

**ASSOCIATION OF ASIA PACIFIC AIRLINES
RESOLUTION NO. 9
Series of 2019**

A RESOLUTION ON AVIATION TAXES & CHARGES

The AAPA ASSEMBLY OF PRESIDENTS, in its 63rd meeting duly assembled,

RECOGNISING THAT:

- I. Aviation is a key driver for social and economic development for all countries worldwide;
- II. Aviation contributes to 3.6% of global economic activity and supports 65 million jobs worldwide;
- III. The International Civil Aviation Organisation (ICAO), which provides guidance on taxation of international air transport as set out in Doc 8632, "ICAO's Policies on Taxation in the Field of International Air Transport", discourages levies on international air services as these would inhibit further economic development and have an adverse competitive impact on international air transport operation;
- IV. Air transport pays for its own infrastructure costs;
- V. 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. 9, Series of 2017, "A RESOLUTION ON TAXATION AND CHARGES";

NOTING THAT:

- VI. Airlines and the travelling public today already bear the burden of an increasing number of taxes and charges imposed by governments, monopolistic service providers and other agencies;

- VII. Such taxes are imposed by various States in respect of certain aspects of international air transport and charges on air passengers, several of which can be categorised as taxes on the sale or use of international air transport in contravention of ICAO policies on taxation;
- VIII. Recently introduced or increased taxes on air travel include Malaysia's Departure Levy, the New Zealand International Visitor Conservation and Tourism Levy and the imposition of various levies by different governments such as France, Germany, the Netherlands and Switzerland, under the guise of environmental initiatives;
- IX. A number of airports are imposing or increasing passenger service charges as pre-funding mechanisms to finance future infrastructure facilities;

BELIEVING THAT:

- X. Punitive or discriminatory taxes on aviation in any form contravene ICAO policies on taxation;
- XI. Unjustified taxes and charges penalise the travelling public by making air travel less affordable;
- XII. Pre-funding mechanisms impose higher charges on the travelling public without providing any associated service, and may lead to double charging;

RESOLVES:

- XIII. TO RENEW THE CALL on governments to carefully consider the overall economic effects of putting further financial strain on the travelling public and on the aviation industry, and to refrain from increasing the burden of aviation levies in any form;
- XIV. TO CALL on governments to avoid the imposition of unjustified or discriminatory taxes on international aviation, in contravention of ICAO policies.

APPROVED this 22nd day of November 2019.

Certified correct:



ANDREW HERDMAN
Director General

Attested by:



AUGUSTUS TANG
AAPA Chairman – 2019