

Two regulations relate to air fares¹⁴ and to market access and capacity-sharing¹⁵, and the third to competition¹⁶. The first two contain common provisions in the Preamble on the progressive establishment of the internal market by 31 December 1992. These two regulations also confirmed the definition of "Community Carrier" in the 1987 package. A Community carrier is defined as having "its central administration and principal place of business in the Community, the majority of whose shares are and continue to be owned by Member States and by nationals of Member States and which is and continues to be effectively controlled by such States or persons." This departs from the established definition of a scheduled carrier which is based on the nationality of the state of registration and in turn on "substantial ownership and effective control" vested in that state and/or its nationals;

Air Fares Regime

The Regulation on scheduled air fares confirms that a double disapproval regime "remains an objective to be achieved" by 1 January 1993; this is less definitive language than, for example, "shall be established", and would suggest a margin of tolerance, if not a nuance of uncertainty. Until 31 December 1992, the 1987 system of zones of flexibility is retained based on a reference fare which is the annual one-way return economy fare on 1 September 1990 for the 1990/1991 season, and on 1 September 1991 for the 1991/1992 season. Three zones are established: a normal economy fare zone, which ranges from 95 to 105% of the reference fare; the discount zone, from