



Association of Pacific Island Legislatures

American Samoa
Commonwealth of the Northern Mariana Islands
FSM, State of Chuuk
FSM, State of Kosrae
FSM, State of Pohnpei
FSM, State of Yap
Island of Guam
Republic of Kiribati
Republic of the Marshall Islands
Republic of Nauru
Republic of Palau
State of Hawaii

A RESOLUTION

APIL Resolution No. 42-GA-19

“To address the high cost of airfare in Micronesia and to promote competitive, sustainable, and affordable air transportation for the people of the Pacific Islands.”

1 **WHEREAS**, Air Micronesia, also known as “Air Mike,” historically provided
2 reliable and affordable inter-island air service across Micronesia, including the
3 Commonwealth of the Northern Mariana Islands (CNMI), Guam, the Federated States of
4 Micronesia (FSM), the Republic of the Marshall Islands (RMI), the island of Guam, the
5 Republic of Kiribati, and the Republic of Palau; and

6 **WHEREAS**, following the sale of Air Micronesia’s routes and operational rights
7 to Continental Airlines—later merged into United Airlines—regional air service has
8 become dominated by a single major carrier, resulting in limited competition, reduced route
9 flexibility, and substantially higher ticket prices for residents, businesses, and government
10 agencies across the Micronesian region; and

11 **WHEREAS**, according to principles of economic science, limited market
12 competition (monopolistic or oligopolistic structures) tends to increase prices, reduce
13 service quality, and inhibit innovation, while competitive markets drive efficiency, lower
14 fares, and improve service options; and

15 **WHEREAS**, the current high cost of airfare imposes a significant economic
16 burden on island residents, increases the cost of imported goods, constrains tourism
17 development, limits educational and medical travel, and hampers regional economic
18 integration and mobility; and

19 **WHEREAS**, reliable and affordable air service is a vital component of economic
20 resilience, disaster response, and social cohesion among the island communities of
21 Micronesia and the broader Pacific; and

22 **WHEREAS**, other regions with similar geographic and market challenges—such
23 as the Caribbean and the South Pacific—have successfully reduced costs through joint

1 airline ventures, public-private partnerships, and open skies agreements promoting
2 competition and shared regional service; and

3 **WHEREAS**, emerging trends in regional aviation cooperation, fuel-efficient small
4 aircraft technology, and digital ticketing systems present opportunities to reduce costs and
5 improve accessibility for island communities; now, therefore,

6 **BE IT RESOLVED** by the Association of Pacific Island Legislatures, 42nd
7 General Assembly on Saipan, Commonwealth of the Northern Mariana Islands, October
8 28-29, 2025, that the members hereby request to formally address the high cost of airfare
9 in Micronesia and to promote competitive, sustainable, and affordable air transportation
10 for the people of the Pacific Islands; and

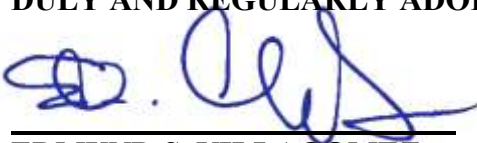
11 **BE IT FURTHER RESOLVED** that the Association of Pacific Island
12 Legislatures:

- 13 1. Urges the governments of Guam, CNMI, FSM, RMI, and Palau to
14 collaborate on a Regional Aviation Competitiveness and Affordability
15 Study, to analyze current airfare structures, cost drivers, and potential
16 market reforms;
- 17 2. Encourages the exploration of a Pacific Islands Regional Airline
18 Consortium (PIRAC)—a cooperative model where island governments
19 jointly invest in or contract carriers to provide affordable inter-island air
20 services under fair competition and transparent regulation;
- 21 3. Calls upon the United States Department of Transportation (USDOT) and
22 respective national civil aviation authorities to review existing route rights,
23 subsidies, and service obligations to ensure that monopolistic control does
24 not violate public interest or anti-trust principles;
- 25 4. Supports the negotiation of “Open Skies” or “Fair Skies” agreements within
26 the Micronesian region to allow entry of additional carriers and low-cost
27 operators that can provide competitive fares while maintaining safety and
28 service standards;
- 29 5. Recommends the development of a Regional Airfare Subsidy or
30 Equalization Fund, modeled on successful programs in other remote
31 regions, to offset high operating costs for essential routes that serve small
32 island populations;


- 1 6. Encourages investment in aviation infrastructure and digital integration,
2 including modernized airports, efficient air traffic systems, and coordinated
3 ticketing platforms, to lower operational costs and enhance traveler
4 convenience;
- 5 7. Requests the APIL Secretariat to establish an Air Transport Working
6 Group to coordinate regional advocacy, share data, and engage with
7 airlines, development partners, and international organizations such as the
8 Asian Development Bank (ADB), the Pacific Islands Forum (PIF), and the
9 International Civil Aviation Organization (ICAO) for technical and
10 financial assistance;
- 11 8. Calls for equitable access to air travel as a fundamental right for Pacific
12 peoples, recognizing that mobility, economic opportunity, and regional
13 unity depend on fair and affordable transportation systems; and

14 **BE IT FURTHER RESOLVED**, that the APIL President shall certify and the APIL
15 Secretary shall attest to the adoption hereof, and that copies of this resolution be transmitted
16 to the heads of government and Presiding Legislative Officers of each APIL member
17 jurisdiction of the Association of Pacific Island Legislatures.

DULY AND REGULARLY ADOPTED ON THE 29TH DAY OF OCTOBER, 2025.



EDMUND S. VILLAGOMEZ
PRESIDENT



VICTOR BAMOG
SECRETARY

