

Michael Rossell

## Introductory Panel

First let me introduce myself, I am representing the UK Department for Transport and speaking on behalf of Jonathan Moor, the ECAC Focal Point on Economic matters: I am also the former UK Council member and First Vice President of the ICAO Council.

For those not familiar with ECAC, it is the European Civil Aviation Conference comprising 44 States including all those in the EU plus others stretching from Iceland to the West to Azerbaijan to the east. A truly Pan European organization, which covers all aspects of air transport. The organization is unique in that it provides an opportunity for direct interaction between DGCAs on a regular basis to consider issues of common interest to all. Last December, for example, it took a sweeping overview of the opportunities and problems of aviation and inter-modality: how can we make aviation more sustainable?

So the question of sustainable development and where air transport fits in is one which, albeit obliquely, has recently been addressed by ECAC. Starting with the basics: sustainable development is a three way balance of economic performance, social wellbeing and environmental protection. Different States, even within ECAC, have different ideas about where that balance will lie. From a Regulator's perspective we want it all!

In the ECAC region we have a mostly mature aviation market, most major airports are effectively full or nearly so, and secondary airports are catching up fast. We have a well integrated express packets industry and barring major problems, such as strike action or the odd volcano, the European economic market works well enough. Full liberalization of the internal EU market was completed under the so-called third package in the late 1990s, but we are working to make it better through the development of Single European Sky, through improvements in ground handling procedures and so on. So economic performance is largely taken for granted.

This leaves the second two elements: social wellbeing has been taken forward in ECAC through, for example, guidance on improving the handling of persons of reduced mobility (PRMs) at airports; and finding right balance between facilitation and security; and through the environment committee (ANCAT) which has a long history of advice on technical developments to reduce aircraft noise and the impact of emissions from aviation on local air quality. Both of these, and more, have been picked up by the European Union and developed as binding legislation for EU Member States.

So, where does air transport fit? Here is the paradox: we want all the economic benefits that air transport can deliver at the lowest possible cost: but we also want social benefits such as passenger rights and consumer and environmental protection, which come at a price that we may not be prepared to accept. This is where we have to make hard choices: Lufthansa at Frankfurt – night curfew; DHL out of Brussels; a third runway for Heathrow – in all these cases the economic benefits of air transport have been subordinated to the social and environmental impacts that aviation might have had.

Professor Button asked us a second question: *“what do you think the role of international agencies such as ICAO have in sustainable development policy”*,

It was good to see ATAG agreed on 22 March a global statement Towards Sustainable Aviation – requesting governments to ... **4. Continue development of sustainable airport**

*infrastructure to meet the anticipated future demand for aviation services within the context of the economic, social and environmental needs of society, and ... 6. urging governments to reach agreement at the International Civil Aviation Organization (ICAO) for a global framework for reduction of emissions from aircraft operations using technology development, efficient operations and infrastructure, and the use of international multilateral market-based measures to address any remaining emissions gap.* Clearly, industry believes that there is a role for ICAO: and ECAC-governments do too. And not just for environmental issues.

In the Charter Letter reappointing the Secretary General the Council, strongly supported by the ECAC States, asked him to ensure that ICAO's diverse aviation mandate is understood and that it reflects and balances the interests of all stakeholders. So, yes, there is an important role for international agencies to discuss and act together to develop the right international regulatory environment: **but**, and it is an important **but**, ICAO has no regulatory "teeth" and it relies on States to implement the agreements into national laws.

So the question that this symposium needs to address is "**what exactly do we want ICAO to do to improve the regulatory environment so that we can develop our business in a sustainable way**". We need to stimulate the debate so that when we come to the Air Transport Conference next year we have thought about both the questions to ask, the conclusions we wish to reach, and the recommendations we need to make to the ICAO Council. We are all faced with challenges in finding balance between regulation and competition.

Whereas there is a broad consensus on the regulation we need for safety and security, approaches vary as regards economic regulation. And this is why we are here today – to exchange views, best practice and our thoughts about a way forward.