



**Keynote Address by the Secretary General of the
International Civil Aviation Organization (ICAO),
Dr. Taïeb Chérif
to the opening of the
ICAO – Air Transport Action Group – World Bank Development Forum:
*Maximizing Civil Aviation's Economic Contribution***

(Montreal, 24 May 2006)

It is a distinct pleasure for me to address this second Development Forum and to welcome many distinguished participants from the air transport industry and the financial community. I have just returned from Libreville, Gabon, where I spoke before the Conference of African Ministers responsible for Air Transport on topics similar to those to be discussed here - safety, liberalization, and the participation of African airlines in the global marketplace. I look forward to sharing some of the opinions and observations from that Conference.

Much has been said about safety in Africa, where the accident rate is on an upward trend despite the tremendous efforts of many national authorities to improve the integrity of their civil aviation infrastructure. Another disadvantage is that when accidents occur, search and rescue services are often unable to provide assistance to survivors of air crashes or ditches.

I was reminded in Libreville that African authorities are committed to reducing the accident rate for Africa to the worldwide level by 2008. We all know it is vital that they achieve their goal, because tourism and trade with the rest of the world will not flourish as it should unless and until aviation is safe and, more important, acknowledged to be safe. The safety of foreign travellers to and within Africa is also at stake.

In his opening remarks this morning, Dr. Kotaite indicated how the Conference of DGCA's on safety had opened the door to viable and effective solutions, based primarily on transparency and sharing of safety information. The Final Declaration of the Conference also emphasized that implementation and enforcement of all safety-related provisions of the Chicago Convention, its Annexes and ICAO Assembly Resolutions are essential to ensure aviation safety. This has to be the starting point of any substantial and sustained improvement.

In this process, the ICAO Universal Safety Oversight Audit Programme (USOAP), the posting of USOAP results on the ICAO website and the implementation of Safety Management Systems are just some of the essential elements in that process. Also critical is the timely establishment of Civil Aviation Authorities that are adequately funded, competent, empowered and autonomous enough to act independently on safety issues. Without a proper regulatory framework and an effective oversight mechanism, meeting and eventually surpassing the objective of 2008 and beyond will prove elusive.

The reliability of air transport services is just as important for airlines to compete in the global marketplace and create investment and export opportunities. This is relevant not only to the African continent but also to other regions as well where many countries are landlocked, with no access to the ocean or seas, and where air transport infrastructure can be developed more efficiently than road or rail.

Unfortunately, civil aviation in some regions of the world is generally characterized by a large number of airlines suffering from poor financial performances, low traffic volumes, high insurance costs and low productivity. There are serious concerns in some parts of the world regarding air traffic navigation and management of airspace as well as the overall safety record in the skies, including problems associated with aging or near-obsolete equipment on the ground and in the air. It is, moreover, increasingly difficult for carriers to compete effectively in international air transport markets on the basis of bilateral arrangements and in the absence of a liberalized regime of traffic rights to facilitate the free movement of goods and persons.

Compounding the situation is that a growing number of donor governments and lending institutions are asking for a coordinated assistance effort in the air transport sector within identified priorities and goals.

I suggested to my African audience that what is needed is a strategic framework for change to ensure the coordinated and streamlined development of Africa's aviation industry. This would include an in-depth review of national and regional-level air transport policies, and the need for investments to be made in new technologies, safety and security improvements, quieter and more-fuel efficient aircraft, infrastructure modernisation and adaptation, and business simplification plans for carriers. Policy and strategy options to promote a common plan of action could be developed, while at the same time recognizing that Africa is a continent of diverse experiences and uneven development. I am taking today's opportunity to extend the views I expressed in Libreville to other regions having similar issues and problems.

Some of my proposals on which action could be taken were as follows:

- The achievement of further progress on economic and airline marketing issues, including privatization of airlines and airports, the marginalization of carriers in international airline mergers; technological improvements to passengers services and procedures; and radio frequency identification technology for baggage handling systems;
- Strengthening of the institutional framework to foster the healthy growth of air transport, promote greater multilateral cooperation and establish appropriate governmental infrastructures for safety and security oversight;
- Formulation of policies and infrastructure programmes that improve safety and facilitate growth, including investment in increased airport capacity and improvements, in addition to other initiatives I mentioned earlier;
- Development of appropriate systems and mechanisms to respond to security requirements;

- Reduction of emissions and noise pollution without adversely affecting air transport growth; and
- Encouragement of sustainable development by using cost-recovery measures, taxes, and revenue-generating mechanisms to fund deteriorating infrastructure, equipment and services.

These are common issues we face irrespective of geographic boundaries. The world aviation community is ready to work closely with any Region, State or organization in making sure that civil aviation everywhere meets the standards and conditions for taking a full and active part in the global marketplace. I look to this second Development Forum to formulate clear and practicable options to that end.

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