



Joint ICAO/AFCAC Regional Symposium for African States on

Airport and Air Navigation Services Infrastructure Financing

Maputo, Mozambique

29 November – 1 December 2010

Opening address by Mrs. Folasade Odutola

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(29 November 2010)

1. Honourable Minister of Transport and Communication, Mr. Paulo Zucula; Honourable Vice-Minister of Transport, Dr. Manuela Rebelo; Chairman, Board of Governors, Mozambique Civil Aviation Authority, Mr. Anibal Samuel; Director General of Mozambique Civil Aviation Authority, Mr. Alberto Mabjaia; Secretary General, AFCAC, Mr. Boubacar Djibo; Ladies and Gentlemen, on behalf of the International Civil Aviation Organization, and in particular, the Air Transport Bureau, I welcome you to this *Joint ICAO/AFCAC Regional Symposium for African States on Airport and Air Navigation Services Infrastructure Financing*.

2. First of all, I would like to thank the authorities of Mozambique for hosting this Symposium and for all their support in its preparation. I also wish to thank those who have travelled from abroad to Maputo to participate in this historic event.

3. ICAO has always been involved in promoting the financial health and development of air transport and is pleased to hold this Symposium that will be addressing an issue of challenge that will shape the future growth of civil aviation in Africa.

4. As the global forum for international civil aviation, ICAO plays a key role in aviation affairs. First and foremost, the Organization promotes the safety and security of the global air transport system, as a system that is neither safe nor secure simply cannot prosper. However, in order to cope with adequate safety and security standards, investments are required. For that purpose, ICAO is recommending a unified implementation strategy to foster partnership among States, industry, financial institutions and other international organizations that have vested interests in the integrity of the global air transport system.

5. Ultimately, this funding is necessary. The unified strategy encourages ICAO Contracting States to take advantage of the various sources of funding available. One of such was the International Financial Facility for Aviation Safety, or IFFAS, which has now been replaced by SAFE, or the ICAO Safety Fund, which will have similar functions in supporting safety-related projects in a more efficient way. Another mechanism is its very successful Technical Cooperation Programme. In 2009, ICAO implemented through its Technical Cooperation Bureau (TCB), a Technical Cooperation Programme of USD 129 million worldwide, of which USD 13 million, or 10% of the total amount, was in African States. We will have a look at the on-going Technical Cooperation Bureau projects in Africa in Session 2 of the Symposium.

6. Whether through these or other sources, such as the World Bank, regional development banks, international financial institutions and organizations, and the private sector, it is important that the funds have the desired impact of resolving deficiencies and furthering the harmonized development of aviation infrastructure in all regions, in compliance with ICAO SARPs.

7. The message is clear: ICAO is dedicated to working with the air transport industry in promoting a healthy and dynamic operating environment for airlines, airports, air navigation services providers and other interested parties worldwide. This is in line with the mandate of ICAO of ensuring the safe, secure and orderly development of international civil aviation.

8. More specifically, the preamble to the *Convention on International Civil Aviation*, the charter of ICAO, calls for international air transport services to be established on the basis of equality of opportunity and operated soundly and economically. For more than 60 years, ICAO has pursued this objective, partly in the following four areas:

- promoting the role of air transport as a catalyst for economic growth and development;
- reviewing the impact of changes in air transport policies, management and technologies;
- identifying and discussing constraints and solutions to the sustainable development of air transport; and
- promoting close cooperation among all interested parties.

9. Over the last 30 years, as globalisation has become the defining trend of the world's economies, air transport has established itself as an essential factor of economic development. Airports and air navigation services facilities in particular, are now considered strategic infrastructures in the development of local communities, the regions and ultimately the nation where they are located. This is true in every part of the world, but today, it is probably even more the case in Africa.

10. Distinguished Guests, Ladies and Gentlemen, I am glad to note that this event has gathered dozens of aviation experts. This turnout reflects the growing importance that African States and the international community attach to the growth of the aviation industry on the continent.

11. The absence of alternative modes of transport in many African States and the need for many African economies to attract investment and focus their development around tourism and exports, which require efficient air links, mean that airports in Africa probably more than anywhere else, have the potential to act as an engine for economic growth and integration. In this respect, the fact that Africa can rely only on a few true hub airports and regional traffic is routed through Europe or the Middle East is quite indicative of the potential of traffic growth in the Region.

12. Before we proceed further, let us have a quick look at how the economic situation is affecting air transport services. The slowdown in the world economy, which started in 2007, continued through 2009. The world gross domestic product (GDP) in real terms contracted by 1.3% in 2009, after having increased 5.1% in 2007 and 3.1% in 2008. The aggregate economy of the African region did a bit better than the world average, with growth rates of 1% in 2009, decelerating from 5.8% in 2007 and 5.4% in 2008.

13. Over the past 20 years, scheduled passenger traffic (measured in terms of passenger-kms performed) of African airlines has been growing at 5.1% per annum, slightly above the world average of 4.7%. Demand decreased in 2009 but started to pick up again in 2010. Traffic of African airlines for the period to 2030 is expected to grow at 4.7% per annum, which is equal to the world average.

14. The demand for air traffic is obvious. Now the question is what African States need to do, and how, so that the airport and air navigation infrastructure necessary to cope with the demand for air traffic is put in place, at the right time and in a cost-effective manner. This is the main topic for discussion, which will be addressed in all the sessions of the Symposium.

15. Beyond security and safety, it is evident that the biggest challenge for most African States is upgrading aviation infrastructure. The States need to build on past

achievements and move forward. African air traffic management infrastructure and procedures need to be drastically improved to meet future air transport needs.

16. The situation therefore requires that airports and air navigation services facilities become a true priority for many African States in terms of investment and economic policy. This ultimately would enable African airports to fully contribute to the economic development of the continent.

17. We can best reap the full economic, social, and cultural benefits of air travel through the long-term financial health of the global air transport industry. With the calibre and scope of participants at this Symposium, I am confident that we will make great strides in proposing ways and means of maximizing civil aviation's economic contribution in African States for global benefit.

18. We encourage you all to actively participate and contribute to the discussions during the Symposium. We have designed a format that provides for inter-action between speakers, panellists and delegates. At the beginning of each session, there will be short presentations on the particular topics for the session, which will be followed by a panel discussion and a question/answer period.

19. In Session 1, we will review ICAO's policies and guidance on infrastructure financing, and we will hear from international organizations and industry associations.

20. Session 2 will discuss the resources that are available for the development of infrastructure, including in ICAO, banks, financial institutions and other parties involved in project financing in Africa.

21. In Session 3 we will consider the importance of international cooperation, not only for the provision of services but also for project financing.

22. We will close the meeting with a round-table discussion followed by a period for which ample time is being provided for questions and answers by the Speakers and Panellists.

23. I have the pleasure to introduce to you the ICAO officers who, together with Mozambique's Representative to ICAO, Dr Antonio Pinto and the IACM team, have worked assiduously preparing this Symposium:

- Mr. Toru Hasegawa, Assistant to the Director in the Air Transport Bureau, ICAO HQ in Montreal, and
- Mr. Evalou Gnang, Regional Officer, Air Transport in the ICAO Dakar Office.

I would like to acknowledge the contribution of Mr. Julián de la Cámara, the manager of this project, who unfortunately could not be with us.

I would also like to thank AFCAC for its support to the Symposium.

24. Finally, some administrative announcements:

1. Today we will work until 17:00 with a lunch break from 12:30 to 14:00 and a coffee break from 15:30 to 15:45. We should finish Session 1 by the end of the day, before the Welcome Reception and dinner hosted by the IACM.
2. Tomorrow, Tuesday, 30 November, we will commence Session 2 starting at 09:30, with two coffee breaks from 10:30 to 10:45 and from 15:30 to 15:45. Lunch will be served from 12:30 to 14:00.
3. The third day, Wednesday, 1 December, we will start again at 09:30 and will conclude Sessions 3 and 4, with a coffee break from 10:30 to 10:45. Lunch

will be served at 12:30 and we plan to finish the meeting by mid-afternoon.

25. Ladies and Gentlemen, I am looking forward to an interesting and productive meeting. Thank you all in advance for your participation.

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