



International Civil Aviation Organization  
South American Regional Office

**Fourth Virtual Meeting of Directors General of Civil Aviation of the  
South American Region on the Response to COVID-19**

(Lima, Peru, 11 December 2020)

RV4/DGAC - WP/08

07/12/2020

---

**Agenda Item 1: Review of the status of the Region and of CRRIC activities and SAM Strategic Framework in response to COVID-19**

**Recovery of markets, connectivity, and competitiveness as pillars of strategic plans to address COVID-19**

(Presented by Colombia)

**SUMMARY**

This working paper focuses on three strategic lines, namely market recovery, connectivity and competitiveness, as key pillars for the reactivation and recovery of air transport and the new strategies that States must adopt in the face of the circumstances generated by COVID -19.

The Directors General of Civil Aviation of the SAM Region are invited to:

- a) Endorse this working paper.
- b) Consider alternatives to contribute to furthering ICAO's purpose in relation to air transport and the elements that could be developed in the Region, the concepts of market recovery, connectivity, and competitiveness.

**1. BACKGROUND**

1.1. Strategic planning concepts consider the importance of scenarios, which are perceived through different methodologies, but they all have a very heavy weight in the construction of the plans prepared by aeronautical authorities as roadmaps to achieve specific objectives of our own national civil aviation systems.

1.2. When the scenario changes, planning must be reviewed in order to understand how these changes impact the objectives. This must be done quickly, especially when the change has a direct and more complex impact on the aeronautical fabric and the performance of the system as a whole.

1.3. It is necessary to assess the impact of COVID-19 on national strategic aeronautical plans in order to take up the national roadmap and make strategic decisions or take rapid corrective action. In any case, a link must be established between the strategy of the aviation sector, adapted to the new context, and its implementation, which is the reality of the transformation.

1.4. Civil aviation must be reactivated, recovered and reach the desired performance levels. We have arguments and data provided by ICAO, IATA, ALTA, CANSO, ACI, among other organisations, which allow planning based on a better understanding of the current status, under objective elements related to the impact on markets, civil aviation sectors and organisations, starting at the individual level and the drivers of change towards better conditions for the development of the activity.

## 2. INTRODUCTION

2.1. By 2018, Colombia had developed the 2030 strategic aeronautical plan, which considered seven lines of action, based on which a public policy was structured, covering actions by all the actors in the sector, namely: institutionalism, connectivity, competitiveness, infrastructure and environmental sustainability, safety and security, the aeronautical industry and the supply chain, and the development of human talent in the sector.

2.2. The planning schemes used in the 2030 strategic aeronautical plan are based on dynamic aspects, seeing the sector as a whole, and helping to align the civil aviation organisations that operate in Colombia around a common sense of direction and action, providing a public policy accompanied by a common vision.

2.3. COVID-19 affected civil aviation, and so we had to revise the 2030 Aeronautical Strategic Plan and adapt it to the new scenario, adjust its activities, goals and guidelines to address the reality facing civil aviation.

2.4. Thus, on 24-25 November 2020, the *Forum on COVID-19 impact on air transport: New challenges and opportunities in the vision of the 2030 Strategic Aeronautical Plan* was held to adjust the plan to the new scenario, given the circumstances of the pandemic, which had significantly reduced the level of air operations. However, the air transport system in Colombia remained active, guaranteeing safety and security, as well as the adoption of the strict and complete biosafety protocol for continued provision of services.

2.5. In this process, each strategic line was reviewed, adjustments were made, and a new line of action called "*Market Recovery*" was added to the plan. In this regard, it is important to share with the Region the main conclusions in relation to this new strategic route, and to connectivity and competitiveness.

## 3. DISCUSSION

3.1. The analysis in this working paper focuses only on three of the strategic lines--market recovery, connectivity and competitiveness--, considered to be the key pillars of air transport reactivation and recovery, without downplaying the conclusions on the other strategic lines, which can be consulted on our website.

3.2. In relation to market recovery, the main recommendations were:

3.2.1. To develop a comprehensive work plan. A task force should be established with the participation of transport, health, trade, and finance authorities, air transport operators, airport operators, and economic sectors involved in air transport, such as representatives of tourism or cargo, to produce a comprehensive plan for the recovery of the activity and to verify the progress of the lines of action, considering that domestic demand will be key to sustainability and international demand to future growth, on the understanding that uncoordinated efforts create unnecessary tension and unconsolidated schemes that generate uncertainty rather than confidence.

3.2.2. The traveller must be given confidence in air transport. This implies an analysis of alternatives to give clarity and assurance to users regarding travel conditions, the effectiveness of reservations and the timely provision of the service. Considering the changes resulting from the health measures adopted at the international level, contractual security and the provision of air transport services become key elements for reactivation, directly related to the confidence that must surround the traveller.

3.2.3. Consideration should be given to extending the validity of measures adopted for reducing taxes, relaxing deadlines for the payment of airport services, and disbursing tax revenues in order to protect cash flows for a longer period of time. This allows for a harmonious and protected reactivation, giving users confidence in the service and the support of public policy.

3.2.4. Participation scenarios should be made available, through which tourism, industry and cargo may create, first of all, an environment that generates confidence, and implement interconnected platforms that guarantee monitoring and traceability of processes, costs, invoicing, and adjustments and corrections in relation to the services they provide (e-commerce and digitalisation).

3.2.5. It is essential to immediately establish an articulated management of variables aimed at surrounding users with confidence--standardising biosafety requirements--, joint construction and facilitation of flows in such a way as to promote the productivity of the sector.

3.3. Regarding the connectivity objectives, the forum made the following recommendations:

3.3.1. An attempt should be made to continue implementing an open commercial aviation policy, as has been done in recent years, understanding that there are probably more point-to-point routes where air transport policies could contribute to this connectivity.

3.3.2. The importance of linking the air sector with the chain of tourist service providers in the regions, in order to ensure coordinated action to increase air connectivity. Therefore, tourist destinations connected by secure health corridors are essential.

3.4. In relation to competitiveness, the experts recommended focusing on the following activities:

3.4.1. Designing a policy that strengthens the competitiveness of air cargo services so that they are attractive due to trade facilitation conditions, competitive rates, and efficient logistics and customs processes. Air cargo is an important opportunity for the Region.

3.4.2. Working with airports on the inclusion of facilitation, efficiency and flexibility criteria in model contracts for future concessions and the feasibility of revising some of the existing contracts.

3.4.3. Establishing working groups with customs authorities to review the appropriateness of the WTO Plurilateral Agreement on Trade in Civil Aircraft.

3.4.4. Studying the feasibility of adopting new financial schemes for aviation activities, in conjunction with financial and tax authorities, to ensure capital or debt flows.

3.4.5. Working on the standardisation of aeronautical regulations on working and resting periods for aeronautical personnel, seeking efficiency and operational flexibility, without compromising safety.

3.4.6. Designing a public policy to simplify and reorganise tax charges that have a direct impact on the value of air tickets.

3.4.7. Working together with stakeholders (fuel suppliers, airport concessionaires, etc.) on alternatives to reduce transport costs, and in general analysing options to align jet fuel prices with the international market.

3.4.8. Promoting the adoption of simplified and automated administrative and financial processes through digital technologies that will facilitate procedures and formalities in the air transport sector.

3.5. As SAM States, we have identified the forces of the environment, those macro forces that shape the Region and the transactional ones exposed by stakeholders, represented by IATA, ALTA, ACI, CANSO and other associations, each with an established set of programmatic ideas to interpret the user. But it is the travellers we must get to know through the relevant analyses. They need to trust the air transport system, and we must place them at the centre, in order to understand what motivates their decisions, their vision of travel, tourism, the civil aviation system. Only the sum of individual decisions reactivates the sector and makes it grow.

Therefore, we ask that efforts be made in the lines of action of market recovery, connectivity and competitiveness, as elements to be harmonised and internalised in each State.

3.6. The Chicago Convention established an objective for the International Civil Aviation Organization, "*d) to meet the needs of the peoples of the world for safe, regular, efficient and economical air transport*", where an air transport planning process providing better options and strategies for the promotion of the activity would seem necessary.

#### **4. SUGGESTED ACTION**

4.1 The Directors General of Civil Aviation of the SAM Region are invited to:

- a) Endorse this working paper.
- b) Consider alternatives to contribute to furthering ICAO's purpose in relation to air transport and the elements that could be developed in the Region, the concepts of market recovery, connectivity, and competitiveness.

- END -