



**Address by the President of the Council
of the International Civil Aviation Organization (ICAO),
Mr. Roberto Kobeh González,
to the 45th Conference of Directors General of Civil Aviation
of the Asia and Pacific Regions**

(Kuala Lumpur, Malaysia – 24 November 2008)

I am truly delighted to be here with you for the 45th Conference of Directors General of Civil Aviation of the Asia and Pacific Regions.

We meet at a time of upheaval around the world. The current global financial crisis and the volatility of fuel prices have combined to bring about structural changes to the air transport industry. Recently, airlines have taken steps to counter the rapid increase in oil prices, such as retiring older, less energy efficient aircraft, abandoning non-productive routes, adjusting capacity to weaker demand, reducing the workforce and contemplating mergers.

The news is not all bad. ICAO's latest medium-term forecast points to an industry recovery by 2010. Financially, for the airlines of ICAO Member States, prospects are for an operating loss for 2008 and a return to profitability in 2009 and 2010. Passenger traffic should demonstrate lower than earlier anticipated growth in 2008 and 2009, with recovery in 2010.

The bottom line is that the global industry has always shown enormous resilience and our collective challenge will continue to be – especially in this Region – to cope effectively with growth in order to ensure the integrity of all air transport operations.

As you begin your 45th annual conference, I would like to share a few thoughts on some recent events within ICAO.

I will begin with safety, our top priority. As you know, for the past few years, ICAO has adopted a more holistic perspective of safety management. We are increasingly tackling safety issues in an integrated fashion, addressing problems at source and investing precious resources where they are most likely to produce concrete and lasting results.

The recommendations of the eighth Accident Investigation and Prevention Divisional Meeting held in October went in this direction, especially in supporting the free flow of information relating to accident investigations. The meeting recognized that innovative approaches to accident and incident investigations are needed in light of the current realities of evolving technologies and resource constraints. The major recommendations include:

- Focusing investigations on those accidents and serious incidents where safety lessons are expected to be learned;
- Improving regional cooperation in accident and incident investigations to assist those States lacking the necessary means;
- Public availability of all final accident reports in the interest of safety;
- Better coordination of safety investigations and judicial processes; and
- Addressing shortcomings in the field of accident investigation identified by ICAO's Universal Safety Oversight Audit Programme (USOAP).

USOAP itself was the subject of some good news recently. The systems and procedures used in the Programme were once again recertified ISO compliant in October. This is further acknowledgment of the value of USOAP in enhancing aviation safety worldwide and of its effectiveness in assisting Member States, like those represented here, to continually improve their respective safety oversight activities.

As you may know, USOAP will come to an end in 2010. The 36th Session of the ICAO Assembly directed the Council to examine the feasibility of a new approach based on the concept of continuous monitoring, to be implemented at the end of the current audit cycle in 2010.

The concept of “continuous monitoring” is based on the establishment of a system that will continuously monitor the safety oversight capabilities of Contracting States and ensure that States develop, maintain and apply national regulations that conform to the ICAO Standards and Recommended Practices. It incorporates the principles of safety management, focusing on a systematic identification of deficiencies in the State safety oversight capability, assessment of associated safety risks and implementation of strategies to rectify deficiencies and mitigate risks.

The Secretariat has formed a Study Group and is currently working very closely with the Regional Offices, different Bureaus of the Organization and international organizations to ensure it understands the needs and expectations of both internal and external partners as they move forward in developing this new approach.

Another major issue that will increasingly affect the air transport system is the lack of skilled aviation personnel throughout the industry, an issue we must begin addressing immediately. The recent measures taken by airlines to counter higher fuel costs and the recent drop in oil prices have eased the pressure, but we have only bought time.

Our challenge remains enormous. In the next few years, there will be a massive wave of retirements from the current workforce. The growth of the industry in certain regions is not consistent with current training and capacity. And, whether we want to admit it or not, aviation has lost some of its lustre. It is not as popular as it was, yet the cost of entry is still very high.

Aviation professionals themselves have changed tremendously. Pilots are now information managers in a glass cockpit; air traffic controllers have seen their activity evolve from completely manual to fully automated; and mechanics and inspectors have gone from nuts and bolts to trend analysis and predictive maintenance.

To address all of these issues, ICAO has initiated a four-point plan of action:

- One is to quantify the problem. We are in the process of collecting the required data through a survey of all Contracting States and discussions with industry stakeholders;
- Second is to bring the ICAO Standards and Recommended Practices in line with modern training methodologies;
- Third is to identify activities that supporting partners in the community can play; and
- Fourth, is to provide a platform for the aviation community to come together around a common strategy. For the new generation of aviation professionals, an ICAO symposium is planned for the first quarter of 2010 in cooperation with major industry stockholders.

All of these activities and more will culminate in a report to the 37th Session of the ICAO Assembly in 2010. Out of this process will come a global approach to meeting the human resources challenge of this early part of the 21st century. I urge you to participate fully in this process.

In recognition of the effort required, the Council of ICAO approved earlier this year the related theme for International Civil Aviation Day 2009: *Tomorrow's aviation – a world of opportunity for skilled aviation personnel*. We all have a role to play in generating interest for careers in aviation.

Sound economic policies are also vital to managing the growth challenge. The Conference on the Economics of Airports and Air Navigation Services held in September went a long way in updating ICAO's policies on charges for airports and air navigation services, making them more authoritative in practice. These are the policies that regulate the relationship between airports and airport users, and between air navigation services providers and airspace users.

The recommendations were designed to enhance cooperation in the air transport industry and increase the efficiency and cost-effectiveness of airport operations and the provision of air navigation services. They were also made to strengthen policies on economic oversight by States, requirements for the implementation of performance management systems by all airports and air navigation services providers and the establishment of a clearly defined, regular consultation process by all airports and air navigation services providers.

The recommendations also called for States to enshrine the main principles of non-discrimination, cost-relatedness, transparency and consultation with users in their national legislation, regulations or policies as well as in all air services agreements between States. Finally, they included: the protection of passenger interests; more flexibility for commercialized airports and air navigation services providers in setting charges; support for separation of States' regulatory responsibility from service provision; the application of good governance through best practices; and the efficient and cost-effective implementation of the global Air Traffic Management concept. Importantly, this would not hinder prospects for the commercialization, privatization or other aspects of economic liberalization. I am happy to report that the Council of ICAO approved these recommendations on 14 November.

The final issue I would like to raise today is our ongoing work on the environment and more specifically climate change. In just a few days, ICAO will submit to a UNFCCC meeting on climate change in Poznan, Poland, a statement in which we suggest that international aviation emissions should continue to come under the responsibility of the Organization in a post-Kyoto agreement on climate change after 2012.

The rationale takes into account all of the reasons for giving ICAO the responsibility under the Kyoto Protocol in the first place. It is reinforced by all of the achievements and future plans of ICAO in mitigating overall the impact of aviation on the environment, including the work of the Group on International Aviation and Climate Change (GIACC) established by the last session of the ICAO Assembly in 2007. In accordance with Appendix K of Assembly Resolution A36-22 on this subject, a high-level meeting to review the Programme of Action recommended by the Group will be convened at an appropriate time, taking into account the fact that the fifteenth meeting of the Conference of the parties of the UNFCCC will be held in December 2009.

ICAO is also looking at two groundbreaking events on alternative fuels for next year. One is a preparatory workshop in February, followed by a full-fledged conference in November. This latest initiative underscores the view that the ultimate goal must be the elimination of carbon emissions from aviation. Long term, the world aviation community, under the leadership of ICAO, will continue to develop the full range of options currently available - improved operational and technological measures and various market-based measures such as emissions trading and carbon offsets.

As with all other aviation issues, cooperative action is the only way to successfully meet the climate change challenge. At a recent ICAO Council meeting, IATA and ourselves considered a number of short-term measures for airlines to save fuel and reduce greenhouse gas emissions.

One issue we discussed in more detail was Performance Based Navigation - PBN. The 36th Session of the ICAO Assembly called for implementation of PBN for en route and terminal operations - and approach procedures with vertical guidance (APV) for all instrument runway ends by 2016.

Much has been done to that end with our regional PBN seminars, the first two held here in the Asia/Pacific Region. In fact, APANPIRG has already developed a PBN implementation plan for this region. We are now working with all stakeholders, including IATA, to identify and develop a coordinated action plan to assist States and airlines in the globally harmonized implementation of PBN.

This is one more way we can help airlines cope with the financial crisis that has hit the industry – helping to achieve greater efficiencies while reducing greenhouse gas emissions. It is also another way we can show the world that aviation takes environmental management seriously.

Before I conclude, ladies and gentlemen, I would like to mention that 2008 marks the 60th Anniversary of the ICAO Asia and Pacific Regional Office. This provides me with an opportunity to extend to the Government of Thailand and to all the States to which this Office is accredited our most sincere appreciation for your valuable support over the years. The role of Regional Offices is to bring together States and international organizations to work cooperatively in promoting the safety, security, and efficiency of air transport. We certainly hope that we have lived up to your expectations. You can count on ICAO to continue to do all it can to respond to the rapidly evolving needs of governments and industry players for many years to come.

I thank you for your kind attention and wish you a most productive conference.