



**Address by the President of the Council of the
International Civil Aviation Organization (ICAO),
Mr. Roberto Kobeh González,
to the Joint ICAO/AFCAC Regional Symposium for African States on
the Economics of Airports and Air Navigation Services**

(Kampala, Uganda — 17 August 2009)

It is a great honour for me to be in Kampala today to open the joint ICAO/AFCAC Symposium on the Economics of Airport and Air Navigation Services, a follow-up event to the Conference on the Economics of Airports and Air Navigation Services, known as CEANS, which was held in Montreal in September 2008.

First of all, I would like to thank the Ugandan authorities for hosting the Symposium and for their kind assistance during my visit to the “Pearl of Africa”.

I had the privilege to address CEANS, on 15 September 2008. In my opening remarks, I said that the Conference was timely, given the rapidly changing operating environment in which international civil aviation finds itself. Indeed, we face challenges of unknown depth and scope, such as the supply and price of oil, the financial crisis, environmental issues and capacity constraints. In times such as these, it is essential that all parties come together and cooperate in adapting the air transport system to harsh new realities. There can be no growth in air transport without safety and security, and no viable civil aviation without sound economic policies. Regarding the latter, efficiency and cost-effectiveness must become our guiding principles as we move towards a financially healthy and sustainable air transport industry.

The Conference was also timely because of the significant developments during the past decade in the organization and financing of airports and air navigation services. The Conference was, therefore, a good opportunity to build on recent experiences in this area and further develop policy guidance so that States can deal effectively with essential regulatory matters related to charges and economic aspects of airports and air navigation services.

Three key, interrelated topics were discussed at CEANS, namely economic oversight, performance management and consultation with users. Together, these three topics represent a holistic approach to increased cooperation in the industry, in particular between regulators, providers and users. I said at that time that if a common understanding could be reached on these three issues, it would serve as a basis for adopting constructive conclusions and recommendations that would help to meet the goals of the Conference concerning cooperation between all the interested parties and increased efficiency in the provision of airport and air navigation services.

The outcome exceeded our expectations, as the Conference managed to reach the challenging goals that had been set, namely, to take cooperation in the industry to another higher level and to further develop guidance on how to increase the efficiency and cost-effectiveness in the provision and operation of airports and air navigation services. The recommendations of the Conference were very progressive in many ways while, at the same time, they secured a certain regulation of the relationship between providers of services and users.

CEANS adopted 15 recommendations, of which 10 concerned amendments and additions to ICAO's policies on charges. Based on these recommendations, the Council updated *ICAO's Policies on Charges for Airports and Air Navigation Services* (Doc 9082), which was published as the eighth edition in January 2009. Also in January 2009, the Secretary General dispatched a State letter to draw the attention of States to the outcome of CEANS and the actions required, which include:

- States' responsibility and objectives of economic oversight.
- Implementation of performance management systems.
- Establishment of a clearly defined, regular consultation process with users.
- Implementation of ICAO's main policies on charges (namely, non-discrimination, cost-relatedness of charges, transparency and consultation) through national legislation, regulations or policies, as well as in international air services agreements.

This Symposium is, therefore, of particular importance as it provides a forum to discuss and promote the updated ICAO policies on charges.

There have been some problems in the implementation of the policies in the last 10 to 15 years as more and more airports have become commercialized and privatized, and the awareness of ICAO's policies on charges seems to be lacking. Therefore, the Secretariat tries to promote the policies in all possible ways, which include workshops and symposia like the one being held in Kampala today, training courses on airport charges with Airports Council International (ACI), missions and speeches by high-level ICAO representatives, and free access to the policies and the associated guidance material on the ICAO website.

In addition to the updated ICAO policies on charges, the Agenda for this Symposium includes the topics of ICAO's studies on the financial situation of airports and air navigation service providers and other user charges issues, with a focus on the African region. Another area to be touched upon is the ICAO policies on taxation, which are contained in a document entitled "*ICAO's Policies on Taxation in the Field of International Air Transport*" (Doc 8632). The Council is concerned about the proliferation of charges and taxes. This Document clearly discourages ICAO Member States to apply taxes on the sale and use of international air transport, which can have an adverse economic impact on the further development of air transport.

The Secretariat plans to follow-up on this Symposium with two workshops in Dakar and Nairobi respectively during the autumn of 2009, with more hands-on training on the application of the policies on charges and financial management of airports and air navigation service providers and with another symposium or conference in the spring of next year to focus on solutions, such as, which financing options are available for African States. I will let the Director of the Air Transport Bureau, Ms. Folasade Odutola, elaborate on these plans.

This Symposium is intended to be informal in nature. During the panel discussions, participants are invited to express their opinions and to raise questions or seek clarifications when they so wish. I encourage you all to be active in your participation, as the success of this Symposium is dependent on your contributions to the discussions.

Once again, welcome to this joint ICAO/AFCAC Symposium on the Economics of Airport and Air Navigation Services. I wish you a stimulating and productive meeting.