

Resolution on Aeropolitical Issues

Following a number of developments at the Aeropolitical front, AACO 51st AGM decides the following:

First, with regards to the European Commission's proposal amending EU reg. 868/2004 on competition in air transport with third countries:

AACO member airlines to take into consideration the results and recommendations of the legal study commissioned by AACO on remedies that Arab airlines and states can use if the revised 868 is adopted and triggered against any of these entities, and

Member airlines to also recommend to their governments to take the mentioned recommendations and results into account.

Second, with regards to the EU Package Travel Directive

AACO member airlines to direct the relevant personnel internally to take the recommendations circulated by AACO into account (that followed a dedicated workshop for this issue), in order to install the necessary procedures for the purpose of reducing the risks of new liabilities under the EU Package Travel Directive.

Third, with regards to the EU General Data Protection Regulation (GDPR)

AACO member airlines to ensure that internal legal and technical procedures have been put in place to ensure compliance to the EU GDPR.

Fourth, with regards to Regional and International Conventions related to Air Transport:

- Revised convention on mutual exemption of taxes and charges on activities and equipment of Arab carriers (Tunis Convention)

AACO's AGM presents its thanks to the League of Arab States; and, Commends the efforts of the Aeropolitical Watch Group and Secretariat General of AACO, and the Arab Civil Aviation Organization in amending this convention; and,

Thanks the Council of Arab Transport Ministers, the Council for Economic and Social Affairs, and the Council of the League of Arab States for adopting the new version of the convention.

AACO's AGM also calls on member airlines to follow up on the ratification of the new text of the convention by Arab states and mandates the Secretariat General of AACO and the Aeropolitical Watch Group to follow up on the matter and inform the AGM of updates;

- Montreal Protocol 2014

AACO 51st AGM urges governments, that have not ratified Montreal Protocol 2014, to do so as a matter of urgency in order to have an international legal instrument come into force that would strengthen dealing with unruly passengers in a more effective way, and would help in preventing future incidents.

- **Montreal Convention 1999**

AACO 51st AGM urges Arab governments, that have not ratified Montreal Convention 1999 to do so the soonest possible due to the benefits that the convention brings to passengers, airlines, and cargo shippers.

Resolution on User Charges

The International Civil Aviation Organization calls on governments to be guided by Doc 9082 when reviewing levels of airport and air navigation charges whereby the document calls on adopting a number of principles in that regard, most importantly:

1. To conduct consultations with operators
2. Levels of charges to reflect the cost of provided services and facilities
3. Changes to charges to be introduced on gradual basis

And other important principles listed in the document

Due to the big role that air transport plays in sustainable development and due to the importance of enhancing the touristic competitive position of Arab states;

And as a number of Arab states reviews the levels of airport and air navigation charges from time to time;

AACO's AGM calls on Arab governments to follow the principles set out in ICAO's guiding Doc 9082 and to conduct analysis of the financial effect of the newly proposed charges on the operations of airlines so that the increase in charges does not reflect a decrease in the touristic attractiveness of the country; as the increase in charges will definitely reflect an increase in air transport prices.

Resolution on Value Added Tax (VAT)

Based on ICAO's recognized and agreed upon guidelines with regards to taxation and its resolutions thereon; and

Referring to the new text of the Tunis Convention (for the mutual exemption of taxes and charges on activities and equipment of Arab carriers) adopted by the Arab League in various bodies;

AACO 51st AGM calls upon states around the world and particularly members of the League of Arab States to:

1. Follow the guidelines and resolutions of ICAO
2. Fully exempt international air transport from VATs
3. Facilitate the procedures of reclaiming all VATs paid by airlines
4. Refrain from imposing counterproductive taxes on international air transport activities, since the revenues raised are far outweighed by the economic benefits that are relinquished as a result of reduced demand for air travel and air cargo shipments.

AACO 51st AGM also directs AACO to continue its cooperation with regional and international organizations to advocate with governments regarding the above 4 points.