



Agenda Item 6: Regional plan in support of air transport in the SAM Region

**IATA's CONTRIBUTIONS TO THE STRATEGIC PLAN FOR THE SUPPORT OF AIR
TRANSPORT IN THE SOUTH AMERICAN REGION, SAM PLAN 2020-2035**

(Working paper submitted by the International Air Transport Association (IATA))

SUMMARY

Recognizing the value of aviation to the wider economy and society, ICAO's Strategic Plan for the Support of Air Transport in the South American Region (Sam Plan 2020-2035) aims to continue its work to provide a framework that will ensure the sustainable development of air transport in the region for the next fifteen (15) years. IATA wishes to provide its comments in support of the SAM Plan 2020-2035 and invites ICAO to consider additional relevant measures to augment the effectiveness of the strategic plan.

REFERENCES

- Final Report RAAC/13 (Bogota, Colombia, 4-6 December, 2013)
- Declaration of Bogota (Bogota, Colombia, 4-6 December, 2013)
- Final Report AN&FS/4 (Lima, Peru, 2-4 October, 2017)
- Strategic Plan for the Support of Air Transport in the South American Region, SAM Plan 2020-2035. (NE 04 – SAMIG20 - Lima, October, 2017)

**ICAO Strategic
Objectives:**

D – Economic Development of Air Transport

1. Introduction

1.1 South America is one of the regions where the economy has grown to its highest levels in the last ten (10) years. Without question, a key factor in the Region's economic growth has been the simultaneous strengthening of the aeronautical sector during this period and to the multiplier effect in the economies supported by the industry.

1.2 In Latin America and the Caribbean, aviation generates USD 167 billion of the gross domestic product (GDP) and supports 5 million jobs. Each year 2.6 million flights are operated by commercial airlines, connecting more than 380 cities in the region.

1.3 As such, to maintain the growing sustainability of air transport, the industry should be permitted to operate in a harmonized regulatory environment that allows economies of scale for the provision of an effective and efficient level of oversight by Civil Aviation Authorities to their service

providers without creating unnecessary costs to States and our stakeholders.

1.4 In this sense, the four (4) main axes of the Declaration of Bogota contained in the final RAAC/13 report, and developed in the Strategic Plan for the Support of Air Transport in the South American Region (SAM Plan 2020-2035) are essential to appropriate actions to continue fostering the safe and efficient development of the aviation industry. These axes are:

- Connectivity
- Safety
- Institutional Strengthening
- Environmental Protection

1.5 The SAM Plan 2020-2035, presented in the NE 04 at the SAM/IG /20 Meeting, (Lima-October 16 to 20, 2017), aims to serve as a guiding tool for Member States on the implementation of the above mentioned axes in order to address the economic, social and environmental dimensions that will offer consumers better access to the air transport industry and promoting its growth for the next 15 years.

2. Discussion

2.1 Generating suitable conditions by States for air transport is a means by which they will obtain full benefit from the potential economic, social, cultural, commercial and tourism enabled by the industry. Therefore, initiatives such as some of those included in the SAM Plan 2020-2035 that address the four (4) axes contained in the Declaration of Bogotá, are of great importance in order to allow and encourage the development of aviation in South America.

2.2 Regarding some of the points included in the objectives set forth in the SAM Plan 2020-2035 in development of the axes, IATA wishes to provide some contributions and proposals for consideration by the State Members.

2.2.1 Connectivity

2.2.1.1 **Optimization of Airport infrastructure and air navigation services:** IATA supports the initiatives regarding the air navigation services that aim to guarantee the efficiency of aviation and, consequently, contribute to the improvement of connectivity.

2.2.1.2 **Simplification of airport processes:** The facilitation of passengers and the simplification of some procedures (such as immigration and customs) are substantial to improve the passenger experience. Shortening connection times, as well as the automation of processes such as self-service modules, the use of systems such as API or security technologies and even the self-tagging of baggage are the basis for improving the efficiency of airport infrastructure.

2.2.1.3 **Optimization of the level of taxes and fees:** This currently represents a main focus of concern in many countries in the region. Today, regulators are not only imposing new taxes (e.g., green taxes, VAT, overflight charges,) but are also proposing adding fees that are not associated with any activity related to air transport (e.g., tourism taxes, solidarity, childhood.) We urge the Member States to restructure legislation so that taxes do not adversely affect an industry that provides high economic and social benefits.

2.2.1.4 **Establishment of a regional alliance to promote tourism:** Attracting travelers from faraway continents (Middle East, Asia Pacific, Africa and Oceania) is positive not only for States in the

region, but it also generates interest for new entrants to operate to our region, providing an improved scenario where States can benefit from the economic, social and cultural developments provided by this industry.

2.2.1.5 **Application of a Performance Based Approach (PBA):** It is recommended that the SAM Plan 2020-2035 adopt a Performance Based Approach (PBA), with the aim of identifying specific objectives, metrics and performance indicators that could be used to enable States to measure and evaluate the effectiveness of their connectivity initiatives, as the one presented in Operational Safety.

2.2.2 **Institutional Strengthening**

2.2.2.1 **Review and update legislation related to the organization of the Aeronautical Authority and the Aircraft Accident Investigation Authority:** This will not only help to implement the State Security Supervision System but will allow the Aeronautical Authority to act independently and accumulate the necessary faculties to serve as the sole entity related to air transport activities, avoiding the multiplicity of authorities (as visible today in some countries in terms of Consumer Protection.)

2.2.2.2 Nonetheless, we consider fundamental to respect the organizational order established by each of the ICAO Member States through its internal laws and Constitution. We suggest a greater discussion, both administrative and legal, at a high government level in order to keep national interests aligned with those established in this type of document.

2.2.3 **Environmental Protection**

2.2.3.1 IATA invites States to continue supporting the multiple efforts that ICAO has developed in the environmental field, which will lead to the correct application of the different commitments assumed by the aeronautical industry in the short, medium and long-term. Therefore, it is essential to continue developing and applying what Resolutions 39-1, 39-2, and 39-3 of the ICAO Assembly contain, as well as Article 37 and Annex 16 of the Chicago Convention and ICAO's balanced approach to aircraft noise management.

2.2.3.2 In this regard, efforts to reduce noise and greenhouse gas emissions should continue along the path defined by the previously referenced documents, keeping the regional efforts in line with the global guidelines set by ICAO.

2.2.4 As reported in the SAM/IG/20 Meeting, the Directors of Civil Aviation will be requested to nominate the focal points and experts they consider essential to integrate the working groups. The nominees will be responsible for formulating a plan to support air transport in the SAM Region and the declaration document for its implementation, based on the documentation prepared by the SAM Regional Office, no later than December 29, 2017. Moreover, they will be tasked with the commitment to carry out actions that are necessary to elaborate the aforementioned plan and its respective declaration no later than June 29, 2018.

2.2.5 As an integral part of a collaborative decision-making process (CDM), which should be present in all the actions of the SAM Plan, it is suggested that, in addition to the SAM States, that the participation of other interested stakeholders be allowed in the development of the plan and the declaration document for its implementation, with the purpose of achieving a joint effort to implement the established actions. Thus, it would be necessary to allow International Organizations to also appoint focal points and experts for the preparation of the SAM Plan 2020-2035 and its corresponding declaration.

3. **Suggested actions**

3.1 The meeting is invited to:

- a) Promote within the South American States, and Aeronautical Authorities support of the measures to develop the four main axes contained in the SAM Plan 2020-2035, considering it fundamental to foster the development of an efficient and safe aviation industry aligned with regional expectations for the next 15 years.
- b) continue the discussion and analyze measures to improve the operating conditions of airlines in South America, promoting the social, economic and cultural benefits the aviation industry contributes to States.
- c) allow International Organizations to nominate focal points and experts in the preparation of the SAM Plan 2020-2035 and its corresponding declaration by December 29, 2017; and
- d) urge States to develop a harmonized regulatory environment that permits economies of scale for the provision of an effective and efficient level of oversight by civil aviation authorities to their service providers, without creating unnecessary costs to States and the industry, building an environment conducive to the development of the air transport business.

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