DEVELOPMENT OF AIR TRANSPORT IN AFRICA

Challenges and Strategies

Addis Ababa, Ethiopia
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Objectives of the Presentation

- To highlight the existing situation of air transport in Africa
- To outline previous and ongoing actions
- To raise some key issues and challenges
- To indicate areas of strategic cooperation in civil aviation
Background and Context

- Africa is a vast continent:
  - Area: 30 millions km² ⇔ 22% surface of the globe

- A total of 54 African States:
  - 15 landlocked (non-costal) States and 7 Island States

- Inadequate surface transport system (railway, road, inland waterways): quantity and quality

- Air transport was generally related to affluent segments

- Now importance given to air transport in the framework of MDGs: Targets and Indicators defined in March 2005
State of Air Transport in Africa (1)

Traffic share and airlines:

- African airlines managed to carry only 4.5% and 1.6% global passenger and cargo air traffic respectively in 2006.
- Most African airlines are small in size (fleet/capital) and are largely state owned (national flag carriers).
- They are heavily indebted with low productivity.
- Poor management and high operating costs have hindered the potential for growth and the capacity of African airlines to cope with growing competition.
- There is a number of African airlines performing better than the general picture and constitute a real source of pride.
State of Air Transport in Africa (2)

- **Passengers:** 4.5% of the 2.02 billion of global traffic
- **Cargo:** 1.6% of the 36 million tonnes of world traffic
State of Air Transport in Africa (3)

Safety

- The level of aviation accidents in Africa is the highest in the world:
  - 6 times the world average

- Africa accounts for only 4.5% of the global air traffic

- Over 12% world air accidents

- About 60% of the air accidents occurred in five African States (2005)

- Mainly small and medium sized aircraft with obsolete technology
The Vision

“A united and integrated Africa; an Africa imbued with justice and peace; an inter-dependent and robust Africa determined to map for itself an ambitious strategy; an Africa underpinned by political, economic, social and cultural integration which would restore to Pan-Africanism its full meaning; an Africa able to make the best of its human and material resources, and keen to ensure the progress and prosperity of its citizens by taking advantage of the opportunities offered by a globalised world; an Africa capable of promoting its values in a world rich in its disparities”
The Vision (condensed)

“An integrated, stable and prosperous Africa”
AU Vision in Air Transport

“An Africa that is well endowed with a reliable, efficient and affordable air transport system capable of promoting continental socio-economic development and integration”
Major Policy Initiatives

1980: General Policy on Air transport

1988: Yamoussoukro Declaration on a New Air Transport Policy for Africa

1999: Yamoussoukro Decision on the Liberalisation of Air transport Markets in Africa
Major Policy Events

- 1st AU Conference of African Ministers of Air Transport, Sun City, South Africa 16 – 19 May 2005


- High Level Meeting of African Airlines, Tunis, Tunisia 29 – 30 May 2006

Key Policy Decisions

- Sun City Resolution on the Follow-Up of the Implementation of the 1999 Yamoussoukro Decision
- Libreville Resolution on Aviation Safety
- Libreville Resolution on a Common African External Air Transport Policy
- Libreville Plan of Action
- Tunis Plan of Action
Priority Policy Actions

- Liberalisation of air transport markets in Africa: implementation of the Yamoussoukro Decision
- Elaboration of a common external African civil aviation policy: Guidelines for Negotiating Air Transport Services with European States
- Improvement of Aviation safety and Security in Africa
- Creating an environment conducive to improvement of connectivity, service efficiency and lowering cost of air transport
- Encouraging investment and financing of air transport in Africa
A. Market Liberalisation

The Sun City Resolution on speeding up implementation of the 1999 Yamoussoukro Decision on the Liberalisation of Air Transport Markets in Africa:

Tasks:

- Establishment of the Executing Agency (Article 9)
- Harmonisation of Competition Rules (Article 7)
- Putting in place a Dispute Settlement Mechanism (Article 8)
- Formulating guidelines for evaluation of the Implementation of the Yamoussoukro Decision
- Assistance to State Parties
B. Common External Air Transport Policy

The Libreville Resolution on a common external air transport policy:

Prompting factors:

- Response to ECJ November 2002 ruling on “Community Clause” – Revision of BASAs into “Horizontal Agreements”
- US Open Sky Policy

Current (Ongoing) Task:

- Formulation of continental Guidelines for Negotiating Air Transport Services with European States
Objective and Target (Sun City Decision):

“To reduce air accidents level to the world average by 2008”

(from the current: 6 times the world average!!)
C. Aviation Safety (2)

Implementation of the Libreville Resolution and Plan of Action on Aviation Safety

**Elements:**

- Institutional measures
- Regulatory measures
- Operational measures
- Capacity building measures
B. Aviation Safety (2)

Institutional measures:

- Autonomous Civil Aviation Authorities (CAAs)
- Competent specialized services for accident investigation
- Cooperation with autonomous accident investigation bureaus
- Strengthening continental framework for civil aviation oversight
C. Aviation Safety (3)

Regulatory measures:

- Definition of common criteria and harmonization of regulations
- Verification of aircraft airworthiness
- Sharing of information
- Assistance to states where needed
- Strengthening regional and continental cooperation
C. Aviation Safety (4)

Operational measures:

- Expeditious rectification of the deficiencies observed during ICAO’s USOAP audits
- States’ utilization of data such as IOSA audits for operators’ certification and monitoring activities
- Expeditious implementation of the Air Safety Management Systems
- Publicising results of ICAO safety audits
C. Aviation Safety (5)

Capacity building measures:

- Continued establishment of COSCAP projects
- Regional and Sub-Regional Aviation Safety Oversight Organisations (RSOOs)
- Training of inspectors
- Training of the staff of CAAs
D. Improvement of Air Transport Networks and Services

Implementation of the Tunis Plan of Action:

- Encouraging commercial cooperation among African airlines with a view to improving intra-African connectivity
- Governments to bear part of the cost of airport security
- Creating user funds based on aviation taxes and levies for financing airport infrastructure
- Determining strategies for minimising fuel costs
- Encouraging the creation of multinational airlines through cross-border share offers, setting up of regional airlines and encouraging the use of existing hub airports
E. Financing Air Transport in Africa

Implementation of the Tunis Plan of Action:

- Strengthening Public sector involvement alongside private investment (PPPs)

- Arrangements should be made with financial institutions to facilitate and simplify procedures for lending to African airlines

- There should be efforts to strengthen institutional and operational capacities through, among others, financing of training and maintenance centres

- A feasibility study on the creation of an investment fund for the air transport industry in Africa should be carried out soon
International Cooperation

- Providing global framework for setting up quality standards (conventions on safety, security, environment, etc.)

- Assistance to African states, RECs and the African Union in ensuring compliance with international air law instruments: technical + economic

- Support to implementation of air transport projects (Airports and air navigational facilities and airlines)

- Facilitating resource mobilisation initiatives for civil aviation infrastructure projects in the continent: e.g. G8 (ICA), EU

- Support to capacity building effort for States, RECs and the African Union / NEPAD

- Providing support to African States, the RECs and the African Union in international negotiations: ASAs, safety, security, etc.
THANK YOU

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