

EC/ICAO SYMPOSIUM ON REGIONAL ORGANISATIONS

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PANEL TWO

REMOVING BARRIERS TO AIR TRANSPORT AT REGIONAL LEVEL (MARKET ACCESS)

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1. The progressive liberalisation of air transport is supported by ICAO as a means to ensure more cost-efficient operations and to stimulate the growth and development of the air transport industry. This liberalisation trend is proceeding at different levels: bilaterally between individual States, regionally or plurilaterally, and may even one day be pursued multilaterally.
2. For many States not yet ready to remove all market access restrictions immediately, regional liberalisation may be regarded as an important first step towards wider liberalisation in the future. Regional integration can also be a means to develop a more flexible approach to the issue of ownership and control, which is generally regarded as a factor hampering the development of civil aviation on a global scale.
3. Already today, there are numerous agreements or arrangements for the liberalisation of intra-regional air transport services in operation. The single aviation market in the European Union is a notable example, but liberalisation initiatives already exist with different levels of ambition in most regions of the world, including Latin America, the Caribbean, Africa, Asia, and the Pacific. No time should be lost to make them happen.
4. When States decide to embark on a process of liberalization at regional level, such a process should preferably go hand in hand with the adoption of common rules (safety, security, competition) and the creation of a regional regulatory framework; however, this should not inhibit liberalization (either intra- or inter-regional) on a bilateral or plurilateral basis provided that ICAO safety and security standards are met. The absence of such common rules may lead to distortions in the regional market. In addition, it is necessary to provide for a clear division between tasks to be undertaken at State and at regional level (notably with respect to safety oversight) and transparent lines of control for operators must be developed regionally.
5. ICAO can provide more active support to regional liberalisation initiatives as a means to promote the sustainable economic development of air transport, in particular in, but not limited to developing States. States should be encouraged to take a comprehensive approach whereby common rules and convergence between regulations is developed in parallel to the removal of market access barriers at regional level.

6. In summary:

- a) Liberalization is an economic necessity but political will is absolutely necessary to achieve liberalization.
- b) Liberalization per se is not a threat to safety.
- c) Regional economic liberalization is integrally linked to regional safety cooperation.
- d) Liberalization should not create new barriers to trade in air services.
- e) Since there is liberalization in the movement of capital and management expertise, air transport should have a similar flexibility of movement and therefore liberalization should be vigorously pursued by States.
- f) ICAO should provide assistance in the liberalization process by carrying out studies and analyses of air transport situations in countries with a view to providing necessary guidance material, manuals and procedures along with recommendations as to how best to liberalize air transport in their regions.
- g) To achieve the objective in number 6 above, ICAO should provide States with different models of liberalization packages and encourage States to use them as appropriate on a regional and/or multilateral basis.
- h) ICAO should carry out studies that apprise States of the benefits of liberalization.
- i) Progressive elimination of national ownership and control restrictions, which have been traditionally embodied in the bilateral system, is necessary to free up the industry.
- j) Air transport is a fundamental vector of economic growth and development and should be treated like any other global industry.
- k) Liberalization at regional level is a good way forward in this process and can contribute to a more flexible approach to market access. ICAO can facilitate consistency in the design and implementation of liberalization policies by different regions.
- l) Liberalization can be achieved nationally, regionally, or multilaterally. ICAO can provide more active support to regional liberalization initiatives as a means to promote the sustainable economic development of air transport, including (but not limited to) developing States. ICAO should encourage States to take a comprehensive approach whereby common rules and convergence between regulations is developed in parallel with the removal of market access barriers at regional level.