

PRESS RELEASE
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AIRLINE ASSOCIATIONS CALL FOR MORE REALISM

Heads of nine airline associations, representing collectively a broad spectrum of the global aviation industry, issued a call for a more equitable approach by regulators and governments to the industry and greater oversight of monopoly service providers, following a meeting in Brussels on 13/14 November.

Speaking on behalf of the group, the Chairman of the meeting, Mr. Richard Stirland, Director General of the Association of Asia Pacific Airlines (AAPA), said that the associations were meeting because of their increasing concern about a growing array of regulations which threatened the viability of even the most efficient carriers.

“These regulations all have a cost attached to them, sometimes severe, they are often of dubious benefit to the traveling public, and worst of all, they apply uniquely to aviation, not other modes of transport.”

Mr. Stirland continued: “Why is this? It is because there is a lack of consultation with the industry prior to directives being issued, a lack of cost/benefit analysis, a lack of transparency in the regulatory process and, sadly a lack of public awareness that ultimately they pay the price for ill conceived regulation. This simply must change.”

“The reality is that we are a global industry. Regulations imposed in one region affect all airlines serving that region.”

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.....*continue page 2/2.*

“A second major issue of concern to airlines is that of costs imposed on airlines by unregulated or poorly regulated monopoly service providers such as airports and air traffic control. Where those entities have been privatized, profit margins irrespective of market reality are virtually guaranteed; where they are government agencies, gross inefficiencies are masked by high charges and regular increases.”

The heads of airline associations had resolved to increase co-operation in order to bring home to governments and the public that these practices imposed an undue burden on air transport globally and are not merely of concern to a single country or region. In addition, they intended to challenge the wholly inadequate consultation process, to alert the public to the price they paid for regulatory overreach, to demand an end to unequal treatment of air transport vis-à-vis other industries and finally to insist on independent regulation of monopolies which provided essential services to the industry.

Mr. Stirland concluded: “The fact that airline associations from around the globe came together to devote two days to the discussion of these issues, demonstrates how serious these problems are. Unless we do something to reserve the process, aviation is going to become yet another industry brought to its knees by ill thought through regulation and legislation utterly unjustified by proper cost/benefit evaluation.”

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About the AAPA

The AAPA is a grouping of 17 scheduled international airlines based in the Asia-Pacific region. It is the trade association of the region's airlines, created to represent their interests and to provide a forum for all members to exchange information and views on matters of common concern. For more information about the AAPA, please visit the web site at www.AAPAirlines.org.

The 17 members comprise: Air New Zealand, All Nippon Airways, Asiana Airlines, Cathay Pacific Airways, China Airlines, Dragonair, EVA Air, Garuda Indonesia, Japan Airlines, Korean Air, Malaysia Airlines, Philippine Airlines, Qantas Airways, Royal Brunei Airlines, Singapore Airlines, Thai Airways International and Vietnam Airlines.

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