2004 ASEAN SECTORAL INTEGRATION PROTOCOL FOR AIR TRAVEL

Signed in Vientiane, Lao PDR on 29 November 2004

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The Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic (hereinafter referred to as "Lao PDR"), Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam, Member States of the Association of South East Asian Nations (hereinafter collectively referred to as "ASEAN" or "Member States" or singularly as "Member State");

RECALLING the Declaration of ASEAN Concord II (Bali Concord II) issued in Bali, Indonesia on 7 October 2003, pursuant to which ASEAN is committed to deepen and broaden its internal economic integration and linkages with the world economy to realise an ASEAN Economic Community;

DESIRING that the ASEAN Economic Community will result in ASEAN becoming a single market and production base, turning the diversity that characterises the region into opportunities and business complementation to make ASEAN a more dynamic and stronger segment of the global supply chain;

NOTING that as a first step towards the realisation of the ASEAN Economic Community, the Leaders have signed the ASEAN Framework Agreement for the Integration of Priority Sectors on 30th November 2004 in Vientiane, Lao PDR (hereinafter referred to as the "Framework Agreement");

HAVING carried out an initial round of negotiations and concluded the roadmap for the full integration of the air travel sector in ASEAN,

HAVE AGREED AS FOLLOWS:

ARTICLE 1 OBJECTIVE

The objective of this Protocol is to spell out measures as in the Roadmap referred to in Article 2 to be taken by Member States on a priority basis so as to enable the progressive, expeditious and systematic integration of the air travel sector.

ARTICLE 2 MEASURES

- The integration measures to be pursued are grouped into two broad categories, taking into account existing agreements or earlier relevant committed measures, namely: (a) Common measures which cut across all priority sectors as specified in the Framework Agreement; and (b) Specific measures that are of direct relevance to the air travel sector.
- 2. All categories of measures shall be pursued in parallel.
- 3. The ASEAN Transport Ministers (ATM) through STOM and its relevant Working Group(s) may conduct additional negotiations, as and when necessary, to consider new integration measures for the sector.

ARTICLE 3 APPENDICES

The Roadmap for Integration of Air Travel Sector shall be Appendix I to this Protocol and shall form an integral part of it.

Additional measures other than those identified in the Appendix I may be introduced, as and when deemed necessary through an amendment pursuant to paragraph 2 of Article 4 of this Protocol.

ARTICLE 4 FINAL PROVISIONS

- 1. Member States shall undertake the appropriate measures to fulfill the agreed obligations arising from this Protocol.
- 2. The provisions of this Protocol may be modified through amendments mutually agreed upon in writing by all Member States.
- 3. This Protocol shall enter into force on 31 August 2005. Notwithstanding the specified date of entry into force, Member States undertake to carry out the obligations which arise prior to the date of entry into force of this Protocol in accordance with the timelines indicated in the Framework Agreement for the Integration of Priority Sectors and the Roadmap for Integration of Air Travel Sector attached to this Protocol.
- 4. This Protocol shall be deposited with the Secretary-General of ASEAN, who shall furnish a certified copy to each Member State.

IN WITNESS WHEREOF, the undersigned, being duly authorised thereto by their respective Governments, have signed the ASEAN Sectoral Integration Protocol for Air Travel.

DONE at Vientiane, Lao PDR on 29 November 2004, in a single copy in the English language.

For the Government of Brunei Darussalam: **ABDUL RAHMAN TAIB**, Minister of Industry and Primary Resources

For the Government of the Kingdom of Cambodia: **CHAM PRASIDH**, Senior Minister and Minister of Commerce

For the Government of the Republic of Indonesia: MARI ELKA PANGESTU, Minister of Trade

For the Government of the Lao People's Democratic Republic: **SOULIVONG DARAVONG**, Minister of Commerce

For the Government of Malaysia: RAFIDAH AZIZ, Minister of International Trade and Industry

For the Government of the Union of Myanmar: **SOE THA**, Minister of National Planning and Economic Development

For the Government of the Republic of the Philippines: **CESAR V. PURISIMA**, Secretary of Trade and Industry

For the Government of the Republic of Singapore: LIM HNG KIANG, Minister for Trade and Industry

For the Government of the Kingdom of Thailand: WATANA MUANGSOOK, Minister of Commerce

For the Government of the Socialist Republic of Vietnam: TRUONG DINH TUYEN, Minister of Trade

APPENDIX I ROADMAP FOR INTEGRATION OF AIR TRAVEL SECTOR

I. OBJECTIVE

The objective of this initiative is to advance the full liberalisation of air transport services in ASEAN, to achieve the ASEAN Leaders' vision of Open Sky in the ASEAN region. This Roadmap will build upon the Roadmap for ASEAN Competitive Air Services Policy adopted by the Ninth ATM Meeting in Yangon, Myanmar in October 2003. The Roadmap will complement the overall policy goals of the Action Plan for ASEAN Air Transport Integration and Liberalisation to be adopted at the Tenth ATM in Phnom Penh, Cambodia in November 2004.

II. MEASURES

This Roadmap provides concrete actions that ASEAN Member Countries shall pursue to achieve greater and significant air transport liberalisation in ASEAN, through a staged and progressive implementation. This roadmap includes issues specific to a) Liberalisation of air freight services; and b) Liberalisation of scheduled passenger services.

In the implementation, two or more ASEAN Member Countries who are ready can negotiate, conclude and sign implementing agreements/arrangements in line with the ASEAN-X Formula, on a plurilateral, multilateral or sub-regional basis. The other Member Countries could join in the implementation when they are ready. ASEAN Member Countries can also conclude more liberal bilateral arrangements for air services liberalisation.

ASEAN Member Countries shall be provided flexibility with regard to the implementation of the proposed timeline for the specific measures.

III. COVERAGE

The liberalisation measures will cover the movement/carriage of both passengers and cargo or freight by air transport.

NO.	MEASURES	IMPLEMENTING BODY	TIMELINE				
SPECIFIC ISSUES							
Ι.	Liberalisation of Air Freight Services						
1.	Liberalisation of air freight services with no limitation of third and fourth freedom traffic rights and with increased tonnage and additional designated points to those stated in the ASEAN MOU on Air Freight Services (2002)	Senior Transport Officials Meeting (STOM) through Air Transport Working Group (ATWG)	December 2006				

2.	Full liberalisation of ASEAN air freight services		December 2008		
II.	Liberalisation of Scheduled Passenger Services				
3.	Liberalisation of scheduled passenger services with no limitations on third and fourth freedom traffic rights for all designated points within the ASEAN sub-regions	STOM through ATWG	December 2005		
4.	Liberalisation of scheduled passenger services with no limitations on third and fourth freedom traffic rights for at least two designated points in each country between the ASEAN sub-regions		December 2006		
5.	Liberalisation of scheduled passenger services with no limitations on fifth freedom traffic rights for all designated points within the ASEAN sub-regions		December 2006		
6.	Liberalisation of scheduled passenger services with no limitations on fifth freedom traffic rights for at least two designated points in each country between the ASEAN sub-regions		December 2008		
7.	ASEAN-wide liberalisation of scheduled passenger services, with no limitations on third and fourth freedom traffic rights for the capital city in each ASEAN Member Country		December 2008		
8.	ASEAN-wide liberalisation of scheduled passenger services, with no limitations on fifth freedom traffic rights for the capital city in each ASEAN Member Country		December 2010		

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9.	Enhancing capacity building programmes to facilitate transition towards full air services liberalisation	STOM through ATWG	2005-2010