

ASEAN-EU Comprehensive Air Transport Agreement: Perspectives from Both Regions

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Netherlands Ministry of Infrastructure and
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Background

The governments of the Member States of the European Union (EU) and the Association of Southeast Asian Nations (ASEAN) signed the Comprehensive Air Transport Agreement (CATA) in 2022. On the occasion of the signature, the ASEAN Member States, the EU and its Member States made statements, among others, indicating their intention to take all necessary steps, in accordance with their respective applicable laws and regulations, to bring the CATA into force in accordance with Article 33 of the agreement as expediently as possible. Currently, the Dutch Lower House of Parliament (*Tweede Kamer*) is considering a bill to ratify the agreement.

Steven Truxal appeared at the *Tweede Kamer* hearing with a position paper for the Netherlands Ministry of Infrastructure and Water Management. He discussed the potential benefits and challenges from both regional perspectives regarding the CATA once it enters into force.

This publication builds upon the position paper presented by Truxal at the *Tweede Kamer* hearing. While the original piece (which can be accessed through the parliament [website](#)) provided a focused observation specifically tailored to emphasise the most important aspect for the hearing, this expanded version offers additional context on the key provisions of the CATA for academic research purposes. The core observation of benefits and challenges from EU and ASEAN perspectives remains consistent with the original submission.

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1. Introduction

The founding States of the Convention on International Civil Aviation ('Chicago Convention') decided in 1944 to close their sovereign airspace *de jure* to foreign aircraft engaged in scheduled international air services with the possibility, at a State's discretion, expressly to authorise air services by way of an air services agreement (ASA). One of two multilateral ASAs from 1944 that persists to today is the International Air Transit Agreement, which permits the aircraft of State parties that have ratified it to overfly the territories of the other parties and to land for non-traffic purposes (e.g., emergencies). Traditionally, ASAs were negotiated between two States to exchange air traffic rights between their territories: notably from the Dutch perspective, third freedom (e.g., a KLM flight from Amsterdam to Singapore) and fourth freedom (e.g., a KLM flight from Singapore to Amsterdam). In the absence of an agreement between the Kingdom of the Netherlands and Singapore, Dutch and Singaporean airlines would have no right to market or operate said flights let alone behind or beyond points. In the European Union (EU) context, any EU airline has the right under EU law to establish itself and operate from any EU airport. The example of the Netherlands-Singapore ASA cannot limit rights to Dutch airlines; Lufthansa or LOT Polish Airlines must enjoy the same traffic rights. This position was clarified via the European Court of Justice 'Open Skies Judgments' in 2002, in which the bilateral ASAs between eight EU Member States and the United States were found not to be in conformity with EU law.¹

The EU's External Aviation Policy was thus kickstarted in 2002. Today, there are two types of EU level air services agreements: horizontal agreements and comprehensive air transport agreements (CATAs). While the horizontal agreements bring existing bilateral agreements between EU Member States and third countries in line also with EU law,² a

¹ See Case C-466/98, Commission v. United Kingdom, 2002 E.C.R. I-9427; Case C-467/98, Commission v. Kingdom of Denmark, 2002 E.C.R. 9519; Case C-468/98, Commission v. Kingdom of Sweden, 2002 E.C.R. 9575; Case C-469/98, Commission v. Republic of Finland, 2002 E.C.R. 9627; Case C-471/98, Commission v. Kingdom of Belgium, 2002 E.C.R. 9681; Case C-472/98, Commission v. Grand Duchy of Luxembourg, 2002 E.C.R. 9741; Case C-475/98, Commission v. Republic of Austria, 2002 E.C.R. 9797; Case C-476/98, Commission v. Federal Republic of Germany, 2002 E.C.R. 9855. In these decisions, so-called 'nationality clauses' were deemed to infringe Art. 43 TEU (now Art. 49 TFEU) as they were inconsistent with the single European market for air transport, and also because the agreements infringe the exclusive external competence of the EU because in areas where EU legislation affects third countries, only the EU can enter into international commitments.

² European Commission, External Aviation Policy, https://transport.ec.europa.eu/transport-modes/air/international-aviation/external-aviation-policy_en#:~:text=EU%20external%20aviation%20policy%20was,with%20EU%20law%20-%20Horizontal%20Agreements%20.

CATA establishes an altogether new ‘mixed’ agreement between the EU and its Member States on the one hand, and a third country or group of third countries on the other.

The EU negotiating process is laid down in Art. 218 Treaty on the Functioning of the European Union. It begins with the European Commission (EC), which conducts market studies and consultations, before requesting authorisation to negotiate (a mandate) from the Council. Once the negotiations are concluded, the EC initials the agreement, the Council authorises the signature, and it is passed to Member States to ratify in the manner set out by the relevant national law. Once all 27 Member States have ratified a CATA, it is sent to the European Parliament for its consent before becoming EU law. ASEAN, the EU, and their Member States began working on the ASEAN-EU CATA (henceforth ‘the CATA’) in 2016.³ It was concluded in 2021, signed in October 2022, and represents the first ‘bloc-to-bloc’ agreement of its kind.⁴ If it becomes law, the CATA would replace the existing bilateral agreements between the EU individual Member States and ASEAN individual Member States.

This research publication examines the benefits and challenges of the agreement from both the EU and ASEAN perspectives. However, before delving into the observations, the following will elaborate on the key points of the CATA and demonstrate its comprehensiveness.

2. Provisions and key points of the CATA

The CATA concerns air transport between the EU and ASEAN regions while explicitly excluding flights between ASEAN Member States.⁵ The exclusion acknowledges the existing regulatory framework established by the ASEAN Single Aviation Market agreements, which already govern intra-ASEAN air services. In the CATA, the parties grant each other’s carriers unlimited first through fourth freedom traffic rights.⁶ They also grant limited fifth freedom rights (behind or beyond to a third country)⁷ subject to Arts. 3(4-5). For example, for an ASEAN Member State, the freedom cannot be used to serve routes between an EU Member State and a third country which are already being served by an EU carrier (Singapore-Amsterdam-New York JFK). The same restriction applies *vice versa* to the EU carriers (Amsterdam-Singapore-Sydney). Additionally, Art.3(9) explicitly prohibits cabotage operations.

Each party allows airlines to freely determine flight frequency and capacity based on commercial considerations, with no restrictions except for customs, technical, operational, air traffic management safety, environmental or health protection reasons, in a non-discriminatory manner.⁸ Air carriers must secure operating authorisation and technical permission regulated under Arts 4 and 5 before operating in another party’s territory. These requirements ensure operational oversight while maintaining the

³ ASEAN, Joint Press Release on the Signing of the ASEAN-EU Comprehensive Air Transport Agreement (17 Oct. 2022), <https://asean.org/joint-press-release-on-the-signing-of-the-asean-eu-comprehensive-air-transport-agreement/>.

⁴ Similar EU comprehensive air transport agreements have been signed with other partner countries, namely the United States, Canada, Qatar, the Western Balkans, Morocco, Georgia, Jordan, Moldova, Israel, Ukraine and Armenia.

⁵ ASEAN-EU CATA, Arts 1(1-2).

⁶ ASEAN-EU CATA, Art. 3(3).

⁷ ASEAN-EU CATA, Arts 3(3)(e-f).

⁸ ASEAN-EU CATA, Art. 3(8).

agreement’s open market access.

Complementing this operational arrangement, the CATA contains provisions on ‘fair competition’ and fostering a ‘level playing field’. For instance, the parties agree to adopt or maintain competition law, establish or maintain an operationally independent competition authority, eliminate all forms of discrimination or unfair practices, and not to grant or maintain subsidies if these subsidies would adversely affect the fair and equal opportunity of the air carriers of another party to compete,⁹ with some exceptions as set out in Art. 8(3). If a party believes its airlines face unfair practices or discrimination,¹⁰ prohibited subsidies¹¹ or lack of transparency,¹² it can request consultations, measures and dispute settlement as set out in Arts. 8 (8-11).

Comprising 34 articles and an annex with Arts. A to O, the CATA also covers various other aspects of air transport.¹³ The CATA includes agreements on:

- air traffic management,¹⁴
- environmental protection,¹⁵
- air carrier liability,¹⁶
- consumer protection,¹⁷
- computer reservation systems¹⁸ and
- social aspects (labour, employment and working conditions).¹⁹
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The following table summarises the key points of the CATA.

Table 1: *Key Points of EU ASEAN CATA*

Aspect	Key Points
Aim and Objectives	ASEAN and the EU aim to enhance the air transport while ensuring fair competition and equal opportunity, efficient air transport connectivity, the highest safety and security standards, regulatory cooperation, a level playing field for air carriers, opening access to markets and maximising benefits, protecting the environment, protecting the interests of consumers, maintaining labour-related standards, and providing better access to capital. ²⁰

⁹ ASEAN-EU CATA, Art. 8.

¹⁰ Contrary to ASEAN-EU CATA, Art. 8(2)(c).

¹¹ Contrary to ASEAN-EU CATA, Art. 8(2)(d).

¹² Contrary to ASEAN-EU CATA, Art. 8(6).

¹³ Comprehensive Air Transport Agreement between the Member States of the Association of Southeast Asian Nations, and the European Union and its Member States, (hereinafter ‘ASEAN-EU CATA,’ available at: https://transport.ec.europa.eu/document/download/0cb904fo-7eee-4048-ad85-bo0742f7e664_en?filename=2022_EU%E2%80%93ASEAN_Comprehensive_Air_Transport_Agreement.pdf (last visited: 4 Apr. 2025)).

¹⁴ ASEAN-EU CATA, Art. 17.

¹⁵ ASEAN-EU CATA, Art. 18.

¹⁶ ASEAN-EU CATA, Art. 19.

¹⁷ ASEAN-EU CATA, Art. 20.

¹⁸ ASEAN-EU CATA, Art. 21.

¹⁹ ASEAN-EU CATA, Art. 22.

²⁰ *Ibid.*

	Shared intention and objectives behind the CATA are expressed in the preamble, which is at its principal “desiring to promote their interests in respect of air transport as a means of contributing to closer political and economic relations between the two regions”. ²¹
Scope	Air transport between the EU and ASEAN regions, while explicitly excluding flights between ASEAN member States. ²²
Route schedule	For air carriers of the EU: “any points in the Union – any intermediate points – any points in that ASEAN Member State – any points beyond”. The air carriers can also stop in other ASEAN member States before or after their main ASEAN destination. ²³ For an ASEAN member State: “any points in that ASEAN Member State – any intermediate points – any points in the Union – any points beyond”. The ASEAN member State can also fly to multiple points in different EU Member States as part of the route. ²⁴
Traffic rights	The Parties grant each other the following rights for the conduct of international air transport by their respective air carrier: 1 st – 4 th freedom traffic rights. ²⁵ It also grants limited 5 th freedom of traffic rights ²⁶ subject to Article 3(4) and (5). Among others, for an ASEAN member State, the freedom cannot be used to serve routes between an EU Member State and a third country which are already being served by an air carrier of the Union. The same restriction applies to the EU. It may not serve routes between an ASEAN Member State and a third country that are already being served by an air carrier of that ASEAN Member State. Prohibition of cabotage under Article 3(9).
Operational flexibility	Air carriers from the EU and ASEAN enjoy options when operating flights from the agreed routes, including operating flights in either or both directions, ²⁷ skip stops, ²⁸ ‘change of gauge’, ²⁹ carrying stopover traffic, ³⁰ carrying transit traffic, ³¹ and combining passengers from different origins. ³²
Frequency and capacity	Each country shall allow air carriers to freely determine flight frequency and capacity based on commercial considerations, with no restrictions except for customs, technical, operational, air traffic management safety, environmental, or health protection reasons, in a non-discriminatory manner. ³³
Operating authorisation and technical permission	An air carrier must secure operating authorisation and technical permission regulated under Articles 4 and 5 before operating in another party’s territory.

²¹ ASEAN-EU CATA, preamble.

²² ASEAN-EU CATA, Arts. 1(1) and 1(2).

²³ ASEAN-EU CATA, Art. 3(1).

²⁴ ASEAN-EU CATA, Art. 3(2).

²⁵ ASEAN-EU CATA, Art. 3(3).

²⁶ ASEAN-EU CATA, Arts. 3(3)(e) and (f).

²⁷ ASEAN-EU CATA, Art. 3(6)(a).

²⁸ ASEAN-EU CATA, Art. 3(6)(d): “omit stops at any point or points”.

²⁹ ASEAN-EU CATA, Art. 3(6)(d): “transfer traffic from any of its aircraft to any of its other aircraft at any point (change of gauge)”.

³⁰ ASEAN-EU CATA, Art. 3(6)(f).

³¹ ASEAN-EU CATA, Art. 3(6)(g): “carry transit traffic through the territory of another Party”.

³² ASEAN-EU CATA, Art. 3(6)(h) “combine traffic on the same aircraft regardless of where such traffic originates”.

³³ ASEAN-EU CATA, Art. 3(8).

Ownership and control	ASEAN and EU may discuss this possibility of the liberalisation of ownership and control later through the Joint Committee established under the CATA. If ASEAN and EU decide to move forward, the Committee can propose an amendment to the agreement. ³⁴
Fair competition	The Parties shall adopt or maintain competition law. The Parties shall establish or maintain an operationally independent competition authority. The Parties shall eliminate all forms of discrimination or unfair practices. The Parties shall not grant or maintain subsidies if these subsidies would adversely affect the fair and equal opportunity of the air carriers of another Party to compete. Exceptions to this prohibition apply under certain conditions set out in Article 8(3). If a party believes its airlines face unfair practices or discrimination, ³⁵ prohibited subsidies ³⁶ , or lack of transparency, ³⁷ it can request consultations, measures, and dispute settlement set under the agreement in Articles 8(8) to 11.
Commercial operations	Commercial operations between EU and ASEAN airlines, including establishing offices and staff in foreign territories, ground handling rights, airport slot allocation, and intermodal transport, are regulated under Article 10.
Customs duties and other taxes	Reciprocal exemptions from customs duties and other taxes for airline equipment and supplies are established for carriers flying between the EU and ASEAN territories under the agreement, under several conditions. ³⁸
User charges	Each party shall ensure that any user charges are cost-related and non-discriminatory charges for using airport facilities and air navigation services when flying between the EU and ASEAN countries. ³⁹ Charging authorities must consult with airlines, provide information about fees, and give advance notice of changes. ⁴⁰
Tariffs	Airlines of the parties can set their tariffs freely, though on a non-discriminatory basis. ⁴¹
Aviation safety	The parties mutually recognise aviation certificates and licenses that meet Chicago Convention Standards. ⁴²
Aviation security	Parties reaffirm their commitments to protect civil aviation against unlawful interference through their obligations under multiple international aviation security conventions. ⁴³
Labor conditions	The agreement acknowledges social aspects, which include labour standards and working conditions, but does not explicitly regulate specific requirements, such as wages, flight rest times or compensation. The Parties generally recognise the importance of considering the effects of the CATA on labour, employment, and working conditions. The Parties agree to cooperate on labour matters, including in relation to impacts on employment, fundamental rights at work, working conditions, social

³⁴ ASEAN-EU CATA, Art. 6.

³⁵ Contrary to art. 8(2)(c) ASEAN-EU CATA.

³⁶ Contrary to art. 8(2)(d) ASEAN-EU CATA.

³⁷ Contrary to art. 8(6) ASEAN-EU CATA.

³⁸ ASEAN-EU CATA, Art. 11.

³⁹ ASEAN-EU CATA, Art. 12.

⁴⁰ ASEAN-EU CATA, Art. 12.

⁴¹ ASEAN-EU CATA, Art. 13.

⁴² ASEAN-EU CATA, Art. 15 (2).

⁴³ ASEAN-EU CATA, Art. 16 (1).

	<p>protection, and social dialogue.⁴⁴</p> <p>Then it relies on the Parties' own level of domestic labour protection as it deems appropriate and adopts or modifies its relevant laws and policies accordingly, consistent with the principles of internationally recognised standards in the international conventions to which it is a party.</p> <p>The Parties under Arts. 22(3 and 4) reaffirm their commitment, in accordance with their obligations deriving from their membership in the International Labour Organization and its framework.⁴⁵</p>
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The overarching coverage established by the CATA spans various elements beyond traffic rights and market access. The subsequent sections will examine the benefits and challenges that this agreement presents from both the EU and ASEAN perspectives.

3. Benefits and Challenges of the CATA

This section examines the potential benefits and challenges related to the CATA, providing insights for the CATA ratification process. While both regions stand to benefit from the enhanced air transport relations that the agreement promises, they face distinct benefits and implementation challenges.

3.1 The EU's perspective

The CATA offers strategic and economic advantages for the EU and its Member States. This agreement creates opportunities while also presenting certain challenges that require careful consideration. The following outlines the benefits that CATA can provide to the EU:

- As the first bloc-to-bloc agreement, the ASEAN-EU CATA can potentially liberalise aviation relations between the two regions.⁴⁶ The unlimited third and fourth freedom rights and a limited fifth freedom right can prospectively help grow the traffic significantly.⁴⁷
- ASEAN lacks a true internal or common aviation market.⁴⁸ This means that only the EU carriers will be truly able to connect any EU point with any ASEAN point.⁴⁹ The EU has a true common market and can begin and end its flights at any EU point.⁵⁰ The EU carriers are also enjoying the opportunity of mergers between or among themselves due to the community carrier regime.⁵¹
- The EU has been successfully promoting its core values through its relations. The so-called Brussels Effect, which includes “the diffusion of EU norms through international treaties and institutions”, is starting to become common in

⁴⁴ ASEAN-EU CATA, Art.22(1).

⁴⁵ ASEAN-EU CATA, Art.22(4).

⁴⁶ A.K.J. Tan, *The New ASEAN-EU Bloc-to-Bloc Comprehensive Air Transport Agreement (CATA)*, 48 *Air & Space Law* 205 (2023), at 223.

⁴⁷ *Ibid.*

⁴⁸ *Ibid.*

⁴⁹ *Ibid.*

⁵⁰ *Ibid.*

⁵¹ *Ibid.*

international air transport.⁵² ASEAN-EU CATA has a comprehensive scope, and this benefits the EU.⁵³ While traditional air service agreements mainly regulate traffic rights, ASEAN-EU CATA expands the scope of the agreements by including competition, subsidies, environmental protection, consumer protection, and labour standards.⁵⁴

Despite the benefits listed above, the EU and its Member States may face challenges regarding the current situation and the future of CATA after its entry into force, which are as follows:

- Among ASEAN member States, the ratification process of AE CATA faces challenges from different ASEAN States' ratification processes. There may be less coordination in the timing of ASEAN-EU CATA ratification.
- The agreement will not likely change competitive dynamics between ASEAN and EU carriers in the short to medium term.⁵⁵ There are a few routes or markets where they compete directly against each other in significant ways.⁵⁶ The competition remains limited, except for potential challenges involving Thai Airways and Singapore Airlines.⁵⁷
- While ASEAN and EU carriers are now able to collaborate more against the 'sixth freedom carriers' serving ASEAN-EU through their hub (Gulf or Middle East carriers), infrastructure constraints and the lack of ownership regulation changes within ASEAN would limit the collaborations.⁵⁸
- The fifth freedom rights under the agreement will likely work to the advantage of the ASEAN carriers, principally Singapore Airlines and THAI Airways.⁵⁹ This is because the more lucrative trans-Atlantic opportunities open to the carriers.⁶⁰ However, it is still subject to the limitation under Article 3(4), which will likely mean their potential will remain unrealised for some time.⁶¹
- In environmental protection, there appears to be a lack of strong and enforceable environmental provisions that align with the EU's more ambitious climate targets under EU law. AE CATA regulates the environmental aspect in a general manner. Article 18 is the only article regulating the environmental aspect of Aviation. Article 18(1) obliges ASEAN Member States and the EU to work together to identify issues related to the impact of international aviation on the environment. The ASEAN Member States and the EU, under the obligation, recognise the importance of working together with the global community to consider and minimise the effects of aviation on the environment.⁶² The parties also agree to exchange information and have regular dialogue among experts to enhance cooperation to address the environmental impact of international aviation, including in areas such as research and development, sustainable aviation fuels, noise-related matters, and other

⁵² J.W. Lee, A. Lykotrafiti, M. Gergely, *The EU-ASEAN Comprehensive Air Transport Agreement (2022): From Regional to Inter-Regional to Global?*, 89 *The Journal of air law and commerce* 391 (2024), at 435.

⁵³ *Ibid.*

⁵⁴ *Ibid.*

⁵⁵ See M.D.D. Bin Mohamed Anuar, et. al., *Investigating the impacts of ASEAN-EU comprehensive air transport agreement on the carriers' competitive dynamics*, 124 *Journal of Air Transport Management* 102739 (2025).

⁵⁶ *Ibid.*

⁵⁷ *Ibid.*

⁵⁸ *Ibid.*

⁵⁹ Alan Khee-Jin Tan, *Supra* n. 46.

⁶⁰ *Ibid.*

⁶¹ *Ibid.*

⁶² ASEAN-EU CATA, Art. 18(2).

measures aimed at addressing emissions, taking into account their multilateral environmental rights and obligations.⁶³

3.2 ASEAN's perspective

The CATA also provides strategic and economic advantages for ASEAN and its Member States. This agreement presents opportunities along with challenges that require careful consideration. The following outlines the benefits that CATA can provide to ASEAN:

- The ASEAN-EU CATA holds great promise in liberalising aviation relations between the two sides and will likely help to grow flight operations and passenger air traffic significantly.⁶⁴ The fifth freedom right will likely work to the advantage of the ASEAN carriers (principally Singapore Airlines and THAI Airways) with limitation under Article 3(4).⁶⁵
- ASEAN EU CATA is unlikely to significantly change competitive dynamics between ASEAN and EU carriers in the short to medium term, as competition remains limited.⁶⁶ The lack of a true internal or common aviation market in ASEAN means that only the EU carriers can effectively connect any EU point with any ASEAN point.⁶⁷

Despite the aforementioned benefits, ASEAN and its Member States may encounter challenges concerning the current situation and the future of CATA following its implementation, which are as follows:

- ASEAN's new air transport agreement with other States is likely to include these new issues after the trend set by the ASEAN-EU CATA. Currently, ASEAN is in negotiations with Japan and Korea.⁶⁸ The ASEAN-EU CATA has the potential to become a benchmark.⁶⁹
- Interaction between ICAO's Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) and the EU Emission Trading System (ETS) will likely become a future challenge in their respective implementations for flights between the two regions.⁷⁰ The conclusion of ASEAN EU CATA extends the need to harmonise CORSIA and EU ETS further with ASEAN regulations.

The CATA is a milestone, not only for aviation relations between the Parties involved. As stated before, this is also the first block-to-block agreement of its kind, promising to become a trendsetter for future aviation relations between regions. This situation creates both opportunities and challenges for each region and its Member States. Continued collaboration after the conclusion of the CATA will be crucial to maximise mutual benefits while addressing emerging issues within its comprehensive framework.

⁶³ ASEAN-EU CATA, Art. 18(4).

⁶⁴ A.K.J Tan, *Supra* n. 46.

⁶⁵ *Ibid.*

⁶⁶ See M.D.D.Bin Mohamed Anuar et. al., *Supra* n. 55.

⁶⁷ A.K.J. Tan, *Supra* n. 46.

⁶⁸ J.W. Lee, A. Lykotrafiti, M. Gergely, *Supra* n. 52.

⁶⁹ *Ibid.*

⁷⁰ See S. Maertens et al, Options to Continue the EU ETS for Aviation in a CORSIA-World (2019) 11 Sustainability 5703 (2019), at 1.

4. Conclusions

Some academics argue that the CATA has the potential to liberalise aviation relations between the ASEAN and the EU,⁷¹ notably with unlimited third and fourth freedom rights and a limited fifth freedom right. With that said, unlike the EU, ASEAN lacks a true single aviation market, so only EU carriers will be truly able to connect any EU point with any ASEAN point.⁷² Also, at present only EU carriers enjoy the opportunity to merge owing to the freedom of establishment.

Through its External Aviation Policy, the EU has been promoting its core values while expanding the scope of aviation relations from the traditional economic provisions of traffic rights to include investment and fair competition, alongside forms regulatory cooperation to compliment traditional safety, security and air traffic management (e.g., on environment, consumer protection and social aspects including labour) and institutional provisions (such as establishment of the Joint Committee between ASEAN and EU).⁷³

Studies suggest that the agreement will not likely change the competitive dynamics between ASEAN and EU carriers in the short to medium term.⁷⁴ There are a few routes or markets where they compete directly against each other in significant ways but the competition remains limited, except for potential challenges involving the two mentioned largest airlines.⁷⁵ While ASEAN and EU carriers could in principle collaborate more in future against the ‘sixth freedom carriers’ serving ASEAN-EU through their hub (i.e., the Gulf carriers), infrastructure constraints and the absence of progress in relaxing high ‘ownership and control’ thresholds or adopting common licensing within ASEAN would for now limit such cooperation.⁷⁶

The fifth freedom right granted under the CATA would likely work to the advantage of the largest ASEAN carriers.⁷⁷ This is because the more lucrative trans-Atlantic opportunities open to the carriers. Nonetheless, such potential expansion is subject to the Art. 3(4) limitation on routes operated by EU carriers or their partners (i.e., via codeshare agreements), thus such potential is likely to remain unrealised for some time.

Just as the market access provisions have limitations, the implementation of environmental protection provisions under the agreement demonstrates similar constraints. There appears to be a lack of strong and enforceable environmental provisions that align with the EU’s more ambitious climate targets under EU law; the CATA regulates the environmental aspect only in a general manner. Art. 18 is the only article regulating the environmental aspect of aviation, obliging ASEAN Member States and the EU to work together to identify issues related to the impact of international aviation on the environment, similar to that found in the EU-US CATA. Nonetheless, the ASEAN Member States and the EU should recognise the importance of working together with the global community to consider and minimise the effects of aviation on the

⁷¹ See A.K.J. Tan, *Supra* n. 46; J.W. Lee, A. Lykotrafiti & M. Gergely., *Supra* n. 52.

⁷² *Ibid.*

⁷³ The Joint Committee composed of representatives of the Parties shall be responsible for overseeing the administration of this Agreement and ensuring its proper implementation. See ASEAN-EU CATA, Art. 17.

⁷⁴ See M.D.D. Bin Mohamed Anuar *et al*, *Supra* n. 55.

⁷⁵ *Ibid.*

⁷⁶ *Ibid.*

⁷⁷ See A.K.J. Tan, *supra* n. 46.

environment.⁷⁸ The parties also agree to exchange information and have regular dialogue among experts to enhance cooperation to address the environmental impact of international aviation, including in areas such as research and development, sustainable aviation fuels, noise-related matters, and other measures aimed at addressing emissions, taking into account their multilateral environmental rights and obligations.⁷⁹

As for labour, the agreement acknowledges social aspects, which include labour standards and working conditions, but is not explicit about specific requirements, such as wages, flight rest times or compensation, or how to enforce these. The parties generally recognise the importance of considering the effects of the CATA on labour, employment and working conditions, and agree to cooperate on labour matters, including in relation to impacts on employment, fundamental rights at work, working conditions, social protection, and social dialogue.⁸⁰ Though finally, the parties under Arts 22(3-4) reaffirm their commitment, in accordance with their obligations deriving from their membership in the International Labour Organization and its framework.⁸¹

⁷⁸ ASEAN-EU CATA, Art. 18(2).

⁷⁹ ASEAN-EU CATA, Art. 18(4).

⁸⁰ ASEAN-EU CATA, Art. 22(1).

⁸¹ ASEAN-EU CATA, Art. 22(4).



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