



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

**MODERNIZING POLICY INSTRUMENTS TO BE MORE DYNAMIC
LEVERAGING DATA-DRIVEN METHODOLOGIES TO FURTHER ADVANCE
REGULATORY AND DEVELOPMENTAL HARMONIZATION**

(Presented by Saudi Arabia)

EXECUTIVE SUMMARY

This working paper highlights strategic opportunities to update and advance the International Civil Aviation Organization's (ICAO) economic policy instruments and data tools to better incentivize Member States further harmonize economic policies aiming at delivering the ICAO Strategic Plan 2026-2050.

Keeping pace with the continuous aviation growth, this paper proposes transformation of ICAO policy guiding materials into more dynamic instruments leveraging modernized economic-based data tools and metrics, such as but not limited to, the Global Aviation Competitiveness Index (GACI) and the Aviation Satellite Account (ASA). The purpose of the proposed dynamic policy instruments is to realize market realities and to showcase economic returns incentivizing Member States to enhance application while also considering regional disparities, institutional willingness, and different arrangements (bilateral, regional, and multilateral). Furthermore, it proposes a cross-panel collaboration and synergy between the Air Transport Regulation Panel (ATRP) and the Aviation Data and Analysis Panel (ADAP) to draw evidence-based policymaking. Finally, it addresses the prerequisite organizational and financial efforts by ICAO as well as parallel attention to training packages required to deliver optimal results.

Action: The Conference is invited to adopt the actions in Section 4.

<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>	
<i>References:</i>	Assembly Resolution A42-26 – <i>Consolidated statement of continuing ICAO policies in the air transport field</i> <i>ICAO Strategic Plan 2026–2050</i>

1. INTRODUCTION

1.1 Air transport is a major driver of global connectivity and economic prosperity through facilitating tourism, business, and trade, as well as societal flourishing. It has a history of growth of a high magnitude and projected to be doubled within the next 24 years, as per ICAO's Strategic Plan 2026-2050.

1.2 ICAO's efforts to realize its Strategic Goal Economic Development of Air Transport (EDAT) is much recognized and found effective, especially through its guiding regulatory and policy frameworks. However, there is a lot of potential to further advance through multiple aspects. To take a State to the level of implementing these materials, the State has to realize the following; the added value to its economy, gross domestic product (GDP), connectivity, and job creation, the training tools provided to address such process, the dynamics of its applicability, the availability of modernized data tools to assess progress, and infrastructure readiness.

1.3 Therefore, this paper will highlight opportunities for updating the materials relevant to EDAT through data-driven methodologies assuming optimal utility and benefits of such materials, achieving institutional, regulatory and developmental harmonization, taking into account challenges such as resource allocation and capacity building needs.

2. DISCUSSION

Realizing Added Value Through Modernized and Diversified Data Tools

2.1 For a State to be incentivized to apply guidance materials by ICAO, a direct relationship is necessary to be established between economic development regulatory frameworks and national economic returns.

2.2 To provide a diversified data pool, ICAO is invited to look into the integration of, for example but not limited to, the Global Aviation Competitiveness Index (GACI) and the Aviation Satellite Account (ASA), and other economic metrics, directly into its data platforms and leverage them for economic regulatory material updates, showcasing economic returns on application of guidance instruments.

- GACI serves as a vital tool for benchmarking air connectivity quality, infrastructure readiness, and regulatory efficiency against global metrics.
- ASA aligns aviation data directly with national accounting systems, allowing Civil Aviation Authorities to present clear evidence of the sector's contributions to national GDP, job creation, and broader economic returns.

2.3 Providing these comprehensive, diversified, and timely economic perspectives incentivizes States to enhance application, secure infrastructure investment, and draw national prioritization.

Dynamic Applicability: Factoring in Resource Disparities, Market Trends, and Graduality

2.4 Today's commercial aviation environment is continuously and rapidly changing, witnessing new market shifts and modernized financial models, which makes it challenging to apply somewhat static texts that are only updated in prolonged time cycles. Thus, guidance instruments can be more dynamic, responsive, and easy to apply to immediate market realities.

Data-Driven Policy Synergy: Joint ATRP and ADAP Collaboration

2.5 To transform guidance material to a more dynamic nature aiming at achieving institutional and developmental harmonization, it is important to support it by data-driven methodologies. Thus, this paper proposes establishing a collaborative mechanism, such as regular joint meetings or a shared work programme, between the Air Transport Regulation Panel (ATRP) and the Aviation Data and Analysis Panel (ADAP), bringing synergy through a cross-panel workflow to allow regulatory policies to be continuously validated and driven by economic and connectivity metrics and forecasting.

3. CONSIDERATIONS

Addressing Organizational and Financial Issues

3.1 To deliver optimal results, proper reallocation of resources is necessary to realize the Economic Development of Air Transport Strategic Goal. Regular budget allocations and staffing footprints have generally favoured safety and security oversight frameworks as well as relatively new and emerging files such as climate change policy. While those portfolios are important, the Economic Development of Air Transport portfolio has been left with limited human and financial resources and an over-reliance on unpredictable voluntary funding, which limits long-term support for States.

Deploying Practical Training Packages

3.2 On this context, and with the potential this working paper is presenting, it is also recommended to plan and develop, in parallel, capacity-building initiatives and tailored training packages taking into account the proposed updates of the regulatory guiding instruments, ensuring that all Member States have the hands-on skills and the know-how required to adopt and apply such instruments moving towards a harmonized and a resilient aviation sector.

4. ACTION BY THE CONFERENCE

4.1 The Conference is invited to:

- a) request the Council to update economic policy guidance into more dynamic instruments tailored to Member States' needs leveraging diversified and modernized economic data tools integrating, *inter alia*, the GACI and the ASA, and accommodating for regional disparities and market trends;
- b) urge the Council to establish a formalized collaborative interface, through regular joint meetings or coordinated workflows, between the ATRP and the ADAP to institutionalize data-driven, evidence-based methodologies in the modernization of economic policies and guidance materials; and
- c) urge the Secretary General and the Secretariat to ensure adequate resource allocation relevant to the effective execution and optimal delivery of Economic Development of Air Transport Strategic Goal, paired with the development and rollout of tailored capacity-building packages for Member States.

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