



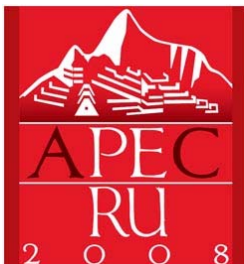
**Asia-Pacific  
Economic Cooperation**

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2008/TPT-WG31/AEG-SRV

**AVIATION EXPERTS GROUP (AEG)  
AIR SERVICES SUB-GROUP (AEG-SRV)  
FINAL REPORT**

**Purpose: Information  
Submitted by: Chair  
Thailand**



**31<sup>st</sup> APEC Transportation Working Group Meeting  
Lima, Peru  
25-26 August 2008**



**AIR SERVICES SUB-GROUP (AEG-SRV): Final Report**  
**31<sup>ST</sup> APEC TRANSPORTATION WORKING GROUP**

**1. Introduction:**

Thailand, as the Chairman of AEG-SRV, presents this report on behalf of the Air Services Sub-Group. 12 economies attended the meeting on 25-26 August 2008 namely: Australia; the People's Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; New Zealand; Peru, the Republic of the Philippines; Singapore; Chinese Taipei; and Thailand.

Attached is the list of economies' representatives and contact details (Attachment)

Given no volunteers for the vacant position of Deputy Chair, economies agreed to rotate the position with Australia assisting with TPTWG31 and New Zealand agreeing to fill the position for TPTWG32. The Chair noted his current occupancy would finish in June 2009. It was agreed by all economies both positions would be offered as vacant at the next meeting in Singapore in July 2009 and all would consider and consult on their potential availability.

A highlight of the meeting was the sub-group's good discussion on the perceived limited progress against the Bogor Goals and the future of the group. Economies agreed the group was an important tool for sharing information and encouraging and monitoring progress on the liberalization of air services. The group also noted the poor response to the survey to update the 8 Options and agreed a strategy for taking this forward to ensure a progress report on liberalization is available for Ministers for TMM 6.

**2. Ongoing Projects and issues:**

**2.1 International Air Transport Policies and Development:** Members noted with interest a presentation on Peru's air transportation and connectivity in Peru and oral reports on their international aviation policies and developments on air services. Peru also expanded on some challenges they face in relation to ownership, tariffs and

cabotage which provided a useful exchange of information. Economies agreed to continue this exchange at future AEG-SRV meetings.

## **2.2 Implementation of Action Plan**

**2.2.1 To select one or two of the 8 Options as the annual priority :** The meeting agreed to select another option to examine in detail from the 8 Options as the next annual priority once the response on multiple airline designation issue is completed (for meeting in July 2009).

**2.2.2 A survey on Air Services Agreements: Bogor Goal and Air services Sub-group:** The issue of progress against the Bogor Goals was discussed in some detail. Economies agreed a progress report on liberalization of air services would be timely and it was agreed the Report commissioned for TMM5 on the *Liberalization of Air Services in the APEC Region 1995-2005* be revisited and used as a base. The Chair and Deputy Chair agreed to actively pursue those economies which had not as yet responded to the 8 Options survey and assess the existing nine responses to ensure fulsome reports. Australia agreed to then use the latest 8 Options update to seek a progress report on liberalization against the 1995-2005 Report.

Economies were asked to consider providing for the next meeting, examples of some difficulties they have experienced with various options for more comprehensive discussion and information sharing.

### **3. New Project Proposals and Emerging Issues:**

8 Options to be updated by all economies

### **4. Projects Completed and Results Achieved:**

12 economies still to respond to 8 Options Survey

### **5. Linkages to Ministers' and Leaders' Directives:**

#### **TMM5 Directives Table**

The meeting updated the TMM 5 Directives table on items 3 and 14 to reflect progress. Consistent with the AEG Air Services sub group Action Plan, Multiple Airline Designation was agreed as first priority for annual review from the 8 Options in 2008. Responses to date suggest multiple designation of carriers is widely accepted across

the APEC region. Also included in the table was the review of progress against the 8 Options to be finalized in 2009.

## **TMM6**

Economies discussed possible themes and input for TMM6. It was agreed air traffic management, fuel efficiency and emissions reduction were all important aviation issues that should be included.

### **Suggested Words for TMM6 Ministerial Statement**

In an environment of continued volatility and challenges to aviation, economies have achieved greater liberalization of aviation markets in the APEC region. Economies recognize the importance of continuing to aspire towards the Bogor Goals and will work together to enhance collective progress against the 8 Options for liberalized air services.

As air services are predicted to continue to grow in the region, economies are committed to improving performance for more competitive air services with fair and equitable opportunity as agreed by Leaders in 1994.

## **6. Economy Reports:**

**International air transport policies and developments:** All economies reported to the meeting on recent developments in relation to their policies on international air transport. Some have adopted more liberal regimes, while others' policies remain the same.

## **7. HRD Initiatives and Progress:**

None

## **8. Future Work Program:**

8.1 Update report on progress against 8 Options to be pursued and finalized before TPTWG 32 in Singapore.

8.2 Economies to continue implementing the Action Plan for Liberalization and Facilitation of Air Services

## **9. Required Amendments to the (Modal Group) Work Plan:**

None

## **10. Recommendations for Modal Group Chair and HOD Two Meeting:**

10.1 Note the strategy for rotating sub group Deputy Chair position and that both offices will become vacant at TPTWG 32 in Singapore

10.2 HODs to emphasize to economies the importance of responses from ALL regarding progress against the 8 Options to ensure we are in a position to report to Ministers on progress on liberalization of air services at TMM6.

10.3 Note Option 5 (Multiple Airline Designation) is widely agreed across the APEC region.

10.4 Note the proposed words provided by the group for inclusion in TMM6 Statement and the suggestion for air traffic management, fuel efficiency and reduced emissions to be included as important issues for aviation.

10.5 Adopt this Report

## Attachment

**List of Participants  
Meeting of Air Services Sub-group  
TPT-WG31, Lima, Peru**

No	Title M/F	Name	Economy	Email
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