



## **Joint ICAO/AFCAC Regional Symposium for African States on Airport and Air Navigation Services Infrastructure Financing**

**Maputo, Mozambique, 29 November - 1 December 2010**

**Co-organized by the International Civil Aviation Organization (ICAO) and the African Civil Aviation Commission (AFCAC), the Joint ICAO/AFCAC Regional Symposium for African States on Airport and Air Navigation Services Infrastructure Financing was held from 29 November to 1 December 2010 in Maputo, hosted by the Institute for Civil Aviation of Mozambique.**

**Numerous participants representing African States, airports, air navigation services providers (ANSPs) and regional organizations, various regional and international financial institutions and the air transport industry have discussed and assessed the situation, challenges and opportunities for funding aviation infrastructure in Africa.**

**The following conclusions have been agreed by States and the organizations present at the Symposium.**

### **CONCLUSIONS**

***Whereas*** the air transport industry is not only a vital engine of global socio-economic growth but is also of vital importance as a catalyst for economic development, creating direct and indirect employment, supporting tourism and local businesses, and stimulating foreign investment and international trade;

***Noting*** that air traffic in Africa is forecast to continue increasing at least at world average rates in the foreseeable future and that airport and airways capacity need to be improved and expanded to cope with the forecast demand;

***Considering*** the strong concerns regarding the current situation of the African aviation sector, which continues to face serious difficulties of development including safety and security challenges, as well as the difficulty of many airlines, airports and ANSPs to adequately access funds for the modernization and expansion of their infrastructure;

***Noting*** that, while many infrastructure financing initiatives are currently taking place in various African States, progress remains generally below expectation;

**Further noting** the negative impact of the operational ban (blacklist) of African airlines put in place by certain regions and its detrimental effect on access of the affected African States to infrastructure funding;

**Recognizing** that ICAO, AFCAC, international and regional financial institutions/organizations and the aviation industry can play an important role in assisting African States to modernize and expand their airport and air navigation services infrastructure and in supporting the commercialization of airports and ANSPs;

**Recalling** ICAO Assembly Resolution A36-13 Appendix W, which enjoins States to cooperate and collaborate on a regional basis on the effective and efficient deployment of CNS/ATM;

**Desirous** of fulfilling the need for cooperation and partnership between States, the development partners, the industry and the financial institutions in order to engage in coordinated safety improvements and to enhance the participation of the African civil aviation sector in the current globalization and liberalization of the air transport industry;

**Recognizing** that *ICAO's Policies on Charges for Airports and Air Navigation Services* (Doc 9082) and *ICAO's Policies on Taxation in the Field of International Air Transport* (Doc 8632) make a conceptual distinction between a charge and a tax in that “a charge is a levy that is designed and applied specifically to recover the costs of providing facilities and services for civil aviation, and a tax is a levy that is designed to raise national or local government revenues that are generally not applied to civil aviation in their entirety or on a cost specific basis”;

**The Joint ICAO/AFCAC Regional Symposium for African States on  
Airport and Air Navigation Services Infrastructure Financing  
agreed on the following conclusions:**

1. African States and their airports and ANSPs should make use of ICAO's policies on charges (Doc 9082) and guidance material regarding infrastructure financing (*Airport Economics Manual* (Doc 9562) and *Manual on Air Navigation Services Economics* (Doc 9161) refer).
2. African States should ensure that revenues generated by the civil aviation sector are re-invested in this sector in accordance with ICAO's policies on charges (Doc 9082), while refraining from imposing taxes for the sale or use of international air transport (Doc 8632).
3. Particular attention should be paid by African States, their airports and ANSPs to ICAO's policies on charges (Doc 9082) when considering prefunding an infrastructural project.
4. For the development of civil aviation in the Region, African States should give priority to tackling obstacles such as the slow pace of implementation of the Yamoussoukro Decision (YD), inadequate airport and air navigation infrastructure, and unjustified charges and taxes.

5. African States, their airports and ANSPs should consider using the existing ICAO mechanisms and explore other possible mechanisms that could assist them to finance their infrastructure projects. They should also vigorously explore generation of revenues from non-aeronautical sources.
6. Pending development of continental framework for economic oversight by AFCAC, African States/regions should adopt an appropriate form of economic oversight according to their specific circumstances with clear separation of regulatory and operational functions/responsibilities.
7. When governments in African States delegate the provision of airports and/or air navigation services to autonomous entities, they are encouraged to consider empowering such entities to negotiate and secure funding, with the obligation of servicing such loans.
8. African States, Regional Economic Communities (RECs) and other regional groupings are encouraged to imbibe the principles of transparency, liberalization, consumer protection and the rule of law, to attract and facilitate investments.
9. ICAO and AFCAC should sensitise international and regional financial institutions and the private sector to the need for assisting African States in funding required airport and air navigation infrastructure development in the most favourable terms possible.
10. African States are encouraged to take advantage of the assistance offered by other States and international organizations in the field of training, in particular, in the area of safety.
11. Emphasis must be placed on more effective deployment of new technologies. In particular, further efforts by African States, their airports and ANSPs are needed to ensure inter-operability of national systems on a regional basis. In parallel to this, airports and ANSPs must recognize the need for “business transformation”, with a greater focus on key performance areas such as cost-effectiveness, productivity and quality of service.
12. African States should explore regional cooperation and integration as the best way to secure cost-effective investments and achieve better returns. In this regard, responsible authorities should share information in a transparent manner when cooperating with other States and organizations.
13. African States are called upon to improve on collection and submission of accurate data and statistics on all civil aviation activities, to ICAO and AFCAC, as these are of paramount importance to the planning of airports and ANSPs, as well as being useful to financial institutions and development partners.
14. African States are urged to develop internal coordination mechanisms between the Civil Aviation Authorities (CAAs) and other aviation agencies within their States in order to improve dissemination of information between them and facilitate implementation of agreed policies and recommendations.

15. Effective cooperation, collaboration and coordination between African States, RECs and AFCAC should be reinforced for enhanced understanding and synergies with respect to infrastructure financing.
16. It is of utmost importance for RECs and other regional groupings to address the issue of membership overlap, with a view to eliminating inefficiencies this overlap may create within their air transport systems.
17. African States, RECs and other regional groupings should encourage AFCAC to lead the continental approach in the coordination of improvement of aviation infrastructure in line with its mandate.
18. African States are urged to ratify the Cape Town Convention and its Aircraft Protocol (2001) in order to facilitate aircraft financing and fleet renewal so as to enable their carriers to benefit from the use of modern infrastructure.
19. African States should consider easing immigration requirements and formalities among themselves in order to facilitate movement of persons between them, thereby promoting economic activities, investments and integration of the African continent.
20. African States, AFCAC and ICAO should take follow-up actions as per the conclusions agreed at the Joint ICAO/AFCAC Regional Symposium for African States on the Economics of Airports and Air Navigation Services (Kampala, Uganda, 17-19 August 2009) without further delay.

**Issued in Maputo, Mozambique, on 1 December 2010**

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