

# ASSOCIATION OF ASIA PACIFIC AIRLINES RESOLUTION NO. 10 Series of 2015

## A RESOLUTION ON CONSUMER PROTECTION

The AAPA ASSEMBLY OF PRESIDENTS, in its 59th meeting duly assembled,

### RECOGNISING THAT:

- I. Worldwide, more than three billion passengers travel by air annually, with air travel now an essential means of transport;
- II. The air transport industry is a highly complex system in which multiple stakeholders including governments, regulatory agencies, airlines, infrastructure operators and other service providers work closely together and are interdependent on one another to ensure the smooth functioning of the overall system;
- III. The 38<sup>th</sup> ICAO Assembly passed a resolution to develop a set of high-level, non-binding, non-prescriptive core principles on consumer protection, for use as policy guidance, which strike an appropriate balance between protection of consumers and industry competitiveness and which take into account the needs of States for flexibility;
- IV. AAPA has in the past adopted resolutions calling on governments to refrain from increasing the burden of aviation levies in any form, including Resolution No. 7, Series of 2014, "A RESOLUTION ON PASSENGER RIGHTS";

## **NOTING THAT:**

V. The functioning of the air transport system can occasionally be affected by factors beyond the control of the stakeholders, such as weather-related disturbances and other unpredictable events, but has demonstrated the ability to cope with and recover from various crises:





- VI. Over sixty governments have introduced or are proposing to introduce aviationspecific consumer protection regimes, often including overarching and highly prescriptive rules governing the treatment of customers in a variety of circumstances;
- VII. These regimes are often not coordinated with each other and include extraterritorial aspects, creating overlapping and conflicting entitlements resulting in confusion for consumers and operational difficulties for airlines;
- VIII. Certain national regimes are not consistent with existing treaty instruments, such as the 1999 Montreal Convention;
- IX. Some air passenger protection regulations may result in unintended consequences by reducing passenger convenience and connectivity whilst increasing the overall cost of travel;
- X. Airlines compete to maintain high customer service standards and competitive fares, and have in place established processes to care for passengers in the event of disruptions or crises;

### **BELIEVING THAT:**

- XI. Introducing overly-prescriptive legislation to regulate customer service reduces the incentive for airlines to innovate and offer differentiated customer service choices for competitive advantage;
- XII. The proliferation of regulations related to passenger treatment is confusing for passengers and, contrary to the stated objectives, has not led to any general improvement in the overall air travel experience;
- XIII. Air passengers are best served when they are able to make choices that best meet their needs from a wide range of competing fares and service options;

## RESOLVES:

XIV. TO RENEW THE CALL on governments to recognise the role of a competitive marketplace in incentivising airlines to respond effectively to evolving customer needs and expectations on service quality, and to refrain from introducing





legislation that would act as a disincentive to airlines to continue to compete freely on differentiated customer service standards;

- XV. TO CALL on governments to ensure that mandated regulations or measures related to consumer protection are designed from the outset to be nonprescriptive, practical, and cost-effective, taking into account the core principles on consumer protection passed by the 38<sup>th</sup> ICAO Assembly;
- XVI. TO CALL on governments to consult with industry and to conduct systemic reviews and proper cost-benefit analysis, recognising the true costs of implementing various rulemakings, and the overall impact on the travelling public.

APPROVED this 13th day of November 2015.

Certified correct:

ANDREW HERDMAN

**Director General** 

Attested by:

Garuda Indonesia 0 1 5 1 6 4 5

PRESIDENT & CEO 0 1 DEC 2015

M. ARIF WIBOWO

AAPA Chairman - 2015