



## **Statement on Liberalization of Air Services**

The benefit for the PBEC region of more competitive air services with fair and equitable opportunity is significant. A fast, coordinated and efficient transportation system in the Pacific region is critical to stimulating economic growth and enhancing the global competitiveness of the region. For the industry, a more competitive mechanism can facilitate the successful operation of cooperative arrangements and provide an environment conducive to more efficient and wide-ranging air services throughout the region. For consumers, competitive arrangements can allow carriers to offer more convenient access to more international destinations and lower air fares. Finally, for the communities of the Pacific region, such regimes can encourage the development of air service hubs, which often serve as effective economic development tools.

Efficient and well-developed aviation services are vitally important for PBEC member companies and their operations in the Pacific Rim. Efficient air transportation systems:

- Facilitate rapid movement by business executives and technicians throughout the region, thus ensuring that increasingly integrated regional business operations are smoothly managed, and highly specialized technical personnel readily accessible to maintain increasingly complex manufacturing and IT systems;
- Ensure low cost, dependable and rapid air freight deliveries, which are critical for corporate success in the globalizing economy, e.g. through “just-in-time” delivery, reduced inventory costs, and reliable, speedy access to consumers;
- Stimulate the development of tourism, which is a key sector in many Pacific Rim economies, and holds strong potential for growth.

PBEC supports work underway in the APEC forum to promote more competitive air services based on the eight options including: facilitating airline cooperative arrangements, including multiple carriers in bilateral agreements, reducing discriminatory “doing business” issues, liberalizing air freight, addressing air carrier ownership and control, reducing tariffs, addressing charter services and increasing market access. Further, PBEC supports the implementation of the eight options by each economy by the means most appropriate to individual circumstances based on either a bilateral, plurilateral or multilateral approach. As the voice of a broad spectrum of business in the region, PBEC applauds efforts made by each economy to implement the eight recommendations and urges further movement towards more competitive air services.

PBEC stands ready to respond to APEC Leaders’ call to action and to support activities of APEC, the APEC Business Advisory Council (ABAC), sub-regional groupings and individual economies aimed at improving air services in the region.

Endorsed by the PBEC Steering Committee 11/12/00  
Adopted by the PBEC Board of Directors 11/12/00  
2000 Mid-term Meeting, Singapore