

IMPLEMENTATION FRAMEWORK OF THE ASEAN SINGLE AVIATION MARKET

I. INTRODUCTION

1. Recognising that a well-integrated and sustainable air transportation network is imperative for the acceleration of ASEAN's economic development and market integration and to enable ASEAN to leverage its location at the cross roads of Northeast Asia, South Asia and Oceania to grow ASEAN's strategic significance to Asia, the 13th ASEAN Summit endorsed the initiative of establishing an ASEAN Single Aviation Market (ASAM) by 2015 in support of the development of the ASEAN Economic Community (AEC).

2. The development of the ASAM would include necessary actions and measures essential in improving the overall performance of the ASEAN air transport sector with respect to the independence, sovereignty, equality, territorial integrity and national identity of all ASEAN Member States. The ASAM will contribute towards a more competitive and resilient ASEAN, as it will bring people closer together and facilitate the efficient, safe and secure movement of goods, services, and capital closer together.

3. A common and coordinated approach in the areas of aviation safety, aviation security and air traffic management will facilitate the formation of the ASAM and further encourage the growth of the regional aviation sector. Recognising that this is expected to require extensive work, it is essential for ASEAN Member States to lay a framework for the implementation of the ASAM so that coordination work among ASEAN Member States can begin as soon as possible.

II. OBJECTIVE

4. The objective of this Implementation Framework is to pursue progressive development of the ASAM that is consistent with and supportive of the ASEAN Leaders' commitment in the establishment of the AEC. This seeks also to implement the Master Plan on ASEAN Connectivity and the Brunei Action Plan 2011-2015, both of which have identified the formulation of an ASAM Roadmap and its implementation strategy as a key action item.

III. ASPIRATIONS OF THE ASAM

5. The AEC aims to create a prosperous, highly competitive and economically integrated market and production base in ASEAN by 2015. The ASAM is one of the key pillars supporting the establishment of the AEC via facilitating the free, efficient, safe and secure movement of people and goods within and potentially beyond ASEAN.

6. In line with the goals set for the AEC, ASEAN Member States aspire to:

- (a) take necessary measures towards creating an efficient and competitive air transport market characterised by open market access, thereby contributing to the economic growth, competitiveness and shared prosperity of ASEAN;
- (b) move decisively towards a flexible business operating environment for the ASEAN air transport industry to foster its growth and facilitate its timely response to challenges and opportunities;
- (c) formulate consistent principles, guidelines and regulations related to activities in the ASEAN air transport sector to foster fair competition and a level playing field;
- (d) enhance aviation safety, aviation security and air traffic management through the harmonisation and convergence of standards and procedures regionally; and
- (e) further strengthen engagement with Dialogue Partners in the development of the ASEAN air transport sector, while maintaining ASEAN's centrality as the primary driving force.

IV. COVERAGE

7. Key elements of the ASAM are:

A. Economic Elements

- (a) market access;
- (b) charters;
- (c) airline ownership and control;
- (d) tariffs;
- (e) commercial activities;
- (f) competition law and policy/state aid;
- (g) consumer protection;
- (h) airport user charges;
- (i) dispute resolution; and
- (j) dialogue partner engagement.

B. Technical Elements

- (a) aviation safety;
- (b) aviation security; and
- (c) air traffic management.

V. SPECIFIC MEASURES

8. This Implementation Framework contains a Roadmap that provides specific time-bound measures that ASEAN Member States shall pursue in order to achieve the ASAM.

VI. IMPLEMENTATION MECHANISM

9. The ASEAN Senior Transport Officials through the Air Transport Working Group (ATWG) shall coordinate the overall implementation of measures and actions specified under this Implementation Framework. The ATWG shall be supported by the ASEAN Air Transport Economic Cooperation and the ASEAN Air Transport Technical Cooperation Sub-Working Groups.

10. Regular consultations with relevant ASEAN sectoral bodies, international organisations, private sector, industry associations and wider community at the regional and national levels will also be actively sought to ensure participation of all stakeholders in establishing the ASAM.

11. The 'ASEAN Minus X formula' may be invoked in the implementation of agreed measures of the ASAM. Flexibility should be accorded in the implementation of the ASAM, which shall be pre-agreed and not delay the overall progress and implementation of the ASAM.

12. Support for the implementation of the measures under this Implementation Framework can be sought from various stakeholders including ASEAN Dialogue Partners.

13. Two-yearly Work Plans will be developed for the implementation of the measures under the Roadmap.

14. The Roadmap under this Implementation Framework may be periodically reviewed to ensure that the Roadmap remains relevant and in keeping with the development of the ASAM.

VII. ROADMAP FOR THE ECONOMIC ELEMENTS OF THE ASAM

Subject	Measures	Timeline
Market Access	<p>Consistent with paragraph 11 of Part VI (Implementation Mechanism) of this Implementation Framework:</p> <p>Ratify/Accept and implement the ASEAN Multilateral Agreement on the Full Liberalisation of Air Freight Services (MAFLAFS) and its Protocols 1 and 2 as soon as possible, in support of the establishment of the AEC by 2015, noting that the implementation timeline of the MAFLAFS and its Protocols 1 and 2 as agreed by the ASEAN Transport Ministers is 31 December 2008.</p>	2008
	<p>Ratify/Accept and implement the ASEAN Multilateral Agreement on Air Services (MAAS) and its Protocols 1 to 6 as soon as possible, in support of the establishment of the AEC by 2015, noting that the implementation timelines of the MAAS as agreed by the ASEAN Transport Ministers are 31 December 2008 for Protocol 5 and 31 December 2010 for Protocol 6.</p>	Protocols 1-5: 2008 Protocol 6: 2010
	<p>Sign the ASEAN Multilateral Agreement on the Full Liberalisation of Passenger Air Services (MAFLPAS) by 2010, and ratify and implement the MAFLPAS and its Protocols 1 and 2 as soon as possible, in support of the establishment of the AEC by 2015, noting that the implementation timelines of the MAFLPAS as agreed by the ASEAN Transport Ministers are 30 June 2010 for Protocol 1 and 30 June 2013 for Protocol 2.</p>	Protocol 1: 2010 Protocol 2: 2013
	<p>Review the implementation of MAAS, MAFLAFS and MAFLPAS and commence discussion on the possibility of further liberalisation of market access, if necessary.</p>	2016-2020
Charters	<p>Liberalise charters on international routes, which are not served by scheduled airlines. Consider all other cases on a case-by-case basis.</p>	2015
Ownership and Control	<p>Work towards adoption of the principal place of business and effective regulatory control criteria in the designation of airlines of ASEAN Member States.</p>	2015
	<p>Commence discussion on further liberalisation of ownership and control of airlines of ASEAN Member States, including the concept of an 'ASEAN Community Carrier'.</p>	2016-2020
Tariffs	<p>Work towards no filling of tariffs.</p>	2015

Subject	Measures	Timeline
Commercial Activities, e.g: - Airline commercial arrangements - Establishment of offices - Sales and marketing of air services - Aircraft leasing - Bringing in of non-national personnel to operate air services - Ground-handling - Airport access - Computer Reservation Systems - Maintenance, repair and overhaul services	Provisions for commercial activities to be liberalised except where there are existing contractual obligations.	2015
	Services to be provided on a non-discriminatory basis.	2015
	Provisions for commercial activities to be liberalised as existing contractual obligations phase out.	2016-2020 and beyond
Competition Law	To be governed by ASEAN all-sector approach.	2015
Consumer Protection	To be governed by ASEAN all-sector approach.	2015
Airport User Charges	To be established in line with ICAO principles and guidelines.	2015
Dispute Resolution	To be governed by the ASEAN Enhanced Dispute Settlement Mechanism.	2015
Dialogue Partners Engagement Mechanism	Further strengthen engagement with Dialogue Partners in the development of the ASEAN air transport sector, while maintaining ASEAN's centrality as the primary driving force. Conclude Air Transport Agreements with China by 2010, India, the ROK and possibly other Dialogue Partners, not later than 2015.	2015
	Consider concluding Air Transport Agreements with other partners.	2016-2020 and beyond

VIII. ROADMAP FOR THE TECHNICAL ELEMENTS OF THE ASAM

Subject	Measures	Timeline
Aviation Safety	Align regulatory capability and safety standards with ICAO SARPs.	2012
	Identify priority areas for human resource development and training related to aviation safety.	2012
	Develop a mutual recognition instrument, i.e. Mutual Recognition of Aviation Related Certification Agreement.	2012
	Develop an inventory of standards to facilitate the preparation of Mutual Recognition of Aviation Related Certification Agreement.	2012
	Establish a framework to share ramp inspection information among ASEAN Member States.	2012
	Establish mutually agreed minimum standards and capabilities for the purpose of possible mutual recognition.	2015
	Commence mutual recognition for selected components of the following priority areas of: <ul style="list-style-type: none"> • air operator certification; • aircraft airworthiness (approved maintenance organisation); and • flight crew/engineer licensing, in accordance with the Mutual Recognition of Aviation Related Certification Agreement instrument.	2015
	Conclude Mutual Recognition of Aviation Related Certification Agreement for remaining safety areas.	Beyond 2020
	Develop and implement a 'common rules' framework, which comprises a common set of ASEAN-wide aviation safety rules.	Beyond 2020
Establish an appropriate ASEAN aviation safety setup.	Beyond 2020	

Timeline Reference

2012 **Milestone 1: Alignment of Safety Standards and Regulatory Capability with ICAO Standard and Recommended Practices**

2015 Milestone 2: Establishment of Safety Standards for ASEAN and Working towards Mutual Recognition Starting with Priority Areas
 Beyond 2020 Milestone 3: Consideration for Common Rules

Subject	Measures	Timeline
Aviation Security	Share information on latest trends and developments in aviation security, including the experiences and knowledge on the use of technology.	2012
	Leverage existing aviation security point of contact networks of ASEAN Member States to facilitate the process of information sharing among Member States.	2012
	Identify areas for capacity building by ASEAN Member States.	2015
	Leverage existing capacity building mechanisms such as those offered by the ICAO Asia and Pacific Regional Office, as well as new mechanisms.	2015
	Align aviation security measures with ICAO Standards.	2015
	Develop practical, harmonised and cost effective measures in key areas of aviation security.	Beyond 2020
	Harmonise areas such as screening technology and processes for screening of liquids, aerosols and gels (LAGS), passenger pre-board screening, air cargo and supply chain security.	Beyond 2020
	Enable ASEAN to engage other regional entities to better facilitate air travel to ASEAN and onward to other destinations.	Beyond 2020

Timeline Reference

2012 Milestone 1: Sharing of Aviation Security Best Practices and Information
 2015 Milestone 2: Promotion of Capacity Building Activities to Enhance Aviation Security in ASEAN
 Beyond 2020 Milestone 3: Harmonisation of Aviation Security Measures in ASEAN

Subject	Measures	Timeline
Air Traffic Management	Develop an inventory or share information for the purpose of gap analysis.	2012
	Identify and endorse key enabling technologies and initiatives for regional implementation.	2012
	Support ICAO's efforts and implementation plan for air traffic management in the Southeast Asia Region.	2012
	Enhance training for the identified key technologies and initiatives.	2012
	Continue to support ICAO's efforts and implementation plan for air traffic management in the Southeast Asia Region.	2015
	Track European Union's 'Single European Sky Air Traffic Management Research Programme (SESAR)' and Federal Aviation Administration's next Generation Air Transportation System (NextGen) and other regional concepts/developments. Adapt concepts/framework/technologies and/or identify new building blocks that may be essential for harmonisation of air traffic management procedures.	2015
	Explore options for an ASEAN Air Traffic Management Harmonisation Master Plan.	2015
	Integrate some of these initiatives together with the other stakeholders such as IATA, CANSO, ICAO, etc.	Beyond 2015
	Review the key elements/building blocks and work towards full harmonisation of air traffic management procedures.	Beyond 2015
	Seek to comply with the interoperability of air traffic management requirements together with the rest of the Asia-Pacific region.	Beyond 2015

Timeline Reference

- 2012** **Milestone 1: Establishment of Vision, Scope and Timeframe for Achieving Standardisation and Modernisation of Air Navigation Services Systems**
- 2015** **Milestone 2: Harmonisation of Airspace Procedures**
- Beyond 2015** **Milestone 3: Working Towards Full Harmonisation of Airspace Procedures and Exploration of Interoperability of Air Traffic Management Systems**

