



**Address by the President of the Council of the
International Civil Aviation Organization (ICAO)
Mr. Roberto Kobeh González, on the occasion of the
50th Anniversary of the Singapore Aviation Academy (SAA)**

“Prospects and Issues of Global Civil Aviation”

(Singapore, 1 December 2008)

It is a distinct pleasure for me to take part in the 50th Anniversary celebrations of the Singapore Aviation Academy (SAA) and to pay tribute to the Academy on behalf of the Council and Secretariat of ICAO.

Among the many tributes and accolades given to the Academy over the years is the Edward Warner Award, the highest honour in the world of international civil aviation. This Award was presented to the SAA by ICAO in 2000.

In the years since the Edward Warner Award, the Academy has certainly demonstrated a keen awareness of the necessity to keep pace with the exponential developments throughout the world of aviation. It has equally shown a tremendous ability to adapt to changing circumstances. Its growing influence and contribution to international aviation will be much needed to address the many challenges we collectively face.

While those challenges have been the focus of our ongoing efforts to strengthen all aspects of air transport operations, recent events have shifted our focus on dealing with more immediate issues. For example, in 2007, the airline industry recorded its first profit since 2000 as a result of a 19 per cent improvement in fuel efficiency and an 18 per cent reduction in non-fuel costs. The future looked promising. Then came the global financial crisis and higher fuel prices, pushing the industry back into the red.

Many airlines have taken steps to counter the rapid increase in oil prices, such as retiring older, less energy efficient aircraft, abandoning non-productive routes, reducing the workforce and contemplating mergers. Fortunately, fuel prices have eased over the past few weeks – but volatility in the marketplace and uncertainty around the health of the global economy make it difficult to predict what will happen.

Still, ICAO has formulated a medium-term forecast which points to an industry recovery by 2010. Financially, airlines of ICAO Member States post an operating loss for 2008 and profits in 2009 and 2010. In relation to passenger traffic, growth will be lower than anticipated in earlier forecasts but recover in 2010.

This outlook reaffirms the often-proven resilience of the air transport industry and the fact that our overall challenge will be growth — how to ensure the continued integrity of aviation management as we resume traditional rates of growth beginning in 2010.

Safety

For ICAO, finding new and innovative ways to further improve safety will remain our first priority. As the operational and regulatory context evolves, we will pursue a more comprehensive approach which takes into account economic, social and geopolitical realities. It is a results and performance-driven strategy. We will tackle safety issues in an integrated fashion, going to the root of the problem and investing precious time and money where they are most effective in coming up with concrete and lasting results.

Our overall strategy is contained in the ICAO Global Aviation Safety Plan – the GASP. The GASP is a global strategy for aviation safety and provides a common frame of reference for all stakeholders, both government and industry. The GASP reflects an extraordinarily high level of cooperation with all major stakeholders, by incorporating the Global Aviation Safety Roadmap developed by the air transport industry, in cooperation with ICAO. The GASP, in conjunction with the Safety Roadmap, can guide national or regional safety teams on the implementation of best safety practices as well as a process to assess their current status at a national or regional level and identify gaps that need to be addressed. It is a performance-based approach which focuses energies and resources on activities that provide the highest return for increasing safety.

Security

Aviation security is another dimension of safety. Unlike safety, however, it is more difficult to manage. Persons can commit acts of unlawful interference anytime, anywhere, and for any reason. Governments, have the difficult and unenviable task of balancing the need for maintaining and encouraging anti-terrorist vigilance while, at the same time, putting in place workable security measures that do not compromise the efficiency of the air transport sector. The delicate nature of this exercise is compounded by the fact that considerable economic damage can occur even when terrorist plans are foiled.

ICAO's Aviation Security Plan of Action adopted in February 2002 in the wake of the events of 9/11, provides a series of measures to strengthen aviation security and deal systematically with all of these concerns. This Plan includes a Universal Security Audit Programme (USAP) and is complemented by a series of programmes and activities designed to help States comply with ICAO security standards and procedures. The issuance of ICAO standard Machine Readable Travel Documents, especially ePassports enhanced with biometric identification, is an effective way of increasing the security of air travel. In the long term, we must diligently assess new and emerging threats, such as bacteriological and chemical weapons, man-portable air defence systems (MANPADS) and the misuse of civil aircraft themselves as weapons of destruction. Our objective is to continually monitor and upgrade existing security processes to ensure that they are commensurate with the level of threat identified, while expediting the clearance of passengers and cargo at airports.

Air navigation

Again, while it has become more difficult to forecast traffic growth over the next few years, we can certainly expect an increase in the number of aircraft flying the skies of the world. There will be a corresponding need for high performance air navigation systems to cope with the anticipated airspace congestion that will result. In some regions, congestion has already reached critical levels, affecting en route, terminal and aerodrome operations.

ICAO is actively supporting States' implementation of initiatives described in the Global Air Navigation Plan that contribute to ensuring the safe, efficient and sustainable operation of the aviation system. Initiatives such as reduced vertical separation minimum (RVSM) and performance-based navigation (PBN) provide tremendous benefits in terms of reduction in fuel use and CO₂ emissions.

Our vision is for an interoperable and seamless global Air Traffic Management (ATM) system, that applies to all users, during all phases of flight, and that meets agreed levels of safety, provides for optimum economic operations, is environmentally sustainable and meets national security requirements.

In September, ICAO hosted the “Forum on Integration and Harmonization of NextGen and SESAR into the Global ATM Framework” in an effort to allow all stakeholders an opportunity to share knowledge about the future ATM systems. NextGen, the programme being developed by the United States, and SESAR, Europe’s programme to meet its future aviation needs, along with initiatives underway in other States must evolve within the framework provided by ICAO’s Global Air Traffic Management Operational Concept and Global Air Navigation Plan.

Capacity building

We will also need to build new airports and expand or modernize existing ones to cope with the increasing volume of passenger and cargo traffic. The issue of airport capacity is the most urgent and important problem facing the industry in North East Asia in both the short- and long-terms. Fortunately, the improved financial situation experienced by a number of major airports in recent years has renewed the interest of investors prompting some airports to embark on large-scale development projects.

Economic policies

In addition to these operational aspects of air transport is the need for economic policies that reflect today’s reality and provide a judicious balance between a liberalized economic regulatory framework and proper safety, security, social and labour standards. Regularly updating ICAO policies and guidelines is of the utmost importance in a rapidly changing marketplace and I am happy to report that the latest initiative in this regard – the recent Conference on the Economics of Airports and Air Navigation Services (CEANS) held in September – was a complete success.

Just a few days ago, the Council of ICAO approved the forward-looking recommendations of the CEANS Conference. Overall, the recommendations are intended to bring about closer cooperation among industry stakeholders while increasing efficiency and cost-effectiveness of airport operations and air navigation services providers.

As for Member States of ICAO, they are called on to incorporate in their national legislation, regulations and policies such fundamental principles as non-discrimination, cost-relatedness, transparency and consultation with users. The protection of passenger interests is also included, as are such significant items as more flexibility for commercialized airports and air navigation service providers in setting charges, 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.

The environment

Perhaps the most daunting challenge we face is helping to protect the environment. The fourth Report of the IPCC – the Intergovernmental Panel on Climate Change – confirms that climate change is real, much of it likely due to an increase in greenhouse gas concentration from human activity. Aviation is estimated to account for about 2 per cent of human produced CO₂, the major greenhouse gas.

Although aircraft today are about 70 per cent more fuel efficient than they were 30 years ago and newer models like the Airbus 380 and Boeing 787 are even more efficient, projected increases in traffic will outpace our capacity to bring down greenhouse gas emissions from aviation. The solution lies in the development of a combination of technical, operational and market-based measures, under the leadership of ICAO as stipulated in Assembly Resolution A36-22.

The 36th Session of the ICAO Assembly last year created a special group to recommend to ICAO an aggressive programme of action on international aviation and climate change. The recommendations of the group, known as GIACC, are to be considered at a high-level meeting convened at an appropriate time which takes into account the fact that the 15th meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change will be held in December 2009.

And we are not resting on past successes! In 2009, ICAO will hold a number of important meetings on environmental protection, including two groundbreaking events on alternative fuels - a preparatory workshop in February and a full-fledged conference in November. This latest initiative, based on conclusive scientific research, underscores the view that the ultimate goal must be the elimination of carbon emissions from aviation.

Long term, the world aviation community 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.

Shortage of highly skilled personnel

So we now come full circle. To address all of these individual challenges effectively, and others that may later appear on the horizon, will require a corresponding highly skilled aviation workforce.

The problem is that, 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.

Moreover, an increasingly automated, dynamic and complex working environment is fundamentally reshaping the nature and relationships of safety-critical jobs. Pilots are becoming information managers in an extremely sophisticated glass cockpit; air traffic controllers who were used to an essentially manual activity have to adapt to a fully automated series of procedures; and mechanics identified with tool boxes are now involved in trend analysis and predictive maintenance.

That is not all. The quest for optimum safety goes beyond the men and women involved in the operational dimension of aviation. It also encompasses the equally complex discipline of aviation management. Managers largely define, promote and help sustain the safety culture of their respective organizations. This has become increasingly challenging with the rapid and sustained growth in traffic and the no less rapid evolution of high technology and its transformation of all aspects of the workplace. In the transition between the old and the new way of doing business, whether in operations or in management, a delicate balance must be achieved between the current set of skills and those that will be needed in the future.

The key is training. Training is an investment in the most precious resource – people. Human capital can make or break an organization, regardless of technological or organizational advances. In aviation, perhaps more than many other sectors, success truly depends on the ability to train and retain qualified personnel.

ICAO has initiated a plan of action on this question, which will culminate in a Report to the 37th Session of the ICAO Assembly in 2010 on how best to meet the evolving training needs of States and industry stakeholders. Out of the process will come a global approach to meeting the human resources challenge of this early part of the 21st century.

As it celebrates its 50th Anniversary, the Singapore Aviation Academy can play a tremendous role in redefining aviation training. It has a long history of doing just that: achieving excellence in civil aviation training; promoting national and inter-regional self-sufficiency in human resource development for the civil aviation sector; and serving as a forum for the exchange of information and expertise among all components of the air transport industry on topical issues having an impact on international civil aviation. That is what the world needs and that is what the Academy can bring to the world.

In closing, I would like to thank the Civil Aviation Authority of Singapore for its kind invitation to share with you an important milestone in the history of the SAA and to join with you in wishing the Academy and its personnel our most sincere wishes for a long and productive future.