



**Opening address by the President of the Council of the
International Civil Aviation Organization (ICAO),
Dr. Olumuyiwa Benard Aliu,
to the ICAO Meeting on Air Cargo Development in Africa**

(Lomé, Togo, 5 – 7 August 2014)

His Excellency Mister Arthème Séléagodji Ahoomey-Zunu, Prime Minister, his Excellency Mister Ninsao Gnofam, Minister of Public Works and Transport of Togo, ladies and gentlemen.

Let me begin today by thanking our co-organizers of this event, the National Civil Aviation Administration of Togo, and to extend ICAO's special thanks to the Ministry of Transport of Togo for its particularly helpful assistance in the organization of this meeting and for providing us with this very pleasant venue for our discussions.

Collaboration is essential to virtually every undertaking ICAO embarks upon, and it certainly encourages me to see such a select representation of aviation regulators and industry coming together to confront the challenges of air cargo development in Africa. We have a unique opportunity today to discuss our common challenges, learn from each other, and forge practical, effective solutions, and I am confident that is precisely what will be accomplished.

Before we begin to look at those challenges in more detail, however, let us first recognize that modern air transport is an essential enabler of global connectivity, supporting some 60 million jobs and more than two trillion dollars in economic activity worldwide. For Africa specifically, aviation supports more than a million jobs and approximately 35 billion dollars in continent-wide gross domestic product.

I would also highlight here that air cargo services are playing an increasingly important role in generating these positive impacts, with forecasts suggesting that worldwide air freight volumes will expand at an annual rate of 5.2 per cent through 2030.

One of the most important benefits of civil aviation, and something which is of significant interest to both governments and industry, is its ability to bring businesses and customers together to expand markets and elevate levels of local and regional prosperity. This is an especially important realization where air cargo services and perishable products are concerned – a product segment which contributes significantly to the prosperity of many Africans today.

Two important means by which air cargo companies can deliver these economic benefits to African businesses and regions are firstly liberalized air services agreements between States, and secondly increased connectivity through point-to-point routes.

Where liberalization is concerned, in 1999 African Ministers adopted the Pan-African Yamoussoukro Decision – but unfortunately its full benefits remain largely unfulfilled. Stronger levels of political will still need to be demonstrated before the full Yamoussoukro benefits can be realized, and I would encourage this as a matter of priority.

ICAO has also developed international agreements to facilitate the liberalization of air transport market access and air carrier ownership and control, not to mention our unique air services

negotiation events, otherwise known as “ICAN” meetings, where air services negotiators can gather in a single location to discuss and exchange traffic rights with multiple States. I encourage all of you to attend the next ICAN event which will be held in Bali, Indonesia in November of this year.

ICAO recognizes that the process of liberalization is a complex one – and one which should be pursued in a manner appropriate to the needs and circumstances of the concerned States and regions. Due regard must be given to the interests of all stakeholders, changing business environments and infrastructure requirements, and I hope some time will be spent here in Lomé on how to take these aspects into proper account.

With respect to infrastructure, significant capital outlays are required. Governments have remained the primary sources for this funding, however, growing demands on public finances from other sectors can make it very difficult to find adequate resources for the financing of airport and air navigation infrastructure. Solutions such as privatization and Public-Private Partnerships can be useful in this regard, notably when they are structured on the basis of ICAO policies relating to charges for airports and air navigation services.

Another investment-related challenge for African air cargo development is the age of the African aircraft fleet. In this context, you should look to the 2001 Cape Town Convention and its role in facilitating the financing of new aircraft. As of today, 11 African States have ratified this Convention and it is another important pillar supporting your air transport future.

Similarly, ratification of the Montreal Convention of 1999, or ‘MC-99’ as it is often referred to, would provide another important foundation for air cargo development in Africa. While I alluded earlier to the tremendous economic benefits that an efficient air transport environment can bring to States and regions, over the last several years the air freight market has actually begun decreasing in size, mainly because aviation still lags behind the maritime and ground transport sectors in the area of e-Commerce or – more specifically – e-Freight.

Only through the ratification of MC-99 will African States be able to begin replacing the multitude of air cargo documents now required with more cost-effective, efficient, and reliable e-Freight tools, yet as of today only about half of ICAO States have done so. ICAO is therefore drawing States’ attention to this very important issue and I would encourage everyone here to please verify the status of MC-99 in your State upon your return. Many of our partnering organizations, such as IATA, WCO, TIACA and FIATA, stand ready to assist you in the introduction of electronic cargo documentation.

Another important challenge we must address is how to better secure and streamline the global air cargo supply chain. This is a formidable task, as last year alone the world’s airlines transported approximately 50 million tonnes of cargo on scheduled services – half of which was carried on passenger aircraft.

ICAO has established a range of provisions to mitigate security risks to air cargo, with the most recent measures promoting the implementation of secure supply chains, introducing methods for securing high-risk cargo, and providing common baseline security measures for passenger and all-cargo aircraft, as well as guidance materials and assistance to our Member States.

We also clearly recognize, however, that the unobstructed flow and rapid release or clearance of goods is economically critical to both States and industry. With this in mind, ICAO is striving with key partners to streamline security processes and improve cargo facilitation at the same time, mainly through the effective application of information technology and risk management techniques.

ICAO and the World Customs Organization (WCO), for example, initiated a collaborative approach to address the security of the entire air cargo supply chain through a Memorandum of Understanding in 2011. One of the first practical steps in this collaboration was the development of a free publication entitled *Moving Air Cargo Globally*.

Available free of charge on the ICAO and WCO websites, this document describes the security and facilitation aspects of the cargo supply chain and explains the critical roles to be played by 'Regulated Agents' and 'Known Consignors'. There are very strict requirements relating to the screening of air cargo, and for good reason, but when shipments originate from a Known Consignor and are handled by a Regulated Agent, the procedures for screening are greatly simplified and streamlined.

We continue to cooperate with all stakeholders to ensure that aviation security and customs priorities take into account the diversity of goods being transported, the significant number of parties involved, and the practicalities of trying to streamline transnational operations under multiple regulatory environments.

Another area of priority going forward must be the training of air cargo personnel. The growing complexity of the worldwide air cargo industry demands a pool of well-educated staff and managers. Without these trained personnel, the air cargo sector will not be able to maximize opportunities for African societies and businesses. We therefore need to discuss and identify ways to address the issue of training and I am counting on this event to determine some practical recommendations.

Recognizing the importance of training, ICAO has been offering specialized courses on key cargo issues, including *Dangerous Goods* and *Air Cargo Security and Facilitation*. In addition to detailed courses for experts, we have also developed a series of online familiarization courses for managers and decision-makers.

I would also draw your attention to the fact that, on 3 and 4 December of this year, ICAO will be convening an important symposium for what we refer to as 'Next Generation of Aviation Professionals'. Training issues will be very prominent at this event so please follow our related announcements and plan for your State's participation.

The last issue I wish to bring to your attention today relates to the proliferation of taxes and duties on aviation operations, including air cargo, and their negative long-term impacts on both operators' bottom lines and the ability of air services to effectively promote economic development. This proliferation is clearly at odds with ICAO policies and we are therefore encouraging a greater exchange of information on the related economic impacts.

Ladies and gentlemen, I would encourage you all to take full advantage of the unique opportunity this forum offers to share your experiences and views and engage in productive discussions. I am optimistic that your interactions here will highlight important collaborative opportunities for future air cargo development in Africa, and would stress that this work must be done at the global, regional and State levels.

And as we intend to sign a common declaration here addressing the strategic issues facing regulators, the industry and other stakeholders, I wish to highlight the importance of this document and its role in providing a roadmap for the continuous improvement of Africa's air cargo regulatory framework.

In closing, let me take this opportunity to bring to your attention that 2014 is the 70th Anniversary of the signing of the *Convention on International Civil Aviation*, and of ICAO serving as a focal point for consensus and progress on our air transport challenges. Throughout this period, the world has benefitted from the resolute cooperation ICAO has been able to foster and I remain very committed to the belief that we will continue to drive further and greater progress – if we continue to work together.

Thank you.