



# Joint ICAO/AFCAC Regional Symposium for African States on the Economics of Airports and Air Navigation Services (Kampala, Uganda, from 17 to 19 August 2009)

### **CONCLUSIONS**

#### Whereas:

- 1. International air transport plays a major role in the development and expansion of trade and travel and the imposition of taxes may have an adverse economic and competitive impact on international air transport operations.
- 2. 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".
- 3. It is a matter of great concern that taxes are increasingly being imposed by some Contracting States in respect of certain aspects of international air transport and that charges on air traffic, several of which can be categorized as taxes on the sale or use of international air transport, are proliferating.
- 4. The ICAO Council Resolution in Doc 8632 supplements Article 24 of the Convention on International Civil Aviation and recognizes the uniqueness of international civil aviation and the need to accord tax-exempt status to certain aspects of the operations of international air transport.
- 5. Article 15 of the Convention establishes the basis for the application and disclosure of charges for airports and air navigation services.
- 6. The Council has been directed to formulate recommendations for the guidance of Contracting States with regard to the principles on which providers of airports and air navigation services for international civil aviation may charge to recover their costs and to derive other revenue therefrom, and with regard to the methods that may be used to that effect.
- 7. Articles 54, 55 and 67 of the Chicago Convention require States to submit traffic and financial data to ICAO.

#### Noting:

- That the ICAO Conference on the Economics of Airports and Air Navigation Services (CEANS), held in Montreal from 15 to 20 September 2008, adopted a series of Recommendations that aim at enhancing cooperation in the air transport industry, in particular between regulators, service providers and users, while increasing the efficiency and cost-effectiveness of airport operations and the provision of air navigation services.
- 2. That the Council, at its 185th Session, on 14 November 2008, endorsed the Recommendations of CEANS, including those concerning the revision of *ICAO's Policies on Charges for Airports and air Navigation Services* (Doc 9082), published as the eighth edition in January 2009.

- 3. The Council's concern over the proliferation of charges and taxes on air traffic.
- 4. The Council's recommendation that there should be a balance between the respective interests of airports and air navigation services providers on one hand and of users on the other, in view of the importance of the air transport system to States and its influence in fostering economic, cultural and social interchanges between States.
- 5. The importance of statistical data to the planning of airports and air navigation services providers, as well as monitoring of their performance.
- 6. The importance of ICAO's work in the economic field to contribute to a safe, secure and environmentally-friendly air transport.

# Considering:

1. The Decision taken in Yamoussoukro, Côte d'Ivoire, on 14 November 1999, relating to the implementation of the Yamoussoukro Declaration relating to the liberalization of the air transport market in Africa and approved by the Assembly of Heads of State and Government of OAU on 12 July 2000 in Lomé, Togo.

# Recalling:

1. The Ministerial Decision of the third African Union Conference of Ministers responsible for air transport adopted in Addis Ababa, Ethiopia on 11 May 2007 and subsequently endorsed by the Assembly of Heads of State and Government in Accra, Ghana on 29 June 2007 entrusting AFCAC with the responsibility of being the Executing Agency for the Yamoussoukro Decision in charge of the economic regulation of a liberalized air transport industry in Africa.

This Joint ICAO/AFCAC Regional Symposium for African States on the Economics of Airports and Air Navigation Services, desirous to create an environment conducive to a steady development of the air transport industry on the Continent,

#### Concludes:

# that African Contracting States should:

- 1. Ensure that Article 15 of the Convention is fully respected.
- 2. Base the recovery of the costs of the airports and air navigation services they provide, or share in providing, for international civil aviation on the principles set forth in Article 15 of the Convention and additionally in *ICAO's Policies on Charges for Airports and Air Navigation Services* (Doc 9082), regardless of the ownership or organizational structure under which the airports and air navigation services are operated.
- 3. Ensure that airport and air navigation services charges are only applied towards defraying the costs of providing facilities and services for civil aviation, and that service providers consult users on such charges.
- 4. Make every effort, pursuant to Article 15 of the Convention, to publish and communicate to ICAO any charges that they may introduce, or permit to be introduced, for the use of airport and air navigation facilities and services.

- 5. Request ICAO and AFCAC to assist African States, through workshops, seminars and other appropriate means, in raising the awareness of the States of these ICAO policies, in order to promote their implementation.
- 6. Encourage airports to take advantage of the joint ICAO/ACI Training Programme on user charges and should consider hosting such events.
- 7. Improve upon their reporting to ICAO of airport and air navigation services air traffic and financial data.
- 8. Select the appropriate form of economic oversight according to their specific circumstances.
- 9. Ensure that service providers establish performance management systems and Key Performance Areas (KPAs) to measure their performance.
- 10. Include ICAO's principles on non-discrimination, cost-relatedness, transparency and consultation into their national legislation or policies, and their air services agreements, to ensure compliance by airports and ANSPs.

#### that ICAO should:

- 1. Retain its position as the global forum for civil aviation in the field of air transport.
- 2. Consider developing guidance to improve the situation of airports that are not economically viable but are necessary for safety and security of international air transport.
- 3. Conduct a survey on the level of States' implementation of CEANS recommendations.
- 4. Provide guidance on funding of economic oversight.

### and that AFCAC should:

- 1. Ensure, in cooperation with other regions, that ICAO maintains its position as the global forum for all international civil aviation matters.
- 2. Cooperate with ICAO in encouraging African States to implement the policies and practices recommended herein.

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