



**OPENING STATEMENT BY THE SECRETARY GENERAL OF THE
INTERNATIONAL CIVIL AVIATION ORGANIZATION (ICAO),
DR. TAÏEB CHÉRIF,
TO THE ICAO GLOBAL SYMPOSIUM
ON AIR TRANSPORT LIBERALIZATION**

(Delivered on his behalf by Mr. Mohamed Elamiri,
Director, Air Transport Bureau in Dubai on 18 September 2006)

Good morning ladies and gentlemen. It gives me a great deal of pleasure to welcome you to this ICAO Global Symposium on Air Transport Liberalization. I am particularly encouraged by the presence among us of the heads of the major international aviation organizations, key representatives from major states and regional bodies, and many Directors General of Civil Aviation. I am sure this high-level participation will empower our discussions and lead to a fruitful outcome.

I place a lot of importance on this symposium. It is the first truly global meeting on liberalization since the ICAO Worldwide Air Transport Conference in 2003 – ATConf/5. Many of you were present at that conference, which reaffirmed ICAO's leadership role and established a policy framework for liberalization, contained in the Declaration of Global principles agreed to by all participants.

The aim is clear: to create an environment in which international air transport may develop and flourish in a stable, efficient and economical manner without compromising safety and security, while respecting social and labour standards. The Declaration also promotes equality of opportunity, so that all States can participate effectively in the air transport system, and smaller carriers can survive and compete in global markets without prejudice from larger, more dominant carriers.

More than three years have passed since ATConf/5 and a lot has happened. The purpose of this Symposium is to bring States and our aviation partners together, to reflect on what we have achieved in liberalization, and what issues and challenges remain to be tackled. By sharing our experiences, through constructive dialogue, I hope the next two days will enable us to achieve a better understanding of the benefits of regulatory reform, the needs and challenges of all the parties involved, so we can all come out of the Symposium with a better sense of direction for our future endeavour in moving liberalization forward.

As recognized by ATConf/5, liberalization is the cornerstone upon which to build the future growth of the air transport industry and that the process is well under way. We have seen an acceleration of liberalization in many parts of the world. By now, over 120 open skies bilateral agreements have been concluded involving 88 countries. Liberalization at the regional and sub-regional levels is also gaining ground.

Along with the trend of liberalization, globalization and commercialization, the airline industry has undergone major structural transformation. The traditional business model of the full-service airline has come under scrutiny, while the low cost carrier phenomenon has expanded rapidly, not only at the national level but increasingly at regional levels and even beyond. Airline strategy and planning is focussing more on alliances, consolidation and cross border equity investments to exploit network-based economies of scale and scope. In addition, E-commerce is being used extensively to minimize intermediary marketing and selling costs.

For airports and air navigation services providers, the anticipated growth in passenger and cargo traffic generated in large part by liberalization will **require significant** investments to satisfy demand in an efficient and timely manner.

And for regulators, it means adjusting regulatory structures and objectives of international air transport towards more emphasis being given to the enhancement of consumer benefits and competition, without compromising fundamental tenets of a sound air transport system.

Through all of this, we share common concerns. We must ensure the safety, the security and the sustainability of air transport, without which there can be no future.

While we are encouraged by the progress of liberalization, many challenges remain. Our task ahead is still daunting! And we all have to work together as a community and in a spirit of cooperation and understanding. That is the very goal of this global forum. We, in ICAO, are here to facilitate and assist this process. We are here to serve you, to learn about your needs and expectations, so we could go back to improve our work to serve you better.

I, therefore, strongly encourage you to participate actively in the discussion of the Symposium. And I would like to thank you in advance for your cooperation and candor in sharing your thoughts, experiences and suggestions. Although the Symposium is not expected to produce any formal recommendations or conclusions, I want to assure you that the results of our discussions will be taken into account as we continue to shape the regulatory framework in support of the growth of air transport around the world.

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