



**Asia-Pacific
Economic Cooperation**

2015/TPTWG41/AEG-SRV/002

Air Services Sub-Group Meeting - Final Report

Purpose: Information
Submitted by: AEG-SRV Chair (United States)



APEC
PHILIPPINES
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**Air Services Sub-Group Meeting
Jeju, Korea
27-28 May 2015**

Air Services Sub-group (AEG-SRV) - Final Report

Summary Report to AEG for the Closing Plenary:

- 1. At the 41st meeting, the United States and Hong Kong, China presided as chair and deputy-chair, respectively. Twenty-three (23) delegates from fifteen (15) Economies participated. In addition, one Guest participated in our meetings.**
- 2. The Air Services Sub-Group (AEG-SRV) continued discussions related to the further liberalization of air services in the region. This included a discussion on recent developments in air service liberalization, a presentation by the United States on its slot allocation processes, and an overview by Russia on regional connectivity with respect to airports in Vladivostok and Yemelyanovo. Australia also gave an overview of ICAO ATRP developments.**
- 3. The AEG-SRV reached consensus and decided to move forward with holding a special session of the Group in 2016 – either at TPTWG-42 or TPTWG-43 – that would allow Economies to hold informal bilateral consultations with one another on their respective air transport agreements.**
- 4. The United States asked Economies to volunteer to participate in the first tranche of the second phase of work on the APEC Business Aviation Initiative. The first tranche will include four Economies. The United States explained that funding for the second phase, which is self-funded, would come from two sources of funds – one from the U.S. Trade and Development Agency and the other from the U.S. Department of Transportation.**

INTRODUCTION:

Mr. Benjamin Taylor (USA), Chair of the Aviation Services Sub-group (AEG-SRV) presents this report on behalf of the Sub-group. Twenty-three (23) delegates attended the meeting on 26 May – 29 May 2015, representing fifteen (15) economies; namely Australia, China, Hong Kong China, Indonesia, Japan, Korea, New Zealand, Papua New Guinea, Philippines, Russia, Singapore, Chinese Taipei, Thailand, Viet Nam, and the United States.

Ms. Monica Chen (Hong Kong, China), served as Deputy-Chair.

ONGOING PROJECTS:

Exchange on Air Services Liberalization

Per agreement reached at TPTWG-37, Economies continued to exchange views on air services liberalization under a series of new themes.

Recent Bilateral and Multilateral Engagement on Air Services Liberalization

All Economies present summarized developments in their air service liberalization efforts since TPTWG-40.

Australia, Hong Kong China, Indonesia, Singapore, Thailand, the United States and Viet Nam indicated that they intend to attend ICAN 2015.

Outcomes from the ICAO 6th Meeting of the Worldwide Air Transport Conference

Australia gave a presentation to update delegates on the status of ongoing work in the ICAO Air Transport Regulation Panel (ATRP) meeting.

Australia noted the ATRP had not met since April 2014 but provided an update on the progress made by the ATRP Working Group responsible for developing multilateral agreements on liberalising market access and air carrier ownership and control. The Working Group Rapporteur has circulated draft texts for these agreements and Working Group members will meet in Dubai next month to discuss and refine the texts ahead of the next ATRP meeting in September.

Australia noted Working Group members from the Asia Pacific had been amongst the most positive and productive contributors thus far and hoped to build upon that at the meeting in Dubai and the next ATRP meeting.

Business Aviation Initiative

The United States asked for volunteers to participate in the first tranche of Economies that will be studied as part of the second phase of work on the AEG-SRV's business aviation initiative. This second phase of work will build on the APEC core principles on business aviation, which were endorsed by APEC Transportation Ministers at TMM8, by collecting information on Economy-specific economic regulations and operational considerations with respect to business aviation operations. The United States explained that it will self-fund the second phase of the Initiative with two funding sources – one from the U.S. Trade and Development Agency and the other from the U.S. Department of Transportation. The United States hopes to formally announce commencement of this second phase of the APEC Business Aviation Initiative at the APEC Transportation Ministerial (TMM) in Cebu City, Philippines in October 2015.

Special Session of the AEG-SRV

The AEG-SRV endorsed the idea of holding a special session of the AEG-SRV that would allow Economies to hold informal bilateral consultations on their respective air services agreements. It was determined that informal consultations would be preferable to formal negotiations given that this would not create the need to expand delegations. In terms of timing, the Group decided to explore the possibility of holding this special session during TPTWG-42 or TPTWG-43, both scheduled for 2016. The United States explained that such a session would directly support the AEG-SRV's mandate to promote the further liberalization of air transportation policies within the APEC region. Economies supported holding the special session up to half of the allotted time of the AEG-SRV during the given TPTWG. The United States took these comments into account and committed to follow-up inter-sessionally.

Compilation of APEC Economies' Slot Allocation Guidelines

The United States made a presentation on this topic. The presentation is attached to this report.

The United States proposed that the AEG-SRV develop a standardized slot allocation questionnaire. Information from previous Economy presentations on slot allocation could be plugged into this questionnaire. Economies that present in the future could then complete the questionnaire, which would allow the Group to have a compilation of all presentations to date.

Consumer Protection Regulations

No Economies made a presentation under this work stream at TPTWG-41.

Competition Law

Singapore suggested that Economies consider presenting on their respective competition law frameworks with regard to air transport at future meetings of the AEG-

SRV, in addition to presentations on consumer protection and slot allocation policies under existing work items.

LINKAGES TO MINISTERS' AND LEADERS' DIRECTIVES:

The ongoing work program of the AEG-SRV supports Transportation Ministers' directive, per the TMM8 joint statement, to pursue an open and liberal international aviation regime that is conducive to commercial and economic growth across the APEC region. This work program also supports APEC's broader goals related to economic development, trade facilitation, and integration – including the Bogor Goals.

CLASSIFICATION OF MEETING DOCUMENTS

There were no documents tabled at the meeting that were considered to require restricted access.

ATTACHMENTS (Pending)

- Attendance Sheet
- United States Slot Allocation Presentation
- Russia Yemelyanovo Airport Presentation
- Russia Vladivostok Airport Presentation