

**ASSOCIATION OF ASIA PACIFIC AIRLINES  
RESOLUTION NO. 8  
Series of 2012**

**A RESOLUTION ON COMPETITIVE PASSENGER SERVICES**

The AAPA ASSEMBLY OF PRESIDENTS, in its 56<sup>th</sup> meeting duly assembled,

RECOGNISING THAT:

- I. Air travel is an essential means of transport, with the global airline industry transporting almost three billion passengers annually;
- 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;

NOTING THAT:

- III. 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;
- IV. Several governments have implemented or are proposing to introduce overarching rules governing the treatment of passengers in the event of disruptions, even if these are caused by factors outside the control of airlines;
- V. The recently-enacted US regulations aimed at reducing tarmac delays have been revealed by the US Government Accountability Office to have resulted instead in an increase in flight cancellations in the US, contrary to the overall objectives of the regulations and a reminder of the risks of unintended consequences when dealing with complex systems such as air transport;
- VI. Airlines face mounting difficulties in complying with a multiplicity of national regulations with extra-territorial impact;

- VII. Airlines compete to maintain high customer service standards and competitive fares, and have in place processes to care for passengers in the event of disruptions or crises;

**BELIEVING THAT:**

- VIII. Introducing legislation with the simplistic aim of eliminating infrequent service failures can have unintended consequences for the smooth functioning of the overall air transport system to the detriment of the travelling public, including increasing the overall cost of air travel;
- IX. Introducing overly-prescriptive legislation to regulate customer care reduces the incentive for airlines to innovate and offer differentiated customer service standards for competitive advantage;
- X. Contrary to the stated objectives, the proliferation of regulations and mandatory procedures related to passenger treatment has not led to any general improvement in the overall air travel experience;

**RESOLVES:**

- XI. TO 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;
- XII. TO CALL on governments to refrain from introducing legislation that would act as a disincentive to airlines to continue to compete freely on differentiated customer service standards;
- XIII. TO CALL on governments to ensure that mandated regulations or measures related to passenger processing and treatment are designed from the outset to be practical, cost-effective, efficient and sustainable;



XIV. 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 9<sup>th</sup> day of November 2012.

Certified correct:



ANDREW HERDMAN  
Director General

Attested by:



AHMAD JAUHARI YAHYA  
AAPA Chairman – 2012