

**ASSOCIATION OF ASIA PACIFIC AIRLINES
RESOLUTION NO. 7
Series of 2013**

A RESOLUTION ON PASSENGER RIGHTS

The AAPA ASSEMBLY OF PRESIDENTS, in its 57th meeting duly assembled,

RECOGNISING THAT:

- I. Worldwide, 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;

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. Over sixty governments have implemented or are proposing to introduce overarching and highly prescriptive rules governing the treatment of passengers in a variety of circumstances;
- V. The 38th 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;

- VI. At the 69th IATA Annual General Meeting in June 2013, airlines endorsed a set of core principles for governments to consider when adopting consumer protection regulation;
- VII. Some air passenger rights regulations may result in unintended consequences by reducing passenger convenience and connectivity whilst increasing the overall cost of travel;
- VIII. International airlines have to grapple with a patchwork of inconsistent national regulations, often with extra-territorial impact;
- IX. 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:

- X. Introducing overly-prescriptive legislation to regulate customer care reduces the incentive for airlines to innovate and offer differentiated customer service choices for competitive advantage;
- XI. 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;
- XII. Air passengers are best served when they are able to make choices that best serve their needs from a wide range of competing fares and service options;

RESOLVES:

- XIII. 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;
- XIV. TO CALL on governments to avoid 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 passenger processing and treatment are designed from the outset to be practical, cost-effective, efficient and sustainable, taking into account the principles in Annex 1 to this Resolution;
- 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.

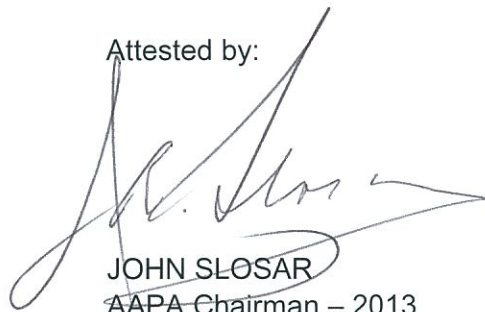
APPROVED this 15th day of November 2013.

Certified correct:



ANDREW HERDMAN
Director General

Attested by:



JOHN SLOSAR
AAPA Chairman – 2013

ANNEX 1

CORE PRINCIPLES ON CONSUMER PROTECTION

- National and regional legislation should be consistent and in accordance with the international treaty regimes on air carrier liability, established by the Warsaw Convention 1929 (and its amending instruments) and the Montreal Convention 1999;
- National and regional legislation should not interfere with another State's ability to make legitimate policy choices. Passenger rights legislation, in accordance with the Chicago Convention 1944, should only apply to events occurring within the territory of the legislating State, or outside that territory with respect to aircraft registered there.
- Passenger rights legislation should allow airlines the ability to differentiate themselves through individual customer service offerings, thereby giving consumers the freedom to choose an airline that corresponds with their desired price and service standards. Governments should consider acknowledging voluntary industry commitments, and market forces should be allowed to determine additional standards of service levels.
- Passengers should have access to information on their legal and contractual rights and clear guidance on which regime applies in their specific situation;
- Passengers should have clear, transparent access to the following information:
 - a) fare information, including taxes and charges, prior to purchasing a ticket;
 - b) The airline actually operating the flight in case of a codeshare service;
- Airlines should employ their best efforts to keep passengers regularly informed in the event of a service disruption;
- Airlines will establish and maintain efficient complaint handling procedures that are clearly communicated to passengers;
- Airlines should assist passengers with reduced mobility in a manner compatible with the relevant safety regulations and operational considerations;
- Passenger entitlements enshrined in regulations should reflect the principle of proportionality and the impact of extraordinary circumstances;
- There should be no compromise between safety and passenger rights protection:
 - Safety-related delays or cancellations, such as those resulting from technical issues with an aircraft, should always be considered as extraordinary circumstances such as to exonerate air carriers from liability for such delays and cancellations;
 - The industry recognises the right to re-routing, refunds or compensation in cases of denied boarding and cancellations, where circumstances are within the carrier's control;

- The industry recognises the right to re-routing, refunds or care and assistance to passengers affected by delays where circumstances are within the carrier's control;
 - In cases where delays or disruptions are outside an airline's control, governments should allow market forces to determine the care and assistance available to passengers;
 - The responsibilities imposed by the regulator, related to both care and assistance as well as compensation, must be fairly and clearly allocated between the different service providers involved and should not impact on the contractual freedom of all service providers.
- Passengers should be treated comparably across transport modes, taking into account the particularities of each;
 - Legislation should be clear and unambiguous