

air transport market in the Community cannot overlook developments outside. Technological advances in aircraft such as the B-747-400, with a 7000 mile 14/15 hour range will favour non-stop long-haul services. Competition resulting from the trend towards deregulation and liberalization has brought air travel within the reach of over 1 billion passengers in 1989. The airlines themselves continue to enter into commercial alliances, mergers, joint ventures, code-sharing and computer reservation system agreements, marketing/pooling and frequent flyer program arrangements, partnerships or takeovers. By the same token, there is a growing movement for stricter disciplines against anti-competitive behaviour, barring the improvement in infra-structure and facilities, air traffic and airport congestion world-wide is now such as to inhibit any increase in traffic. There are environmental concerns. All are likely to have a significant bearing on the prospective re-negotiation and future of bilateral agreements between the Community and third countries.

Additionally, there is a gathering momentum towards globalization. Unlike other multinational enterprises which establish themselves in several national markets and nationalize their operations on a world-wide basis, with the particular exception of SAS, BWI Airlines and Air Afrique, there is no multinational passenger airline as such, because of national sovereignty over air space and the designation of national carriers based on national control and ownership. But within the parameters of existing bilateral agreements, several air carriers, not a few from Member States, have concluded important