



WORKING PAPER

**SEVENTH WORLDWIDE AIR TRANSPORT CONFERENCE
(ATCONF/7)**

Montréal, HQ, 16 to 20 November 2026

Agenda Item 3: Strengthening regulatory and institutional frameworks

3.2: Enhancing air connectivity through progressive economic and regulatory aviation frameworks for international air transport

REGIONAL LIBERALIZATION AS A PATHWAY TO ENHANCED AIR CONNECTIVITY: THE JOURNEY OF THE SINGLE AFRICAN AIR TRANSPORT MARKET (SAATM)

(Presented by Togo on behalf of 54 Member States of the African Civil Aviation Commission (AFCAC)²)

EXECUTIVE SUMMARY

Regional and plurilateral liberalization arrangements have become practical mechanisms for translating international air transport liberalization into wider market access, connectivity, and economic integration. Although the Africa's Single African Air Transport Market (SAATM), European Single Aviation Market, Association of Southeast Asian Nations (ASEAN) Single Aviation Market, and Latin American Civil Aviation Commission (LACAC) Multilateral Open Skies Agreement differ in legal and institutional design, they share a common direction: reducing restrictive market-access barriers to improve connectivity while supporting fair competition and consumer protection. SAATM is Africa's principal mechanism for air transport liberalization and implementing the Yamoussoukro Decision (YD). African Civil Aviation Commission (AFCAC) reports that 38 African Union Member States have signed the SAATM Solemn Commitment, intra-African connectivity increased from 15 per cent in 2018 to 23 per cent in 2026, and more than 124 new intra-African routes have been introduced, including 22 Fifth Freedom routes. Progress is therefore tangible, but uneven implementation, including restrictive bilateral provisions, delayed authorizations and limitations on traffic rights, routes, capacity, frequency, designation and financing, continues to constrain commercially usable market access. The central policy issue is how States can translate liberalization commitments into predictable operating rights within an enabling global framework.

Action: The Conference is invited to:

- a) recognize that regional and plurilateral liberalization arrangements voluntarily established or accepted by States can serve as practical pathways for wider market opening, enhanced connectivity and sustainable economic development, and that their implementation experience can provide useful lessons for regions or States implementing liberalization;
- b) request the International Civil Aviation Organization (ICAO) to strengthen and modernize its policy guidance, frameworks, analytical tools, comparative assessment and support for air transport liberalization, including systematic exchange of implementation experience, measurable outcomes and good practices, and capacity

¹ English and French versions provided by AFCAC.

² Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cabo Verde, Central African Republic, Chad, Comoros, Congo, Côte d'Ivoire, Democratic Republic of the Congo, Djibouti, Egypt, Equatorial Guinea, Eritrea, Eswatini, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, South Sudan, Sudan, Togo, Tunisia, Uganda, United Republic of Tanzania, Zambia, Zimbabwe.

building in cooperation with competent regional organizations where appropriate and taking into account differing regional circumstances and levels of development; and c) encourage States to translate liberalization commitments into effective and commercially usable market access through timely authorizations, effective exercise of agreed traffic rights and removal of unnecessary restrictions, supported by regulatory safeguards and operational indicators measuring connectivity, frequency, consumer benefits and implementation gaps; and to share these results with ICAO and regional organizations to support corrective action, global policy development and learning. In Africa, such cooperation should be undertaken with AFCAC, as the Executing Agency of the YD and SAATM.	
<i>Strategic Goal:</i>	This working paper relates to Strategic Goal: <i>The Economic Development of Air Transport Assures the Delivery of Economic Prosperity and Societal Well-Being for All.</i>
<i>Financial implications:</i>	The proposed actions are expected to be pursued within ICAO's existing and future work program and available resources, subject to priorities established by the Organization
<i>References:</i>	Decision relating to the implementation of the Yamoussoukro Declaration concerning the liberalization of access to air transport markets in Africa, 1999 Continental Study on the Benefits of the Single African Air Transport Market Doc 9587, <i>Policy and Guidance Material on the Economic Regulation of International Air Transport</i> ICAO Long-Term Vision for International Air Transport Liberalization Regulation (EC) No. 1008/2008 on common rules for the operation of air services in the Community (Europe) ASEAN Multilateral Agreement on Air Services (MAAS) and ASEAN Multilateral Agreement on the Full Liberalisation of Passenger Air Services (MAFLPAS) and their Protocols LACAC Multilateral Open Skies Agreement, 2010

1. INTRODUCTION

1.1 International air transport market access has traditionally been governed primarily through Bilateral Air Services Agreements (BASAs) regulating traffic rights, routes, capacity, frequency and designation. States in several regions have increasingly complemented these arrangements with regional and plurilateral frameworks designed to widen market access, reduce fragmentation, and improve connectivity. Europe, Association of Southeast Asian Nations (ASEAN), Latin American Civil Aviation Commission (LACAC) and Africa have adopted different institutional models, but each demonstrates that progressive liberalization can extend beyond individual bilateral arrangements while accommodating different regional circumstances and levels of readiness.

1.2 Regional liberalization experiences offer valuable insights into translating policy commitments into operational market access, a challenge common across institutional models. Drawing on Africa's experience with the Yamoussoukro Decision (YD) and the Single African Air Transport Market (SAATM), this paper highlights both the opportunities and implementation challenges of regional liberalization, identifies cross-cutting lessons relevant to all regions, and proposes strengthened the International Civil Aviation Organization (ICAO) policy guidance, comparative assessment and capacity-building to help States convert bilateral, regional or plurilateral commitments into measurable connectivity and development outcomes.

2. DISCUSSION

2.1 Regional Liberalization as a Practical Implementation Pathway

2.1.1 There is no single model for regional air transport liberalization. The European Union operates a highly integrated single aviation market; ASEAN has progressively widened market access through multilateral instruments; LACAC provides a plurilateral open-skies framework; and Africa implements the YD through SAATM. Although their legal structures and depth of integration differ, they share a common policy direction:

wider traffic rights, fewer unnecessary market-access restrictions and greater opportunities for connectivity. Such arrangements can complement ICAO's global liberalization objectives by translating international policy principles into operational market access.

2.1.2 Their practical value lies in creating more flexible conditions for airline network development through broader designation, capacity, frequency, routing and traffic rights, including Fifth Freedom operations where commercially justified. Regional and plurilateral frameworks can therefore serve as implementation laboratories, generating practical experience in moving from restrictive to more liberal market-access regimes. These lessons can inform States pursuing liberalization through different pathways and support ICAO's development of policy guidance, analytical tools and capacity-building programmes.

2.2 From Commitment to Commercially Usable Market Access

2.2.1 Africa has pursued regional liberalization through the YD of 1999 and SAATM, launched by the African Union in 2018 as an Agenda 2063 flagship initiative. AFCAC, as the Executing Agency of the YD, coordinates and monitors implementation through a key performance indicator (KPI) framework assessing State readiness and compliance with YD principles and regulatory instruments. The framework supports full Third, Fourth and Fifth Freedom traffic rights, free determination of capacity and frequency, multiple airline designation, Seventh Freedom rights for all-cargo services, and appropriate competition and consumer-protection safeguards. African Ministers, at the Fifth Ordinary Session of the AU Specialised Technical Committee (STC) on Transport and Energy in Johannesburg in April 2026 and the African Air Transport Convention and Expo in Lomé in June 2026, reaffirmed the need to accelerate implementation with clear declaration and roadmap, align bilateral Air Services Agreements with the YD principles, expand Fifth Freedom opportunities, remove unnecessary market-access restrictions and strengthen accountability.

2.2.2 Africa's experience highlights a challenge of wider global relevance: the distinction between formal market access and commercially usable market access. Agreed traffic rights do not automatically ensure that airlines can exercise them effectively. The Continental Study on the Benefits of SAATM based on an analysis of 607 bilateral air services agreements, shows that effective liberalization also depends on predictable authorizations, effective exercise of agreed rights, competition and consumer-protection safeguards, capable institutions and systematic monitoring. These implementation requirements apply whether liberalization proceeds bilaterally, regionally or plurilateral, and provide practical lessons that can inform ICAO guidance for States pursuing more open-air transport markets.

2.3 Measuring Liberalization Effectiveness: Connectivity and Economic Benefits

2.3.1 Africa's experience shows that liberalization should be assessed by operational outcomes, not simply by the number of participating States or agreements. The key test is whether granted rights generate actual services, stronger connectivity, and measurable economic benefits. The Continental Study on the Benefits of SAATM estimated that full liberalization could generate about 588,750 additional jobs, USD 4 billion in annual gross domestic product (GDP), a 26.4 per cent average reduction in passenger fares on the country pairs examined and 27 per cent higher frequencies on existing routes. Yet its 2019 baseline found that only 19 per cent of African country pairs had significant direct air service, while only 35 per cent of existing routes operated daily or better. Implementation is nevertheless yielding results: AFCAC reports more than 3 million additional passengers, approximately 8,200 direct and indirect jobs and USD 2.8 billion in trade facilitated, with 38 SAATM States, 24 States participating in the Pilot Implementation Project. Complementary reforms are also advancing in visa openness, affordability, taxes and charges, sustainable aviation fuels and the YD Dispute Settlement Mechanism.

2.3.2 These gains remain below the modeled potential, underscoring both the value of early implementation and the opportunity from deeper liberalization. Monitoring should therefore focus on operational indicators such as aircraft movements, route depth, frequency, schedule reliability, load factors, particularly for low-traffic markets and cargo performance to determine whether agreed rights are being exercised and whether liberalization is improving connectivity, trade and economic integration. Such indicators can help States and regional organizations identify implementation gaps, benchmark performance, refine policy, and share good practices. Although

developed in the SAATM context, this outcome-based approach has wider relevance for assessing liberalization's effectiveness beyond formal commitments.

2.4 National experience: Togo and lessons for wider replication

2.4.1 Togo illustrates how national commitment to regional liberalization can translate into measurable connectivity outcomes. Since committing to the implementation of the YD in 2017, Togo has aligned air services arrangements with the YD objectives, concluded agreements or memoranda of understanding (MoUs) with 34 SAATM Member States and three non-SAATM States, granted Fifth Freedom rights to eligible African carriers, liberalized air cargo through Seventh Freedom rights and permitted cabotage on the Lomé-Niamtougou route. These measures have supported a hub-based regional network which serves over 30 destinations, including 18 under Fifth Freedom rights; passenger traffic increased from 810,494 in 2017 to 1,548,188 in 2025; and Togo records 32 direct African routes.

2.4.2 While these outcomes reflect multiple factors, Togo's experience demonstrates how political leadership, regulatory openness and commercially usable traffic rights can strengthen airline network development, particularly where Fifth Freedom operations enable traffic aggregation across markets that may not sustain stand-alone point-to-point services. The model should nevertheless be viewed as one implementation illustration rather than a universal template, as different market structures, including multi-carrier and non-hub configurations, can also deliver liberalization benefits. ICAO can draw on these varied national experiences to support broader comparative assessment of effective regional liberalization.

2.5 Effective liberalization requires an enabling regulatory framework

2.5.1 Experience across regions confirms that liberalization is not synonymous with deregulation. Traffic rights alone do not create sustainable liberalized markets. Effective implementation requires predictable authorizations, competition and consumer-protection safeguards, capable regulatory institutions, reliable data and monitoring, regulatory transparency, and consistent application of agreed frameworks. Where these conditions are absent, legal commitments may not translate into operational market access. States must therefore align regulatory practice with airline operational needs through transparent, predictable and consistently applied frameworks that support safe, responsible, and competitive operations.

2.5.2 Effective liberalization also depends on clear institutional roles. In Africa, AFCAC coordinates, supervises and supports implementation of the YD and SAATM with Member States, the African Union Commission, Regional Economic Communities (RECs) and industry. More broadly, ICAO, regional institutions and States have complementary responsibilities: ICAO provides the global policy framework, guidance, analytical tools, comparative assessment, good practice and capacity-building; regional institutions adapt and coordinate implementation within their respective contexts; and States remain responsible for regulatory oversight and operational implementation. ICAO support is most effective when it complements established regional mechanisms while ensuring equivalent capacity-building support for States outside such frameworks.

3. POLICY POSITION AND CONCLUSION

3.1 Experience across regions, including Africa's implementation of SAATM, demonstrates that regional and plurilateral frameworks can provide practical pathways for progressive air transport liberalization by translating global policy principles into operational market access suited to regional circumstances. The central challenge, however, is implementation: ensuring that agreed commitments become predictable and commercially usable through aligned air services arrangements, timely authorizations, effective exercise of traffic rights and appropriate regulatory safeguards.

3.2 Liberalization effectiveness should therefore be assessed not only by formal commitments or participation in liberal frameworks, but by whether airlines can establish and sustain services, passengers benefit from greater connectivity, affordability and choice, and economies realize wider development gains. This requires

regulatory coherence, capable institutions, predictable processes, effective use of traffic rights, competition safeguards, and systematic monitoring through operational indicators that measure market-access effectiveness. Africa's experience in distinguishing formal from usable market access, strengthening enabling frameworks and coordinating implementation offers lessons of wider relevance to States pursuing liberalization through different institutional pathways.

3.3 ICAO can strengthen the global enabling framework by enhancing policy guidance on implementation, facilitating comparative assessment and knowledge exchange, developing analytical tools to measure liberalization effectiveness, and expanding capacity-building for States transitioning to more liberalized markets. Such support should complement, rather than replace, the responsibilities of States and regional institutions for operational implementation, while allowing the global aviation community to benefit from diverse regional experiences and good practices.

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