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WORLDWIDE AIR TRANSPORT CONFERENCE PRODUCES GLOBAL FRAMEWORK FOR LIBERALIZING AIR TRANSPORT

MONTREAL, 1 April 2003 - A strong global consensus on a framework for the economic liberalization of the air transport industry emerged out of the Worldwide Air Transport Conference: "Challenges and Opportunities of Liberalization", held by the International Civil Aviation Organization at its Montreal Headquarters from 24 to 28 March.

Some 800 participants from 145 ICAO Contracting States and 29 organizations concluded the Conference by approving by acclamation a Declaration of Global Principles to "create an environment in which international air transport may develop and flourish in a stable, efficient and economical manner without compromising safety and security and while respecting social and labour standards".

The Declaration specifies the individual and collective roles and responsibilities of States in working towards the ultimate goal of giving international air transport as much economic freedom as possible, in keeping with the needs of the travelling public and the industry, while respecting its specific characteristics and striving to limit its environmental impact.

Conclusions and Recommendations were agreed by consensus of the Conference on key liberalization issues including air carrier ownership and control, market access, fair competition and safeguards, consumer interests, product distribution, dispute resolution and transparency. (Full text of the Declaration, Conclusions and Recommendations is available on the ICAO website - www.icao.int).

On the crucial question of air carrier ownership and control, the Conference recommended that air carrier designation and authorization for market access should be liberalized, at each State's pace and discretion, and that States may take positive approaches to accept designated foreign carriers that might not meet traditional national ownership and control criteria or the criteria of "principal place of business and effective regulatory control."

The Conference agreed that States should consider liberalizing the regulatory treatment of international air cargo operations on an accelerated basis.

There was widespread support for draft ICAO “templates” for guidance and optional use by States when developing international air services agreements. The two Template Air Services Agreements (TASAs) are designed for the bilateral and for the regional or plurilateral situations respectively. They are living documents whose application should enhance harmonization of the regulation of international air transport and global coordination of the ongoing process of liberalization.

Finally, the Conference endorsed ICAO’s continued leadership role in facilitating and coordinating the process of economic liberalization of international air transport and recommended that the Organization focus its future work on promoting and assisting States to harness liberalization for its broader benefits.

“This was a truly remarkable conference. ICAO Contracting States now have a clear direction and practical guidance for liberalizing their air transport industry, at their own pace and in accordance with globally endorsed principles and practices, for the mutual benefit of the travelling public and the air transport industry,” commented Dr. Assad Kotaite, President of the Council of ICAO.

“The extremely high number of participants and extensive contributions from Contracting States and organizations, at a time of armed conflict and particular uncertainty for air transport, shows the deep commitment of the world aviation community to shape a global regulatory structure that can ensure the growth of civil aviation for decades to come”, he added.

The Conference was chaired by Mr. A. Faletau from the Kingdom of Tonga, with the First and Second Vice-Chairmen being respectively Brig. G. Donadille from Argentina and Mr. N. Kavadas from Greece.

ICAO was created in 1944 to promote the safe and orderly development of civil aviation in the world. A specialized agency of the United Nations, it sets international standards and regulations necessary for the safety, security, efficiency and regularity of air transport and serves as the medium for cooperation in all fields of civil aviation among its 188 Contracting States.

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