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**Address by the Secretary General
of the International Civil Aviation Organization (ICAO)
Dr. Fang Liu,
to ECAC's Sixty-Fourth Special Meeting
of Directors General of Civil Aviation**

(Bodrum, Turkey, 27 August 2015)

Good morning ladies and gentlemen.

It is my honour today to be able to address ECAC's Sixty-Fourth Special Meeting of Directors General of Civil Aviation. I wish to make use of this occasion, here in our lovely host city of Bodrum, to share with you my priorities for the Organization and several perspectives on Europe's current civil aviation challenges.

In 2014, over 3.3 billion passengers made use of scheduled air services in the world. This represents an annual worldwide growth rate of 4.9 per cent since 2005. Aviation's important role as an engine for economic development was clearly in evidence during this period, as it directly supported some 8.5 million jobs and fostered world GDP impacts in the area of 700 billion dollars.

Additionally, when taking note of aviation's cross-cutting nature and multiple links to other economic sectors, air transport's total economic impacts accordingly grow to fully 3.5 per cent of world GDP, or 2.4 trillion dollars, while providing 58.1 million jobs.

In the years ahead, our global community's coordinated response to the projected doubling of world traffic by 2030 will be critical to the continued viability and sustainability of air transport. And we will primarily seek to ensure this through targeted infrastructure investments, new and more efficient aircraft and air navigation procedures, and other actions across all of ICAO's Strategic Objectives which seek to optimize aviation's benefits.

For instance our network's overall safety and efficiency represents its most fundamental value to consumers and businesses all over the world, and ICAO has suitably revised our complementary Global Plans for Safety and Air Navigation – the GASP and the GANP – to ensure they are fully aligned to meet the coming challenges.

Flight Tracking and Conflict Zones are high on our Safety agenda today, and these are being managed along with the safe integration of remotely piloted aircraft systems (RPAS) and commercial AeroSpace activities into civilian airspace, the continued pursuit of proactive safety management in States, provisions on the sharing and protection of safety information, and the need for all ICAO States to be sufficiently assisted to reach global minimum levels of effective safety oversight.

In the Air Navigation area, PBN procedures and airspace design, Air Traffic Flow Management (ATFM), System-wide Information Management (SWIM) and other technical and procedural goals, as outlined in the GANP's Aviation System Block Upgrades (ASBUs), will continue to provide the forward-looking foundation for ICAO's work programme.

With respect to aviation security and facilitation, our collective focus must remain on taking all necessary actions to mitigate risk and improve performance in the face of complex emerging challenges. These include acting to assure safe operations over and near conflict zones, cyber security, remotely piloted aircraft systems, violent extremism and reinforced border integrity to support increased connectivity.

With our Strategic Objective relating to Economic Development, ICAO is presently undertaking the development of international agreements for the liberalization of market access, air cargo, and air carrier ownership and control. We continue to stress to States the substantial long-term economic benefits which derive from low-tax and low-fee policies on local air transport operations, not to mention the advantages of expanding multilateralism in commercial rights, the principles of fair competition in the delivery of air services, and harmonized passenger rights.

Lastly, in the area of Environmental Protection, the international aviation sector has been actively progressing a strategy to address its CO₂ emissions and achieve the global aspirational goals agreed to through ICAO of improving fuel efficiency by two per cent per year, and stabilizing the sector's CO₂ emissions by 2020. Work is proceeding on course with respect to the design of the aviation MBM to be presented at the 39th Assembly, and we will shortly have completed work on the new CO₂ Standard for new aircraft.

Looking now to the European context, air transport's direct economic contribution to GDP presently stands at \$210 billion. And it supports some 2.6 million jobs. When we consider all direct, indirect, induced and tourism-related impacts, these figures rise considerably to \$860 billion in European GDP and 11.7 million jobs being supported.

Europe's airline operators carried some 872 million passengers during 2014, up substantially from 542 million ten years ago. This represents an annual growth rate of 5.4 per cent. They also ranked number one in the carriage of international scheduled passengers, moving up some 48 per cent last year. And in terms of the total amount of air freight carried, Europe presently ranks number two in the world with 21 per cent.

ICAO has been very encouraged that under Europe's guiding aviation strategy, Flightpath 2050, it has been clearly recognized that: civil aviation generates prosperity and growth; that it must sustainably meet the increasing mobility needs of both citizens and businesses; that it should increasingly seek out less emissions-intensive energy sources; and that it must continue to live up to the highest levels of safety and security as per our sector's clear historic commitment and record.

On our common Strategic Objective for Safety, I have been very encouraged by the EU and EASA cooperative assistance activities in several regions, including Africa, Asia and Eastern Europe. I encourage close coordination with ICAO on these projects through our Paris Regional Office and the Aviation Safety Implementation Assistance Partnership. Additionally, the actions proposed to enhance EASA's support to the European Regional Aviation Safety Group are certainly a positive development.

ICAO also supports the actions proposed to improve safety in the Eastern European States, and in particular the concept of a sub-regional safety mechanism for sharing regulation and oversight resources, as well as Europe's more general focus on realizing a just safety culture and enhancing State investigative capabilities.

ECAC's aviation Security and Facilitation objectives are similarly ambitious and forward-looking, and importantly they support ICAO's drive towards cooperative, risk-based and affordable solutions.

Additionally, your work to improve harmonization of security and facilitation approaches and system assessments, as well of course as the pan-ECAC 'One Stop Security' initiative, clearly support and assist ICAO's global efforts. The continued joint work in this area on behalf of ECAC and ICAO's EURNAT Office are also to be congratulated and expanded. We further recognize and applaud the extensive cooperation set forth by Europe on air cargo security enhancement, including on the Pre-Loading Advance Cargo Information project.

ICAO is listening closely today to your inputs on the improved alignment of security audit activities, we are encouraging your efforts to relax screening requirements on liquids, aerosols and gels, and we similarly have identified cyber security as a priority for international civil aviation security enhancement. Given ECAC's many and much-appreciated contributions to ICAO's work through the AVSEC Panel, I am certain our solid cooperation will continue to drive further progress.

With respect to capacity and Efficiency objectives, ICAO has been pleased to take note that Europe will continue to support greater leadership and modernization in air navigation and aeronautics. Today your region plays host to more than 80,000 aeronautical companies supporting roughly half a million jobs, and much of this success is due to the pledge which Europe made many years ago to be a world leader in this domain.

The result has been the tremendous success of the SESAR programme, and that you now serve as a prime example of what a determined focus on innovation and investment in aviation can achieve for societies. ICAO is very grateful for this commitment and its results, which benefit not only Europe but the entire global aviation community at large.

With respect to the Economic Development considerations for ECAC States specifically, ICAO continues to stress that consumer-centric aviation policies, featuring liberalized intra-regional market access, will be essential to the continued profitability and sustainability of your airline and airport operators.

The development of internal aviation markets, which affordably optimize European destinations, will also be critical. This is also reflected in ECAC's upcoming work supporting improved mutual understanding on economic issues of common interest within its community.

In the Environmental Protection area, ICAO continues to be grateful for the leadership and commitment of European States as we progress towards the agreed design and implementation date for a global MBM applicable to international aviation operations. We have also appreciated Europe's commitments and accomplishments on the other elements in the basket of measures ICAO is pursuing in this area, including new technologies and procedures which make aircraft more efficient, greener airport facilities, and alternative fuel development and usage.

Recalling ICAO's ongoing State Action Plans initiative on CO₂ emissions reduction, half the States which have submitted plans thus far are based in the European Region. In this regard let me please highlight the excellent example of the ongoing ICAO and the European Union joint assistance project for *Capacity Building for CO₂ mitigation from international aviation*, which provides assistance to 14 selected States in Africa and the Caribbean.

From a more general standpoint, ICAO has been very grateful for Europe's positions and contributions on the important emerging issues which have consumed the global aviation sector over the past year or so, including of course conflict zone risk mitigation, flight tracking, and aviation's contributions to the global response to the Ebola public health crisis.

ICAO under my leadership will be placing greater priority on linking air transport progress and air transport development goals, in all of these strategic and merging areas, with the broadly-based and sustainable socio-economic benefits which they foster. Increased and improved levels of coordinated aviation development are critical to the future prosperity of many ICAO Member States, and also closely align with the poverty-eradication targets established under the United Nations' Sustainable Development Goals (SDGs).

I will also be striving to ensure as Secretary General that SARP development and refinement continue to be 'job one' in our Organization. We must do more to not only address, but also to anticipate emerging issues, continuing to lead the civil aviation sector in doing so.

Accordingly, we are working with great determination in ICAO at present to establish a more systematic basis by which we can assist States in the implementation of ICAO's SARPs – consistent with the Council's *No Country Left Behind* initiative.

The landmark *World Aviation Forum*, scheduled at our Montréal Headquarters in late November this year, will greatly support this goal by bringing together States Ministers, Directors General of Civil Aviation, and a wide-range of senior officials representing every facet of the international donor and development community.

The *World Aviation Forum* will be a very important event with respect to how ICAO, and most especially our Regional Offices, continue to serve our Member States. It also provides the Organization with an invaluable opportunity to highlight, to a very wide range of development, transport and financial sector stakeholders, the fundamental role of reliable air services in driving greater socio-economic prosperity wherever aircraft fly.

Importantly, the Forum will also permit us to put on display the new tools and programmes ICAO is developing to assist States with SARP implementation, and with their development of more practical and effective air transport investment business cases.

I will be making it my priority to enhance ICAO Regional Office responsibilities and accountability, in line with these new goals. Additionally, we will be seeking to identify and take advantage of supplementary sources of funding and revenue for the Organization, and to strengthen coordination and cooperation with ICAO's partners – including States, UN and other international organizations, financial and development institutions, and of course our very close colleagues here at ECAC.

My most fundamental responsibility as ICAO Secretary General will remain the development of the ICAO Business Plan and Programme Budget, under the direction of the Council. This highlights the importance of keeping ICAO's Global and Regional Plans regularly updated and well-coordinated with clear objectives, outcomes, performance indicators, and milestones, so that their effective implementation is properly funded and carefully monitored.

In this regard zero-nominal growth budgets must be questioned in terms of their potentially negative long-term impacts... *not* on ICAO and its Secretariat, but on the States and regions we are working so hard today to assist and develop. We are living through a period of tremendous growth and challenge in global air transport today, and in this context the mandate of ICAO has never been more important or relevant.

State may rest assured, however, that ICAO understands that we must build solid business cases with topical statistical data for State decision-makers, and strive to strengthen global understanding of the important contribution of aviation to national and regional economies. But we cannot fulfill these goals, or raise the minimum safety and efficiency performance of developing States, without the financial resources to do so.

A dollar invested in ICAO today will lead to many more dollars in return to States, because through ICAO those dollars will be targeted where they are needed in support of improved economic development, and States can rest assured that their impact will be monitored and reported, leading to dependable returns on these investments.

Additionally, I will be placing a very high value on human resources management, in particular mobility, development and performance. My intention has always been to transform the working environment to one of increased fairness and transparency, one which fosters greater opportunity, growth and development for all staff members, and in particular to those who have continuously updated their skills and competencies and dedicated their careers to the work of the Organization.

Before closing today, ladies and gentlemen, I wish to re-emphasize that Europe's current civil aviation challenges are both external and internal, and that – like ICAO's – they hinge importantly on how you optimize air transport opportunities to the benefit of consumers and businesses.

Failure to act on either the policy or the infrastructure fronts is not an option, and to do so could potentially cost your closely-aligned economies tens of billions of dollars in lost revenue and many millions of jobs in the coming years.

Europe remains an important global aviation leader, and this leadership refers not only to how a region can operate complex aviation networks safely and efficiently, but also on how to liberalize and optimize the economic benefits of air transport and accomplish all of this progress in a technologically advanced and environmentally responsible manner.

Fortunately, ICAO and ECAC are virtually symbiotic in their organization and relationship, a situation which greatly aids our ability to recognize and globally promulgate the many positive approaches and best practices determined by ECAC Member States.

ICAO will therefore be keeping a close watch on the coming evolution to the European regulatory framework which will be realized through revisions at the European Aviation Safety Agency (EASA) level, as well as the implementation of the European Air Traffic Management Network.

And lastly, with respect to your role in assisting our planning and priorities in the context of State capacity-building and ICAO's *No Country Left Behind* initiative, I have been very encouraged by the recent cooperation and Steering Group alignment being established between ICAO's AFI SEC-FAL Project and the ECAC-EU CASE Project. Certainly the European Union's seven million Euro grant towards enhancing Africa's aviation security capacities will be of tremendous assistance in that regard.

Thank you again for this very enjoyable and welcome opportunity to address you here this morning ladies and gentlemen, and I wish you a very productive 64th Meeting of ECAC DGCA's.

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