

Introduction to Agenda Item 1:

Regulatory Overview –

Global and Regional





Part |

Global Trends

Highlights

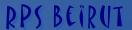
Broader trends

Broader trends that impact on international air transport:

- Political
- Economic
- Technological

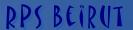
Political and economic trends

- Geopolitical
- Market economy
- Travel / tourism boom
- Globalization, liberalization, privatization



Technological trends

- Telecommunications
- Automation
- Consumer power



Air Transport trends

Regulatory

Industry

Future prospects

Regulatory trends

- Liberalization of the market place
- Changing government / industry relationships
- New regionalism
- Changing negotiating environment (EC etc)

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Airline and industry trends

- Alliances
- Global shocks to industry health
- Changing market place and travel patterns
- Industry restructuring and new business models
- Impact of automation

Future prospects

- Airline restructuring and remodeling
- New entrants and airline survival
- Regional blocs and plurilateralism
- Increasing importance of competition laws





Part II

Regulatory and industry developments

Highlights

I. Regulatory developments

- Transit agreement
- Bilateral liberalization
 - ➤650 agreements (70% with liberalization measures)
 - >87 "open skies" (70 States)

II - Regulatory developments

- Market access summary
 - >85% involved in liberalization
 - >65% involved in full market access arrangements

Regional liberalization

- 12 regional agreements and arrangements (1 EUR, 5 AF, 1 ME, 2 APAC, 3 LAM)
- 1 plurilateral (APEC "Kona")
- ? North Atlantic Open Aviation Area

World Trade Organization (WTO-OMC)

GATS

Update on developments

Industry developments

- Airline alliances
 - Codesharing and cooperation
 - ➤ Global alliances
- Privatization
- Mergers, acquisitions and transnational ownership

Regional developments in the Middle East

- Liberalization
- Bilateral links and traffic links (WP/3, Appendices B and C)
- State aid and support
- Privatization and ownership
- Alliances