

**Bandar Seri Begawan,
Brunei Darussalam
November 16, 2000**

**Joint Statement on the Liberalization of International Air Transportation
by Brunei Darussalam, Chile, New Zealand, Singapore,
and the United States of America.**

Brunei Darussalam, Chile, New Zealand, Singapore, and the United States of America, hereby announce that our governments have reached agreement in principle on the Multilateral Agreement on the Liberalization of International Air Transportation, the world's first multilateral "Open Skies" air transport agreement. In negotiating this agreement, our governments recognized that air services play an increasingly vital role in the global economy. The availability of efficient, competitive air transportation is critical for the rapid circulation of people, products, and services throughout the markets of the world. Aviation is also directly important to our economies: air transport contributes over \$1 trillion in global economic activity, and creates more than 22 million jobs.

To meet anticipated growth in the demand for air services, we jointly decided that our governments should find new ways to encourage the development of air services under market conditions. Only by maintaining a vigorous, competitive international air transport system will our economies be able to benefit fully from the expansion of international trade and commerce, including the growth of e-commerce.

The Multilateral Agreement represents an historic step forward for international aviation. It marks the first time that economies separated by great distances have undertaken to replace a series of bilateral air transport agreements with a single multilateral agreement based on "Open Skies" principles. The Agreement will provide important benefits that were not available under the bilateral system by improving the ability of airlines to obtain cross-border financing on international capital markets, creating a new, streamlined mechanism for the expanded exchange of aviation opportunities, and allowing countries to liberalize their international aviation relationships by joining a single multilateral agreement and avoiding the need to negotiate numerous bilateral air transport agreements with individual countries.

We believe the Multilateral Agreement is a ground-breaking understanding that will become a cornerstone in efforts to liberalize international air transport, generate economic growth, and create a system allowing air carriers to effectively meet the growing needs of passengers, businesses, and e-commerce in the twenty-first century. We welcome and encourage other APEC member economies and other countries worldwide to study the Multilateral Agreement, and we invite them to join it.

Recognizing the potential benefits of concluding the Agreement, our governments are taking the necessary steps to permit signature and to bring the Agreement into force.