



ICAO/LACAC NAM/CAR/SAM Capacity Building Workshop on Economic Regulation and Oversight

(Panama City, 21 – 23 May 2024)

REVISED CONCEPT NOTE

Aviation connects people and business across the globe, and it is a major contributor to economic growth and development worldwide. A sound, economically viable and sustainable aviation industry is essential for socio-economic development, facilitating tourism and trade, creating jobs and business opportunities and further enhancing consumer benefits and choices.

Despite being a critical component of the global society, the growth of aviation still faces many challenges such as economic uncertainties, regulatory fragmentation, insufficient financing for infrastructure development and lack of effective economic regulation and oversight. These challenges present a substantial threat to the sustainable development of air transport, which could lead to higher costs of operation, hindering of air connectivity improvement as well as restricting traffic growth.

Additionally, high taxes and charges affect the ability of aviation to meet demand as well as impede economic growth. Concerns have been raised on excessive taxation imposed on aviation, the proliferation of interchangeability of taxes in the form of charges. ICAO has therefore developed relevant policies and guidance on taxes and charges on aviation and has been continuously updating them over the years.

Nevertheless, in some States, national regulation on charges and taxes are not compliant with ICAO's Policies, while in some others, the ICAO key charging principles of non-discrimination, cost relatedness, transparency and consultation with users have not been implemented effectively and in a comprehensive manner, thus posing a serious challenge to the growth and economically viable and sustainable development of air transport.

To realize and maximize the benefits of aviation, there is a need for a robust regulatory framework and effective economic oversight to ensure that taxes and charges do not impede the development of air transport and the revenues raised do not outweigh the economic benefits that could be generated from increased demand.

Furthermore, in the current context of a globalized world and commercial openness, a State deprived of policy measures that stimulate appropriate air connectivity finds its opportunities for social and economic development limited. Therefore, it is crucial to keep in mind that economic policies and regulation by State authorities, in favor of the liberalization of the air transport market, as well as ensuring regulatory predictability to the sector, are the key factors to promote the sustainable economic development of the

aviation system. Such actions can lead States to a sustainable and robust overall economic growth to maximize the benefits of international air transport to their citizens.

Moreover, the COVID-19 pandemic has had devastating impacts on global aviation, and emerging from the crisis with resilience requires removal of regulatory constraints and enhanced States' capability in promoting and strengthening the financial stability and viability of the sector.

The main objectives of this workshop are to:

- Highlight the implication of exorbitant taxes and charges on international air transport and the need to comply with ICAO's policies and guidelines;
- Enhance knowledge and expertise on economic oversight of airports and Air Navigation Services Providers (ANSPs);
- Build better understanding of ICAO's policies on taxation and charges for airports and air navigation services;
- Encourage the implementation of ICAO's policies on economic regulations on charges for airport and air navigation services, including consultation with users;
- Enhance knowledge of the benefits in promoting adequate economic policies and regulatory predictability in favor of a robust and liberalized air transport market; and
- Promote sharing of experiences and best practices amongst States and industry.

Programme
(21 – 23 May 2024)

Day 1 – 21 May 2024

Time	Activities	
08:00 – 09:00	Registration of participants	
09:00 – 09:30	Welcome and Setting the Scene	Opening remarks by: ICAO Panama
09:30 – 10:15	State of the Industry	ICAO
10:15 – 10:45	Coffee Break	
10:45 – 11:30	Regional Overview & Status	ICAO NACC and SAM
11:30 – 11:45	Air Transport Development – LACAC perspective	LACAC
11:45 – 12:30	Aviation Benefits and ICAO's Policies in the Air Transport Field	ICAO
12:30 – 14:00	Lunch	
14:00 - 14:30	Sharing Best Practices and Experiences by States	Panama
14:30 – 15:30	National Regulation	ICAO
15:30 – 16:00	Good Regulatory Practices	ICAO

Day 2 – 22 May 2024

Time	Activities	
09:00 – 10:00	Economic Oversight on Airports & Air Navigation Services	ICAO
10:00 – 11:00	ICAO's Policies on Charges	ICAO
11:00 – 11:30	Coffee Break	
11:30 – 12:30	ICAO's Policies on Taxes	ICAO
12:30 – 13:00	Sharing Best Practices and Experiences by States	Brazil
13:00 – 14:30	Lunch	
14:30 – 15:00	Sharing Best Practices and Experiences by States	Peru CORPAC
15:00 – 15:30	CARICOM Multilateral Air Services Agreement (MASA)	CARICOM
15: 30 – 16:30	Group Exercise on Economic Regulation and Oversight – Part I	All

Day 3 – 23 May 2024

Time	Activities	
09:00 – 09:45	Air Transport Regulation from Airlines Perspective	ALTA
09:45 – 10:30	Charges and taxes from Airlines Perspective	IATA
10:30 – 10:45	Coffee Break	
10:45 – 12:00	Airport Charges in the Americas Region	ACI-LAC
12:00 – 12:30	Dominican Republic, keys to success in the economic recovery and sustainable development of Air Transport	Dominican Republic
12:30 – 14:00	Lunch	
14:00 – 14:45	Air Navigation Services Charges in the Americas Region	CANSO
14:45 – 15:30	Investment in Air Transport Development	IADB/BID
15:30 – 16:15	World Bank Development Projects in the Air transport Sector	World Bank
16:15 – 17:00	Group Exercise on Economic Regulation and Oversight – Part II	All
17:00 – 17:10	Closing and wrap up	Panama ICAO Participants

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