

EU/ASEAN Comprehensive Air Transport Agreement

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PURPOSE: to conclude, on behalf of the Union, the comprehensive air transport agreement between the Member States of the Association of Southeast Asian Nations (ASEAN), on the one hand, and the European Union and its Member States, on the other hand.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the ASEAN Member States are among the fastest growing economies in the world and represent a total market of over 650 million people. With 11.2 million passengers in 2019, ASEAN as a whole is **the EU's 13th largest aviation partner** and still has significant room for growth. Current bilateral aviation agreements between Member States and individual ASEAN Member States provide for some mutual market access, which remain unequal from one country pair to another. Furthermore, those bilateral agreements lack adequate provisions on

essential elements to avoid abuses of a liberalised marketplace such as fair competition, transparency or social matters.

On 6 May 2022, the Commission presented a proposal for a Council decision authorising the signature, on behalf of the Union, of the Comprehensive Air Transport Agreement between the Member States of the Association of South East Asian Nations, on the one hand, and the European Union and its Member States, on the other hand, subject to the conclusion of the said Agreement.

CONTENT: the purpose of this proposal is to approve the conclusion of the **comprehensive air transport agreement** between the Member States of the Association of Southeast Asian Nations, on the one hand, and the European Union and its Member States, on the other hand.

The Agreement aims, inter alia, to ensure fair competition between the EU and the ASEAN Member States, as well as to promote gradual market opening and increased access to routes and capacity, thereby benefitting consumers and the economy.

The Agreement governs the provision of air transport services by EU air carriers to, from or within the territory of ASEAN Member States, and by air carriers of ASEAN Member States to, from or within the territory of the EU, as well as the provision of certain services related to such air transport services.

The Agreement creates simultaneously for all Union air carriers equal and uniform conditions for market access, and establishes new arrangements for regulatory co-operation and convergence between the Union and the ASEAN Member States in fields essential for the safe, secure, and efficient operation of air services.

The Agreement:

- includes detailed provisions on subsidies, anti-competitive practices and transparency, as well as strong enforcement mechanisms, thereby contributing to a level playing field for air services between the EU and

ASEAN Member States, as well as between the EU and other destinations, operated through ASEAN Member States;

- ensures that all EU air carriers have access to commercial opportunities, such as ground handling, code-sharing and intermodality, as well as the possibility to freely establish prices;
- contains provisions on social matters which commit the parties to improve employment and social policies in line with their international commitments, notably in the framework of the International Labour Organisation (ILO);
- establishes a framework for cooperation between the EU and ASEAN Member States to minimise the environmental impact of aviation, including greenhouse gas emissions associated with the industry.