the criminal economical and commercial blockade imposed by the United States of America on Cuba, which is still going on, since 42 years ago. In the scope of the air transport that means, the non-access to the Computer Reservations Systems and the leasing of aircraft, among other measures.

1.10 This growth and continuous evolution of air transport in our country has been obtained due to the application of a flexible and gradual development policy in the negotiations that we have carried out, based on the of the ICAO Standards and Recommended Practices (SARPs). With regards of the internal Regulations, we have incorporated these changes in our National Standards, adjusting them to the necessities of the economical development of the country.

1.11 At the present time under preparation is an air transport multilateral agreement within the framework of the Association of the Caribbean States, which comprises 24 countries, including Cuba. This is an agreement that gathers the experiences of all these countries in the field of air transport, and which economical structures have different development levels. We consider that we must take it into account when we elaborate a model of Air Services Agreement.

2. ACTION BY THE CONFERENCE

2.1 The Conference is invited to:

- a) take note of the information presented in this Information Paper;
- b) assure that the model of Air Services Agreement recommended in point 3,1 of the agenda item of this Conference, be based on a gradual a uniform way of changes of the regulation, considering the differences of aviation infrastructure of the members' States.