

# **7<sup>th</sup> Freedom Traffic Rights for Air Cargo Webinar**

*(6 July 2021)*

## **SUMMARY OF DISCUSSION**

### **1. INTRODUCTION**

- 1.1. The webinar *7th Freedom Traffic Rights for Air Cargo* was successfully held on 6 July 2021 to promote the ICAO Council Aviation Recovery Task Force (CART) Recommendation 16. Webinar artifacts (e.g., full video recording, presentations) are publicly available online via ICAOTV: <https://www.icao.tv/cart-recommendation-16-7th-freedom-traffic-rights-for-air-cargo>

### **2. RUN OF SHOW**

- 2.1. Mr. Mohamed Smaoui, Acting Regional Director of the ICAO Middle East (MID) Regional Office, and Eng. Abdennebi Manar, Director General of the Arab Civil Aviation Organization (ACAO) opened the Webinar. They were followed by the main webinar's facilitator, Mr. Cortney Robinson, Air Transport Officer (Air Cargo), Economic Regulatory Framework Section of ICAO who provided detailed information on the ICAO provisions concerning 7<sup>th</sup> freedom for air cargo (CART Recommendation 16 and other guidance material), as well as other policies of an economic nature impacting air cargo, and set the stage for the two panel sessions. Mr. Robinson led the interactive discussion on outcomes and Mr. Smaoui offered concluding remarks, while Mr. Hussain Qabbani, Regional Officer – AVSEC, ICAO MID Office provided facilitation support and Ms. Dina El-Karimy, Technical Assistant provided much appreciated technical support and coordination.

### **3. AGENDA (TIMES UTC) – COMPLETE AGENDA IS IN THE APPENDIX**

- 11.00 – Opening session
- 11.10 – Overview presentation
- 11.45 – Session 1 – Regulatory Tools for Expanding Market Access Through Traffic Rights
- 13.10 – Session 2 – The Link Between Expanded Traffic Rights and Trade Facilitation
- 14.00 – Outcomes and closing remarks

### **4. ATTENDANCE**

- 4.1. Seven organizations contributed panellists and the audience was well over 100. While the webinar targeted the MID region, the audience was global. It included Representatives to ICAO, representatives from the World Bank Group, delegations from the Caribbean Community (CARICOM) and Hong Kong, SAR (China), as well as participants from various other ICAO regions, including SAM, EUR-NAT, and NACC. A study of the participant list reveals participation from various levels from chief executives and DGCA executives to working level experts from States and industry.

## 5. DEVELOPMENT

- 5.1. This was the first webinar dedicated to CART Recommendation 16 and the first ICAO webinar on the matter of 7<sup>th</sup> freedom for all-cargo operations in recent years. It combined the consistent, long-standing body of ICAO work promoting 7<sup>th</sup> freedom for all-cargo operations with the urgent nature of the CART recommendation to give States greater motivation to take the necessary regulatory actions granting such access.
- 5.2. ICAO and ACAO executives opened the webinar highlighting the above, with particular emphasis on the urgency of that the COVID-19 pandemic has brought into long-running discussions. Specific reference was made to e-commerce trends and the role air cargo is increasingly playing in continuing those trends. The theme of partnership among stakeholders was prominent in the remarks.
- 5.3. The facilitator provided an overview of the recommendation. Recognizing that the CART recommendation includes various policies and regulations relevant to air cargo—7<sup>th</sup> freedom among them—the overview laid out those that are key. Importantly, it encouraged participants advance various policies, while recognizing the primacy of 7<sup>th</sup> freedom above these other policies, consistent with how the organization has promoted air cargo. This overview encouraged States to consider the multiple approaches to implementing the CART recommendation (e.g., multilateral, unilateral).
- 5.4. The first speaker represented both the Junta de Aeronáutica Civil (JAC) of Chile, as well as the Latin American Civil Aviation Commission (LACAC). This speaker provided perspective advancing regional, multilateral implementation of the recommendation, using the 2020 LACAC Memorandum of Understanding (MoU) as an example. The second speaker, representing The International Air Cargo Association (TIACA) provided an industry perspective on the topic, highlighting how COVID-19 has accentuated the divergence between the passenger market and business model versus those for cargo and called for a regulatory regime. He called for ICAO Member States to consider at the High-level Conference on COVID-19 to initiate development of an economic regulatory regime that recognizes this. The final panellist, a retired Deputy Assistant Secretary of State and former Chief United States Aviation Negotiator brought a wealth of knowledge and experience to the deliberations. Among other things, he emphasized the certainty provided by economic regulation (e.g., 7<sup>th</sup> freedom grants) is a necessity for the air cargo sector to grow sustainably and meet the evolving needs of businesses and States, including global economic recovery. He also encouraged ICAO to consider continuing its work to develop a multilateral instrument for all-cargo 7<sup>th</sup> freedom.
- 5.5. The second session opened with a brief overview from the moderator, who represented the Global Express Association (GEA). This opening detailed the importance of trade facilitation activities to the global economy. The World Trade Organization (WTO) focused on its Trade Facilitation Agreement and how its implementation can benefit the air cargo sector. The GACA highlighted its new strategy to take better advantage of its location and address various air cargo-related policies, while maintaining the diverse array of carriers already enjoying 7<sup>th</sup> freedom for all-cargo ops. It shared its experience as an importing country using all-cargo 7<sup>th</sup>s to ensure its economic needs are met, particularly vis-à-vis e-commerce growth. ACAO presented a wealth of data on the regional air cargo market showing the continual increase in its share of global air cargo activity by various metrics and established that the MID region has matched or even surpassed other regions, including Europe, the Association of South East Asian Nations (ASEAN) region, and the African

Civil Aviation Commission (AfCAC) region. Astral Aviation, an all-cargo carrier based in the ESAF region, concluded by highlighting opportunities for 7<sup>th</sup> freedom operations in sub-Saharan Africa and urging AFCAC and the African Airlines Association (AFRAA) to work closely and immediately with ICAO on a multilateral approach for implementing 7<sup>th</sup> freedom across Africa.

## **6. OUTCOMES AND CLOSING REMARKS**

- 6.1. The facilitator moderated the outcomes discussion and invited all participants to actively engage in it by sharing ideas, experiences, and perspectives. Outcomes included:
  - 6.1.1. ACAO to lead, with support from ICAO, further discussions among States in the region that will identify the best approach for implementing traffic rights, including up to 7<sup>th</sup> freedom all-cargo rights, and facilitate States taking the further necessary actions on such implementation.
  - 6.1.2. In addition to advancing implementation among States within the MID region, ACAO to lead collaboration with other regional organizations on how they can work with ICAO to advance 7<sup>th</sup> freedom traffic rights for all-cargo operations through CART recommendation 16 for both the near and long terms.
  - 6.1.3. Industry stakeholders to provide ongoing input to States on their connectivity needs—particularly for vaccine distribution and medical supplies (e.g., PPE), but also including commercial goods—so that States can respond through regulatory provisions.
  - 6.1.4. Stakeholders consider the link between expanded traffic rights for all-cargo operations and trade facilitation and based on that, collaborate in developing regional and global policies that will enable economic recovery in COVID-19 times.
  - 6.1.5. Strongly encouraged the engagement of other Regions/Organizations, including AFCAC and AFRAA, on the potential of 7<sup>th</sup> Freedom for all-cargo operations and to make use of the LACAC model.
- 6.2. A/RD MID concluded the webinar by thanking the distinguished panellists and encouraging States and other stakeholders to begin work on the outcomes in short order.

-----

APPENDIX



**7th Freedom Traffic Rights for Air Cargo Webinar**

6 July 2021

11.00 UTC	<b>Opening session</b> Acting Regional Director, MID Office Director General of ACAO
11.10	<b>Overview presentation</b> Cortney Robinson, Air Transport Officer, Economic Regulatory Framework, Air Transport Bureau, ICAO
11.45	<b>Session 1 – Regulatory Tools for Expanding Market Access Through Traffic Rights</b> Moderator: Mr. Cortney Robinson, ICAO <ul style="list-style-type: none"><li>• Mr. Martin MacKenna, Secretary of JAC (Chile) (multilateral/LACAC perspective)</li><li>• Mr. Glyn Hughes, TIACA (industry perspective)</li><li>• Mr. John Byerly, Former Chief U.S. Aviation Negotiator</li></ul>
<b>BREAK – 10 min</b>	
13.10	<b>Session 2 – The Link Between Expanded Traffic Rights and Trade Facilitation</b> Moderator: Mr. Brian Hedberg, Global Express Association (GEA) <ul style="list-style-type: none"><li>• Mr. Jesse Nicol, World Trade Organization (WTO)</li><li>• Mr. Sanjeev Gadhia, Astral Aviation</li><li>• Mr. Khaled Antar, Arab Civil Aviation Organization (ACAO)</li><li>• Mr. Ali Rajab, General Authority of Civil Aviation (GACA) Saudi Arabia</li></ul>
14.00	<b>Q&amp;A, Outcomes and Closing Remarks</b> ICAO Secretariat