

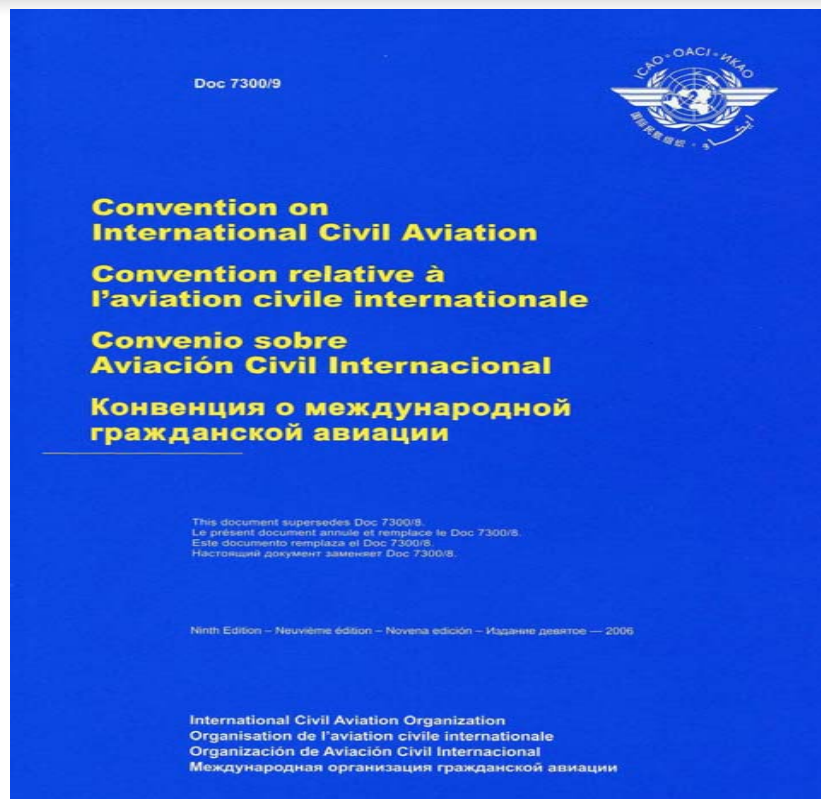


ICAO | UNITING AVIATION

3rd Conference of Directors General of Civil Aviation Middle East Region (MID)

ICAO's Work on ICAO Strategic Objectives 2014-2016

Boubacar Djibo
Director, ICAO Air Transport Bureau
Doha, Qatar
April 27 to 29, 2015



CHICAGO CONVENTION

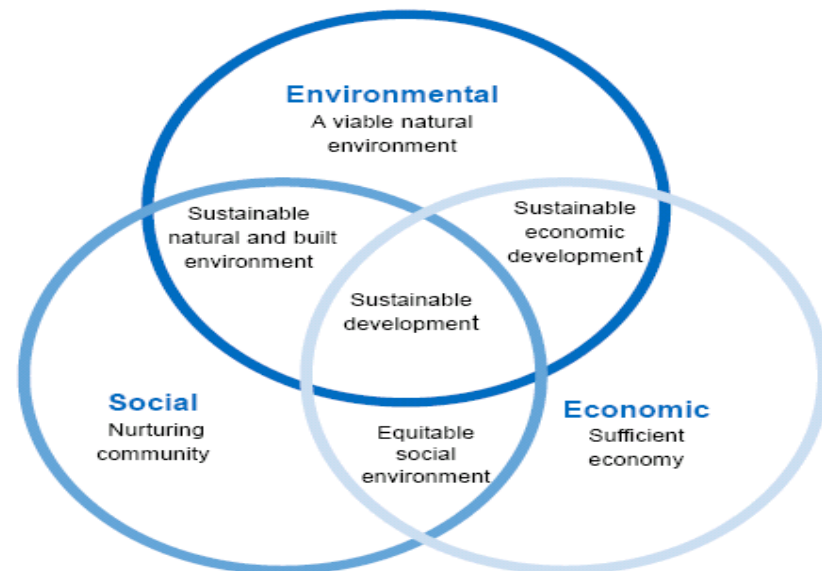
Preamble
THEREFORE, the undersigned governments having agreed on certain principles and arrangements in order that international civil aviation may be developed in a safe and orderly manner and that international air transport services may be established on the basis of equality of opportunity and operated soundly and economically;



The three dimensions of sustainability

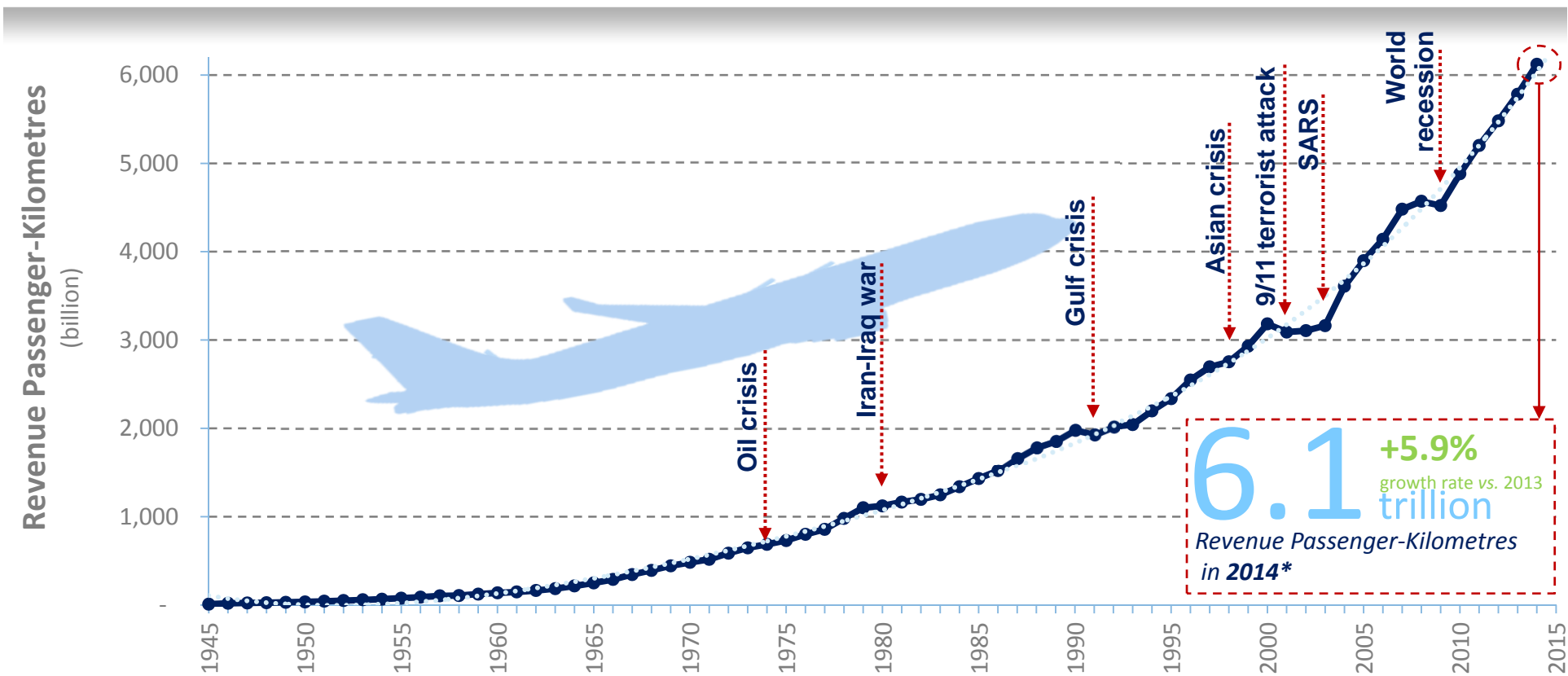
United Nations: "Sustainable development meets the needs of the present without compromising the ability of future generations to meet their own needs."

Triple Bottom Line: In business, one approach to sustainability is focusing on the impact of decisions on the environment and the community in addition to profit (traditional single bottom line). The diagram illustrates this idea.





Continuous growth of air traffic



Note: world total scheduled services

*preliminary figures

Source: ICAO



The Size of the Industry in 2013

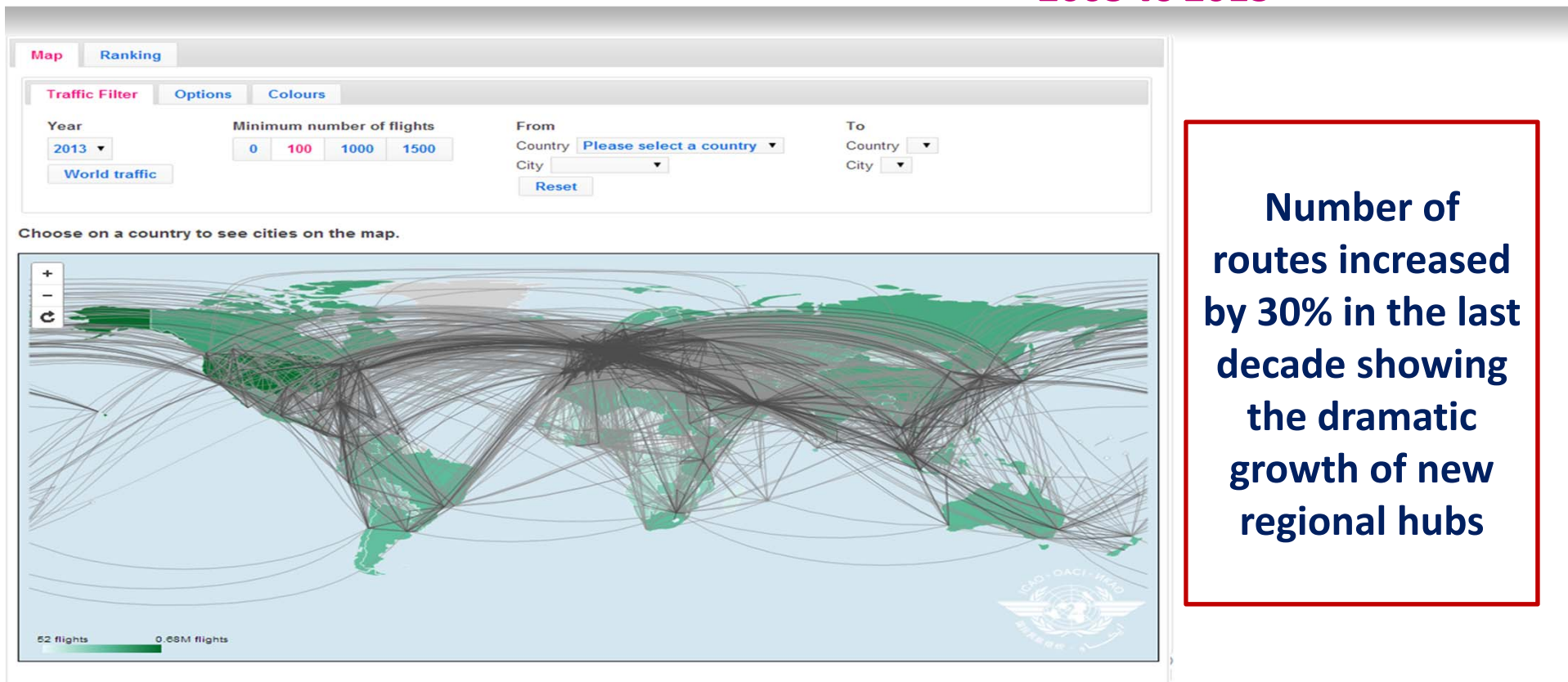
- 3.1 billion passengers
- 49 million tonnes of freight
- 1 000 scheduled airlines
- 26 000 aircraft in service
- More than 4 000 airports
- 170 air navigation centres

Traffic is for scheduled services in 2013



Traffic Networks Development

2003 vs 2013



(International scheduled departures. Source: ISDB Form C, RCA, OAG)



Economic Development of Air Transport

Foster the development of a sound and economically-viable civil aviation system. This Strategic Objective reflects the need for ICAO's leadership in harmonizing the air transport framework focused on economic policies and supporting activities.



Outline

- Air Transport Policy and Regulation
- Infrastructure Management
- Aviation Data and Analysis
- Air Transport Fund



Air Transport Policy and Regulation



- Recommendations of ATConf/6 endorsed by the Council
- Council's action plan to implement the ATConf/6 Recommendations with prioritization, endorsed by 38th Session of the ICAO Assembly
- Assembly Resolution A38-14 Consolidated Statement of continuing ICAO policies in the Air Transport Field



ICAO's air transport policy and regulation programme is designed to:

- a) reduce State's costs in performing its economic regulatory functions
- b) increase consumer's benefits and choices;
- c) improve air connectivity; and
- d) create more competitive business opportunities in the marketplace;

thereby contributing to the sustainable economic development and to the expansion of trade and tourism.



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Air Transport Regulation Panel (ATRP)

Outcome

ATRP/12: 26-30 May 2014, Montreal, Canada

- **Agreed:** long-term vision for international air transport liberalization
- **Agreed:** set of core principles on consumer protection
- **Established:** working group to draft international agreements on liberalization of market access and air carrier ownership and control
- **Established:** working group to update ICAO guidance on fair competition
- **Endorsed:** plan for future work on implementation of ATConf/6 recs
- **Agreed:** coordinate with other panels on related work (e.g. ADAP)

Next ATRP/13: Last quarter 2015, Montreal, Canada



Liberalization of market access

ATConf/6 recommended action	Action
Develop a long-term vision for international air transport liberalization	<ul style="list-style-type: none">• ATRP/12 agreed to a text of the vision for the consideration by governing bodies• States consulted on the vision for adoption by Council in 2015 through State Letter
Develop an international agreement for States to liberalize market access	<ul style="list-style-type: none">• ATRP/12 considered initial proposals; established a Working Group (WG1) to develop draft text of the agreement• To be considered by ATRP/13 in September 2015• ATRP will present proposal to governing bodies in late 2015 or early 2016
Develop an international agreement to liberalize air carrier ownership and control	<ul style="list-style-type: none">• Task undertaken by ATRP/12 Working Group 1 (WG1)• To be considered by ATRP/13 in September 2015• ATRP will present proposal to governing bodies in late 2015 or early 2016



ATRP and Secretariat action	Action by governing bodies
<ul style="list-style-type: none">• Develop draft text of the Agreements (3rd Q 2015)• Consult Legal Bureau and Legal Committee re draft texts• States consultation on draft Agreement (1st Q 2016)• Revised draft texts (3rd Q 2016)• Finalize Agreements and arrange for signing	<ul style="list-style-type: none">• Consider ATRP recommendations re Agreement draft texts (4th Q 2015)• Consider results of consultation with LEB and Legal Committee (3rd Q 2016)• Consider results of consultation with States (2nd Q 2016)• Determine action for finalization of the agreements (3rd Q 2016)• Determine arrangements for signing of agreements



Fair competition

ATConf/6 recommended action	Action
Develop a compendium of competition policies and practices of States and regional bodies	<ul style="list-style-type: none">• Preliminary version prepared in 2013• ATRP/12 established a Working Group (WG2) to assist in work on this task• Updates of the compendium
Develop tools such as an exchange forum to enhance cooperation, etc. to promote more compatible regulatory approach towards international air transport	<ul style="list-style-type: none">• Seminar on competition policies organized in the context of ICAN



Competition Practices

Practices emanating from Regional competition networks:

European Union (EU); Common Market for Eastern and Southern Africa (COMESA)- East Africa Community (EAC) - Southern African Development Community (SADC), Association of Southeast Asian Nations (ASEAN)

Practices emanating from International Organizations:

ICAO policy guidance; Organization for Economic Co-operation and Development (OECD); United Nations Conference on Trade and Development (UNCTAD), World Trade Organization (WTO)

Competition Policies

Topics:

anticompetitive behaviors; abuse of dominance/monopoly; merger control; State aid

Regional Organizations:

COMESA-EAC-SADC; ACAC; ASEAN; EU; etc.



Consumer protection

ATConf/6 recommended action	Action
Develop a set of core principles	<ul style="list-style-type: none">• ATRP/12 agreed on a set of core principles• Consulted States through State letter• to be submitted to Council as guidance for States and stakeholders
Monitor related developments and cooperate with other International Organizations (incl. UNWTO)	<ul style="list-style-type: none">• Consumer protection database on ICAO website• Closely monitor and work with UNWTO: core principles to be communicated to UNWTO after Council approval



Passenger Guidance

Before the travel

Balance passenger rights/industry competitiveness

Pre-travel information, including price transparency

During the travel

Assistance/compensation, as provided by regulations or contract

Coordination between stakeholders to address "massive disruptions"

After the Travel

Efficient complaint handling procedures

Proposed complementing guidance: (i) enhanced definition of "massive disruptions"; (ii) contingency mechanisms.



ICAN Benefits

Dubai UAE 2008	Istanbul Turkey 2009	Kingston Jamaica 2010	Mumbai India 2011	Jeddah Saudi Arabia 2012	Durban South Africa 2013	Bali Indonesia 2014
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➤ Improve efficiency of negotiations

- A place to meet for multiple ASA talks
- A forum to get info, discuss issues
- A platform for bilateral, multilateral talks

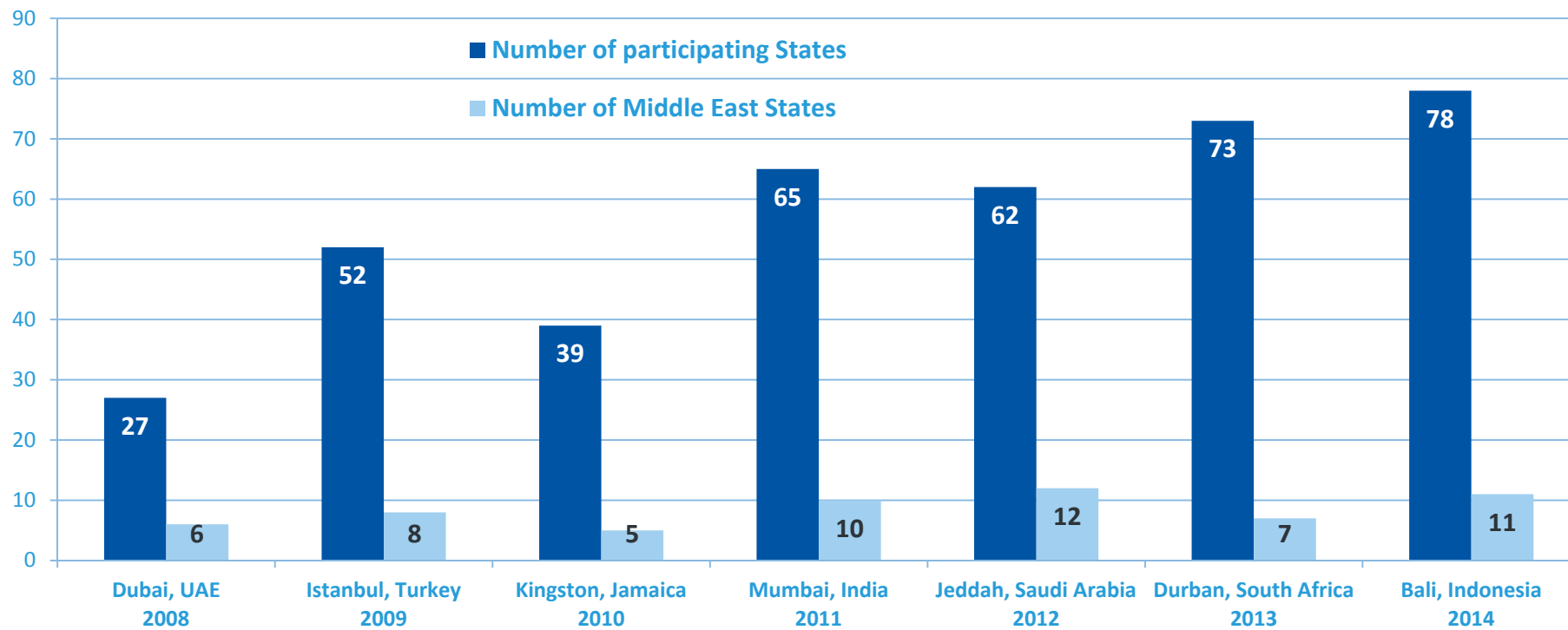
ICAN/2015: Antalya, Turkey

ICAN/2016: Latin America

➤ Save time and money for States



ICAN – Middle East States





ICAN 2015 Antalya, Turkey (19-23 Oct 2015)

INTERNATIONAL CIVIL AVIATION ORGANIZATION
A United Nations Specialized Agency

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ICAO Air Services Negotiation Event

- Programme
- Documentation
- Registration
- Accommodations
- Contact us:
- Other Events

WHO Interim Guidance on Ebola Events Management

ICAO > Meetings & Events > ICAO Air Services Negotiation Event

ICAO Air Services Negotiation Event (ICAN2015)

Antalya, Turkey
19 to 23 October 2015

ICAN website

<http://www.icao.int/Meetings/ICAN2015>

The ICAO Air Services Negotiation Event (ICAN2015) will provide States with a central meeting place to conduct multiple bilateral (regional or plurilateral) air services negotiations or consultations and offer participants excellent networking opportunities as well as a forum to exchange experiences and discuss topical issues.



ICAO events ATConf/6 outcome promotion

ICAO Regional Events	Date	ICAO Regional Events	Date
China LCC event	Nov. 2013	ICAN 2014, Indonesia	Nov. 2014
ICAN 2013, Durban, South Africa	Dec. 2013	Air Transport Meeting, Madagascar	Mar. 2015
Morocco, Economic Forum, Canada	Feb. 2014	Midterm Review Air Cargo Development Africa, Dakar	Jul. 2015
McGill pre-A38 Symposium, Canada	Sept. 2013	ICAN 2015, Turkey	Oct. 2015
ICAO Air Transport Symposium, Canada	May 2014	ICAO Air Transport Symposium, Canada	Oct. 2015
Meeting Air Cargo Development Africa, Togo	Aug. 2014	Aviation Data Meeting, India	Nov. 2015 (tbc)
China Forum Air Cargo, Zhengzhou	Sept. 2014	Air Transport Meeting, Sri Lanka	Dec. 2015 (tbc)
Air Transport Conference, Jamaica	Oct. 2014	Meeting Air Cargo Development Africa, Ethiopia	Summer 2016
China LCC event	Oct. 2014		



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Infrastructure Management



ICAO's infrastructure management programme aims at enhancing and promoting sustainable development of infrastructure for the provision and operation of airports and air navigation services.

The programme offers solutions to:

- a) improve organizational and managerial capability of providers;
- b) reduce the financing burden on governments;
- c) protect user's interests;
- d) allow early benefits of new technologies; and
- e) facilitate access to funding for long-term investment needs.



Infrastructure Management

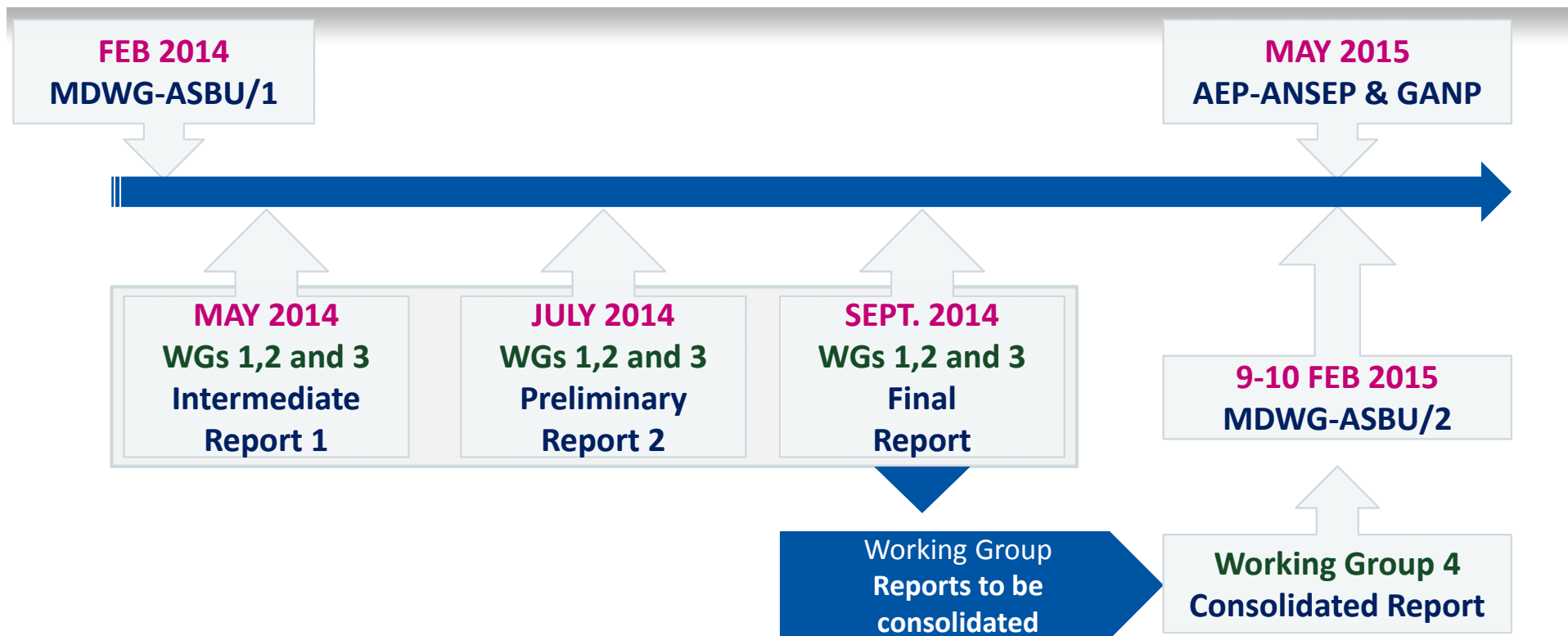
ATConf/6 recommended action	Action
Multi-disciplinary working group (MDWG) to consider the challenges associated with the establishment of operational and economic incentives	<p>MDWG - First Aviation System Block Upgrades (ASBU/1) met on February 2014</p> <ul style="list-style-type: none">• 2 Co-secretaries: 1 ATB + 1 ANB• 51 participants: 13 Member States, 12 Organizations• List of Tasks to be delivered <p>MDWG-ASBUs/2 in February 2015 Recommendation:</p> <ul style="list-style-type: none">• no changes to Doc9082• Develop new policies for operational incentives

Fifth Airport Economics Panel (AEP) and the Air Navigation Services Economics Panel (ANSEP) to be held in Montréal from 20 to 21 May 2015

AEP-ANSEP/5 will review the recommendations made by the MDWG-ASBU.



MDWG-ASBUs Time-Frame



To be ready for the updated GANP for A39



Aviation Data and Analysis

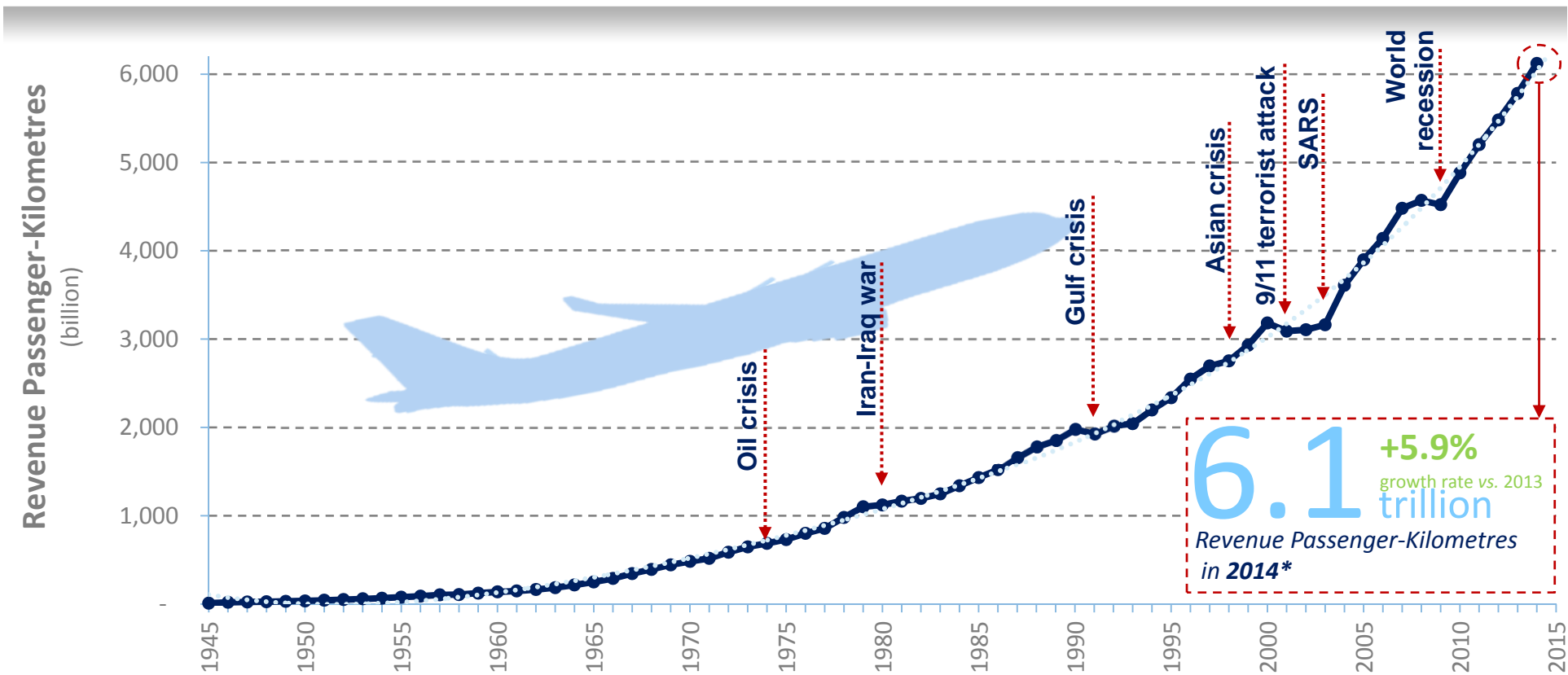


Informed-decision as foundation for building successful businesses

- In a fast-growing industry like aviation, planners and investors require the most comprehensive, up-to-date, and reliable data.
- ICAO's aviation data/statistics programme provides accurate, reliable and consistent aviation data so that States, international organizations, aviation industry, tourism and other stakeholders can:
 - make better projections;
 - control costs and risks;
 - improve business valuations; and
 - benchmark performance.



Continuous growth of air traffic



Note: world total scheduled services

*preliminary figures

Source: ICAO



World Air Transport in 2013

3.1 billion
+4.5%
vs. 2012

Passengers carried

32 million
+1.2%
vs. 2012

Commercial flights performed

5.8 trillion
+5.5%
vs. 2012

Revenue Passenger-Kilometres

186 billion
+0.4%
vs. 2012

Freight Tonne-Kilometres



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Economic Benefits of Aviation Worldwide

in 2012 - Worldwide

58.1 million

Jobs supported by
aviation worldwide*

\$2.4 trillion

*Global economic
impact**

**including direct, indirect, induced and tourism catalytic*



Economic Benefits of Travel and Tourism worldwide

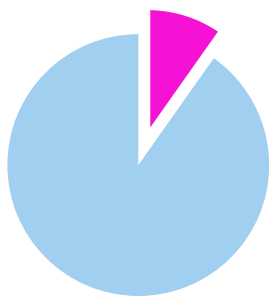
In 2012, for the first time of history, there were **over 1 billion international arrivals**.

Travel and Tourism...

...employs **105 million people** and sustains **277 million jobs** around the world.

...is one of the largest industry in the world.

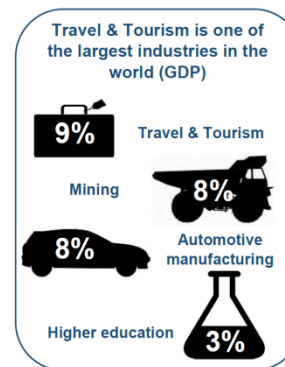
Over the next 10 years, travel and tourism will create **80 million new jobs**, contribute to the global GDP by **11.4 trillion US\$**.



Travel and Tourism accounts for

9.8%

Total global GDP





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Economic Benefits of Aviation Focus on Middle East

in 2012 – Middle East

2 million

Jobs* supported by
aviation in Middle East

\$116 billion

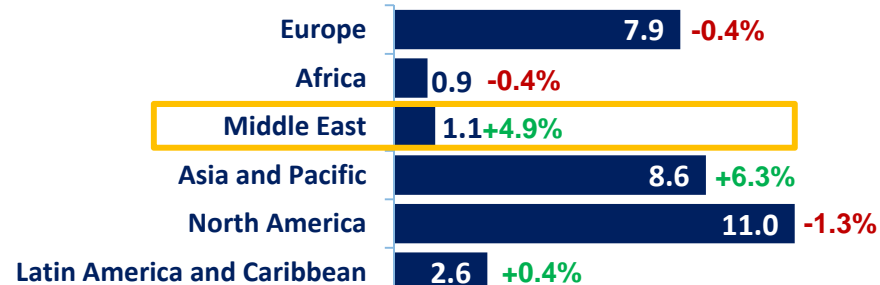
Global **economic**
impact*

**including direct, indirect, induced and tourism catalytic*

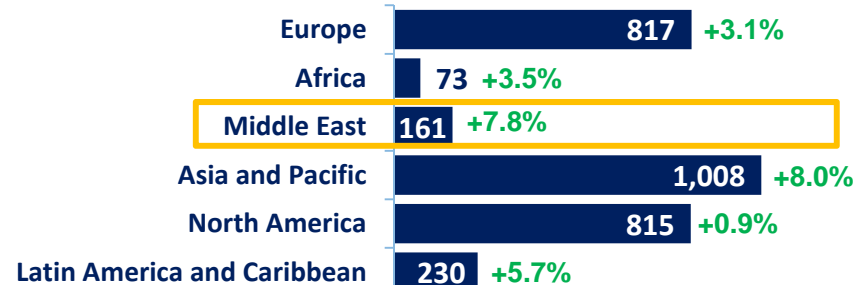


World Air Transport in 2013 by Region

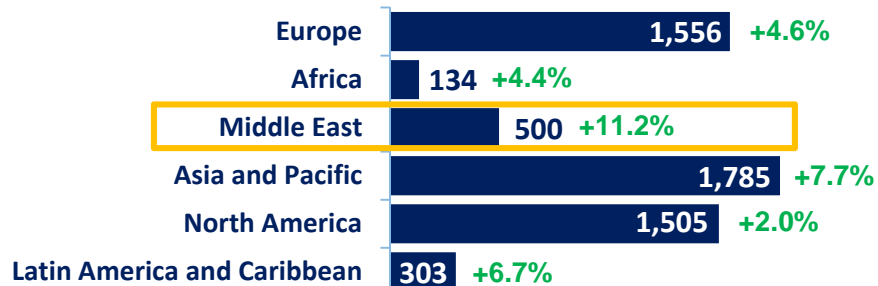
Aircraft departures (million)



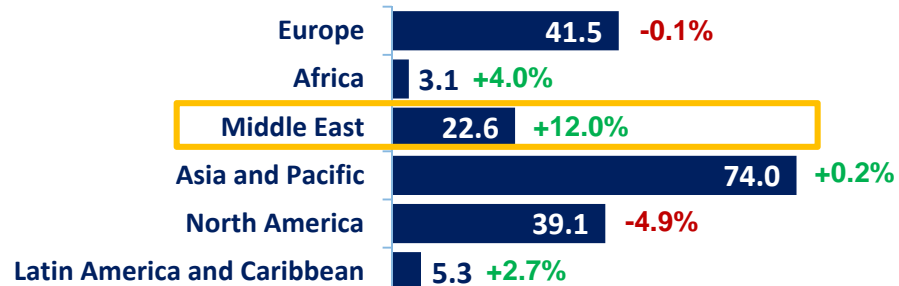
Passengers carried (million)



Revenue Passenger-Kilometres (billion)



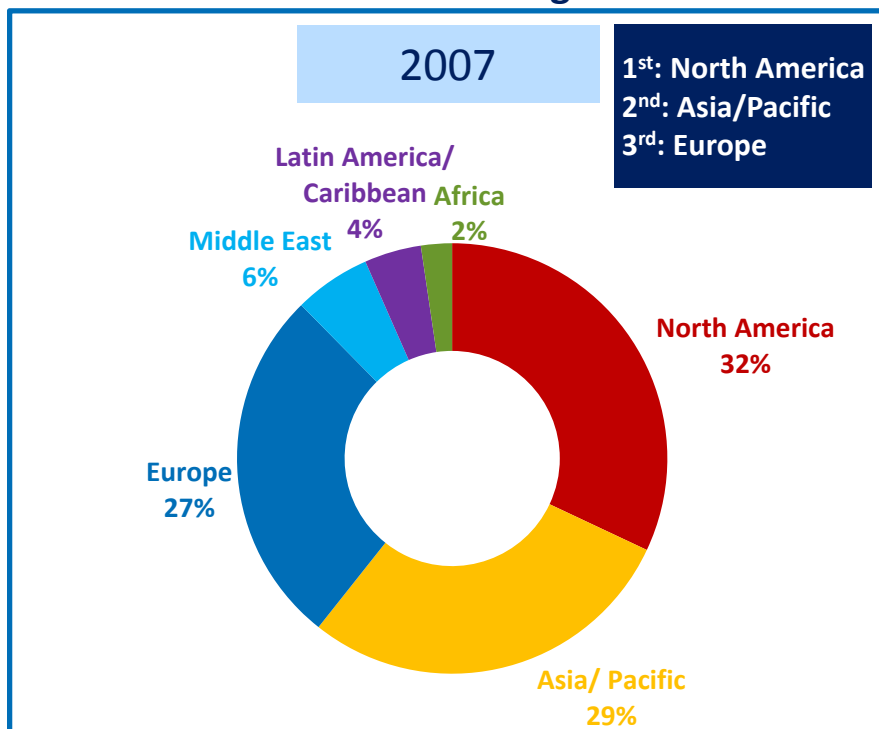
Freight Tonne-Kilometres (billion)





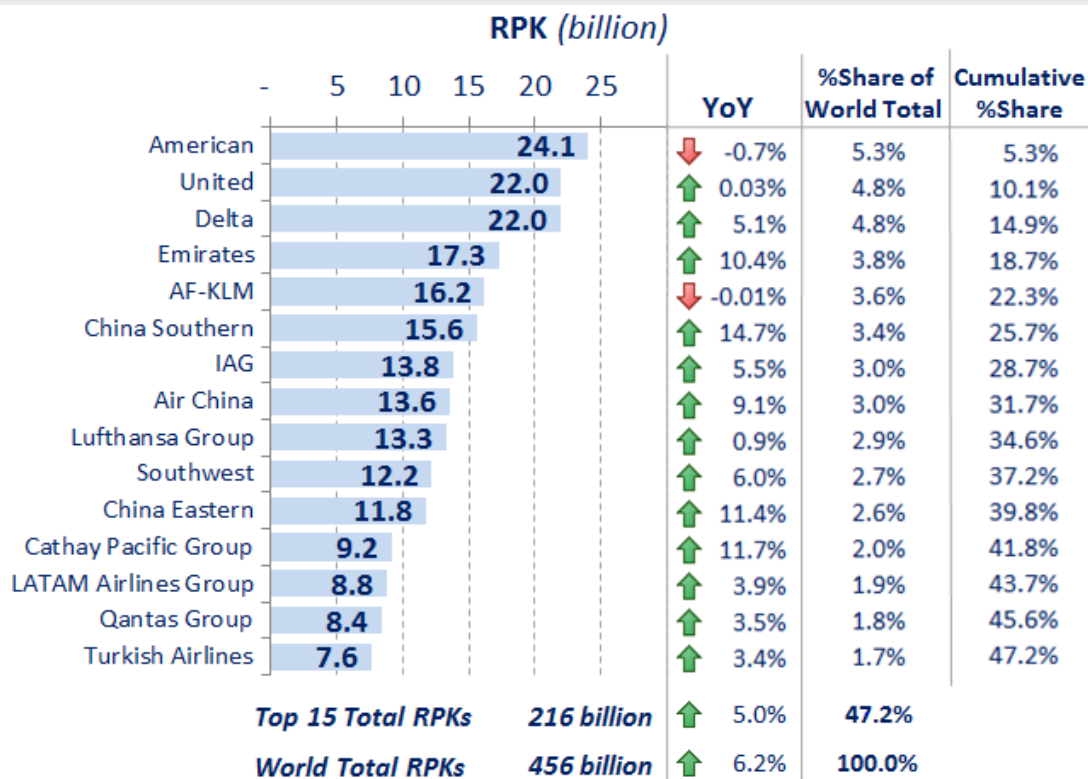
Passenger traffic: Worldwide distribution

Distribution in Revenue Passenger-Kilometres





World Top 15 airline groups in Feb 2015

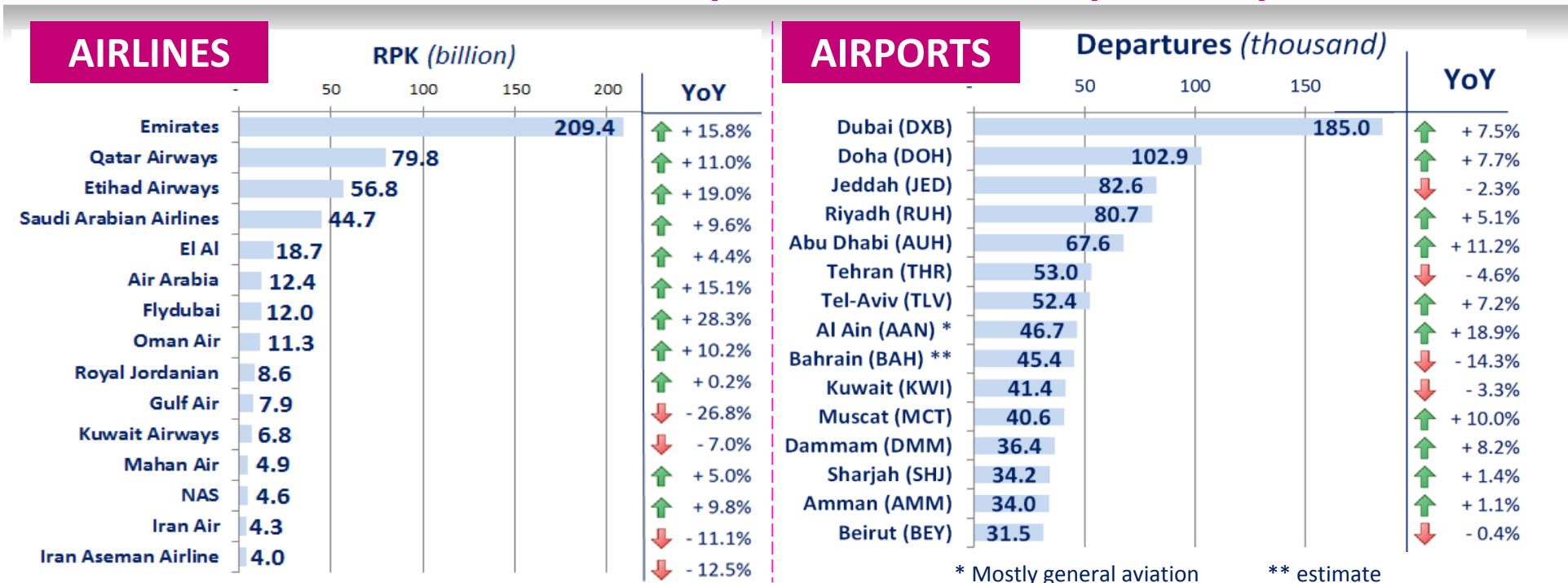


- Top 15 carriers accounted for 47.2% of the World Total Traffic in terms of RPKs
- 5 carriers from Asia/Pacific
- 4 carriers from North America
- 4 carriers from Europe
- 1 carrier from Middle East
- 1 carrier from Latin America/Caribbean
- Highest growth → China Southern Airline with +14.7% RPK growth

Source: Airline websites and ICAO estimates



Middle East Top 15 Airlines - Top 15 Airports in 2013



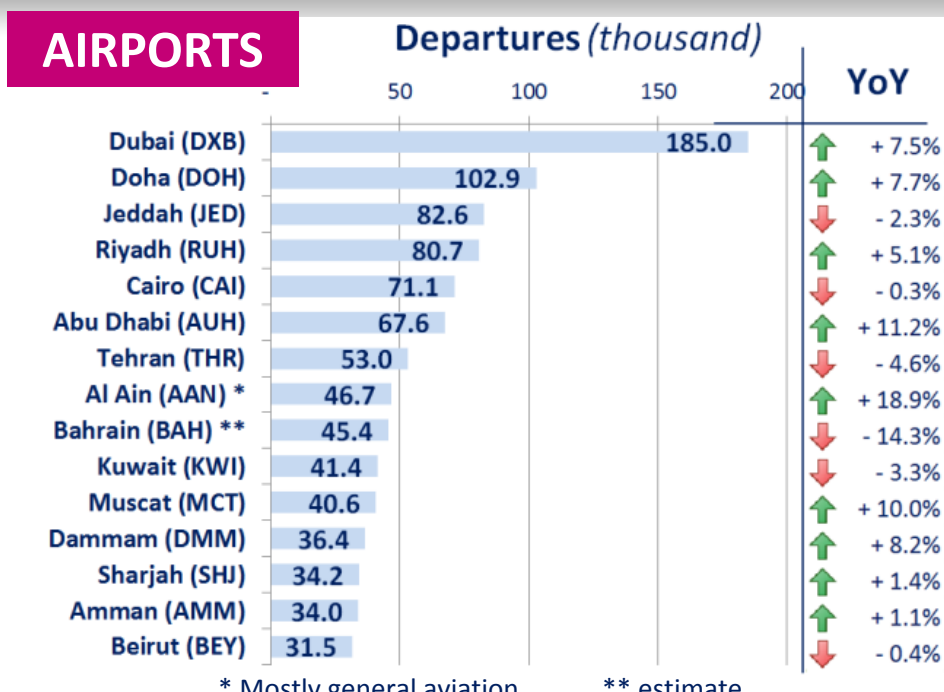
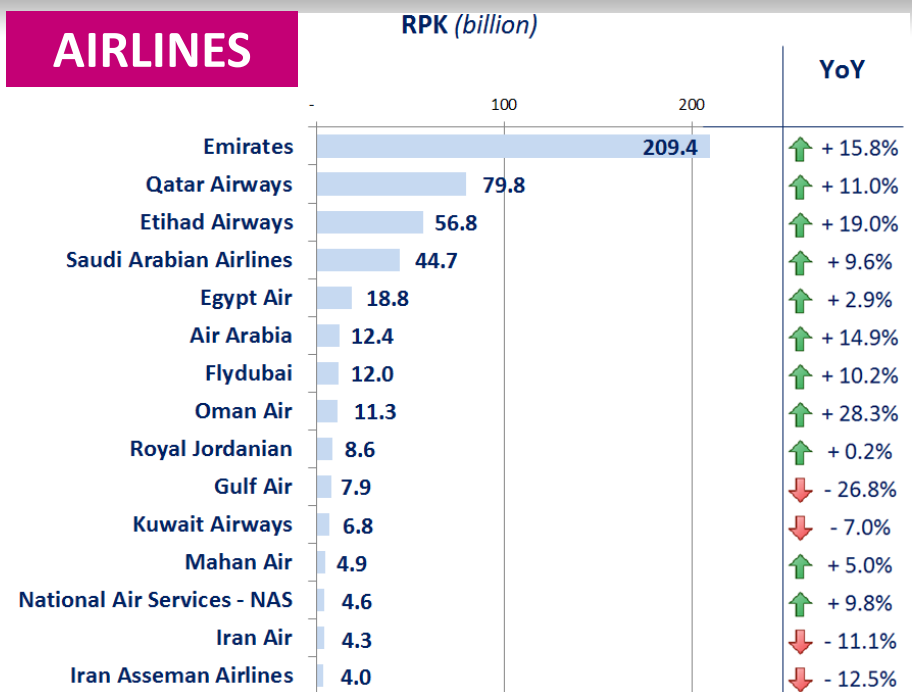
- 1st airline is Emirates, and its traffic is over double of the 2nd carrier.
- The **top3** carriers in Middle East achieved a double-digit growth in 2013.
- Dubai airport is the 1st airport in terms of departures.
- Al Ain airport achieved the highest growth in 2013 by +18.9%.

Note: total (int. and dom.) scheduled services
Source: ICAO Form A and ICAO estimates

Note: total (int. and dom.) scheduled and non-scheduled services
Source: ACI *ICAO estimate



Middle East (Cairo Regional Office) Top 15 Airlines - Top 15 Airports in 2013



- Emirates, Qatar Airways and Etihad Airways in the top 3 with a double-digit growths
- Double-digit growth of LCCs: Air Arabia and Flydubai

- Dubai, Doha and Abu Dhabi recorded respectively 7.5%, 7.7% and 11.2% growths
- Abu Dhabi, Al Ain and Muscat recorded double-digit growth in departures in 2013

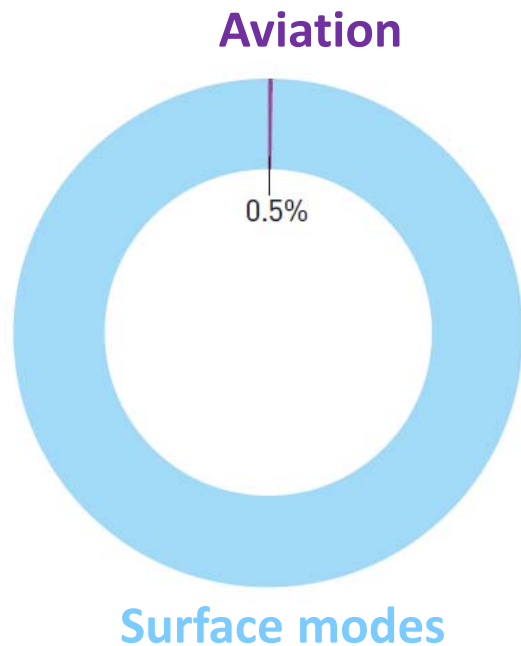
Note: total (int. and dom.) scheduled services
Source: ICAO Form A and ICAO estimates

Note: total (int. and dom.) scheduled and non-scheduled services
Source: ACI *ICAO estimate

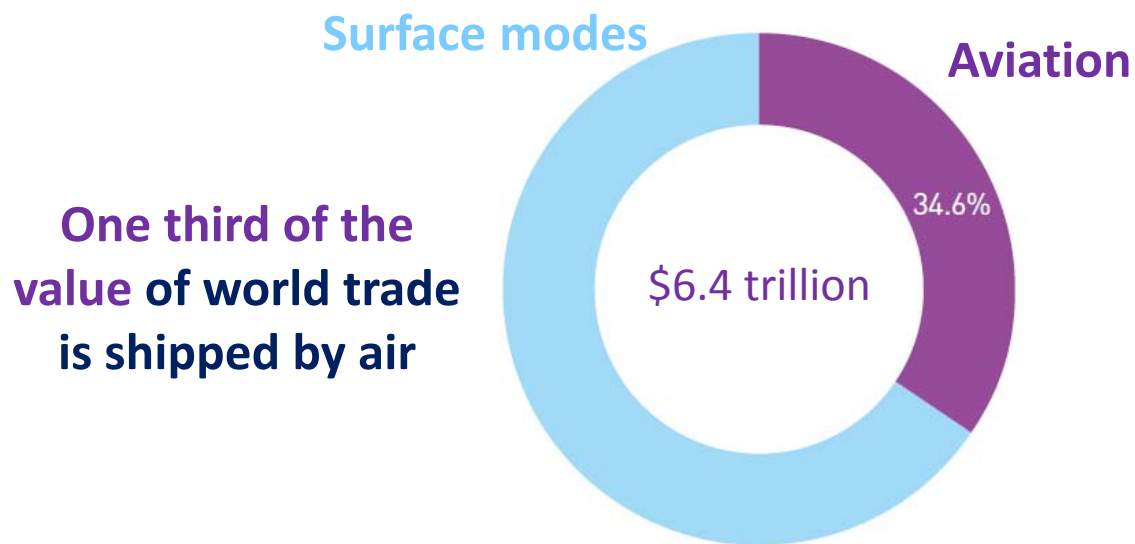


World International Cargo Shipment

Volume of world international cargo shipment



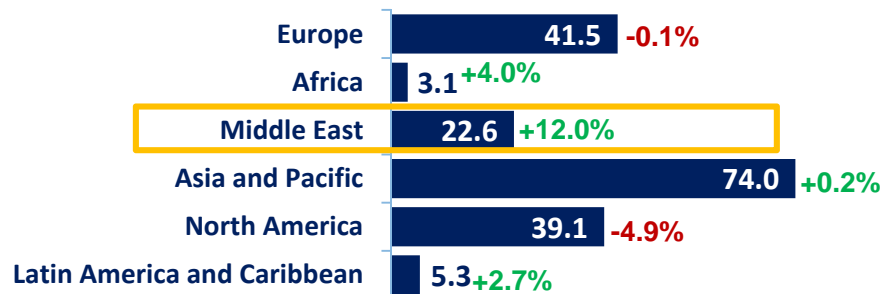
Value of world international cargo shipment





World Air Cargo in 2013

Freight Tonne-Kilometres (billion)



186 ^{+4.0%}
vs. 2012
billion

Freight Tonne-Kilometres

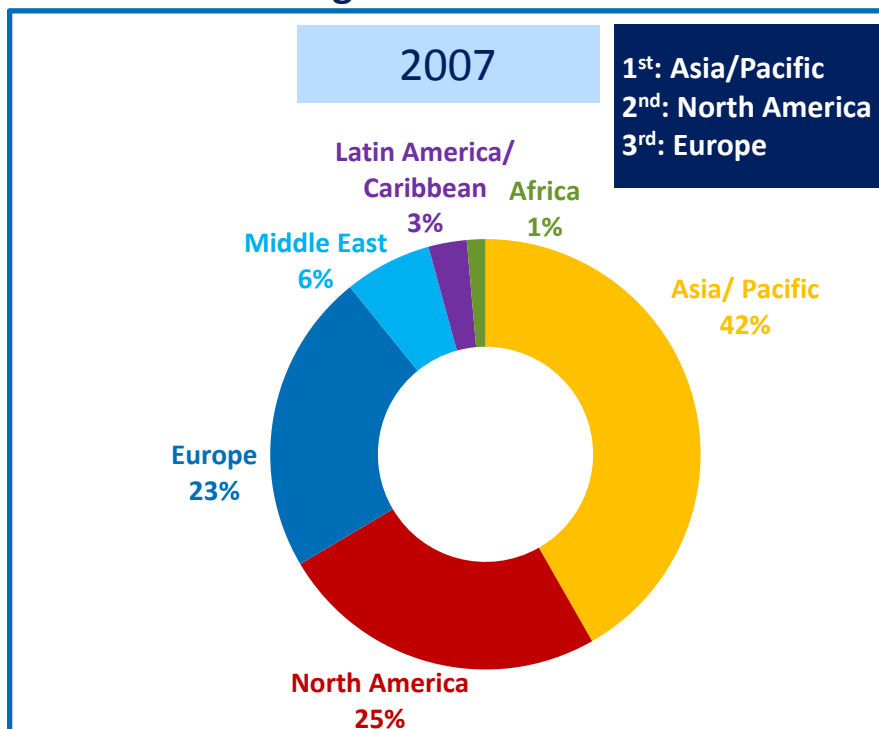
ICAO is expecting **+4.6 %** freight traffic growth in 2014*

* Preliminary result



Air Cargo Traffic: Worldwide Distribution

Distribution in Freight Tonne-Kilometres



Source: ICAO Annual Reports of the Council

Scheduled commercial traffic
Total (international and domestic) services



Future of Air Cargo ???????



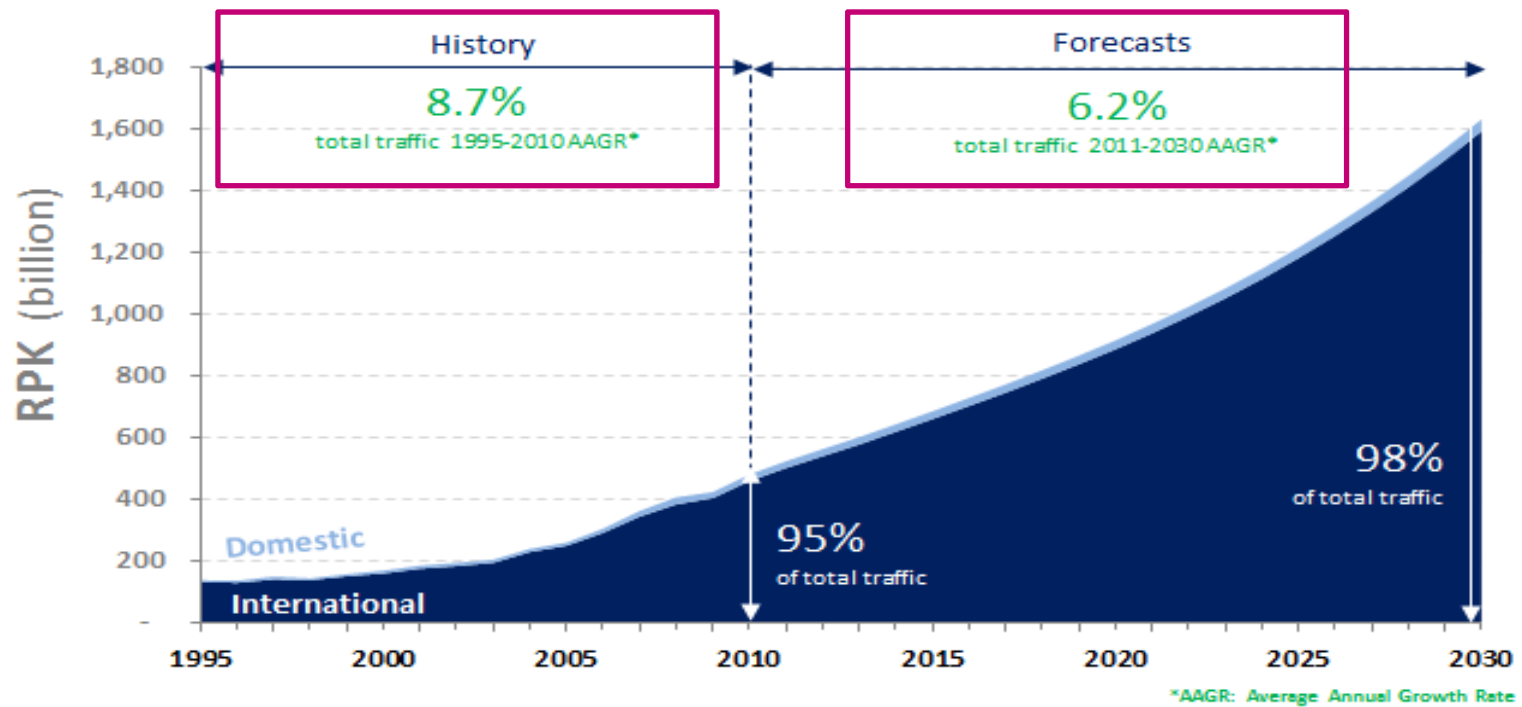
www.shutterstock.com - 195148058





Long-Term Air Traffic Forecasts: “GATO” Middle East - Scheduled Passenger Traffic

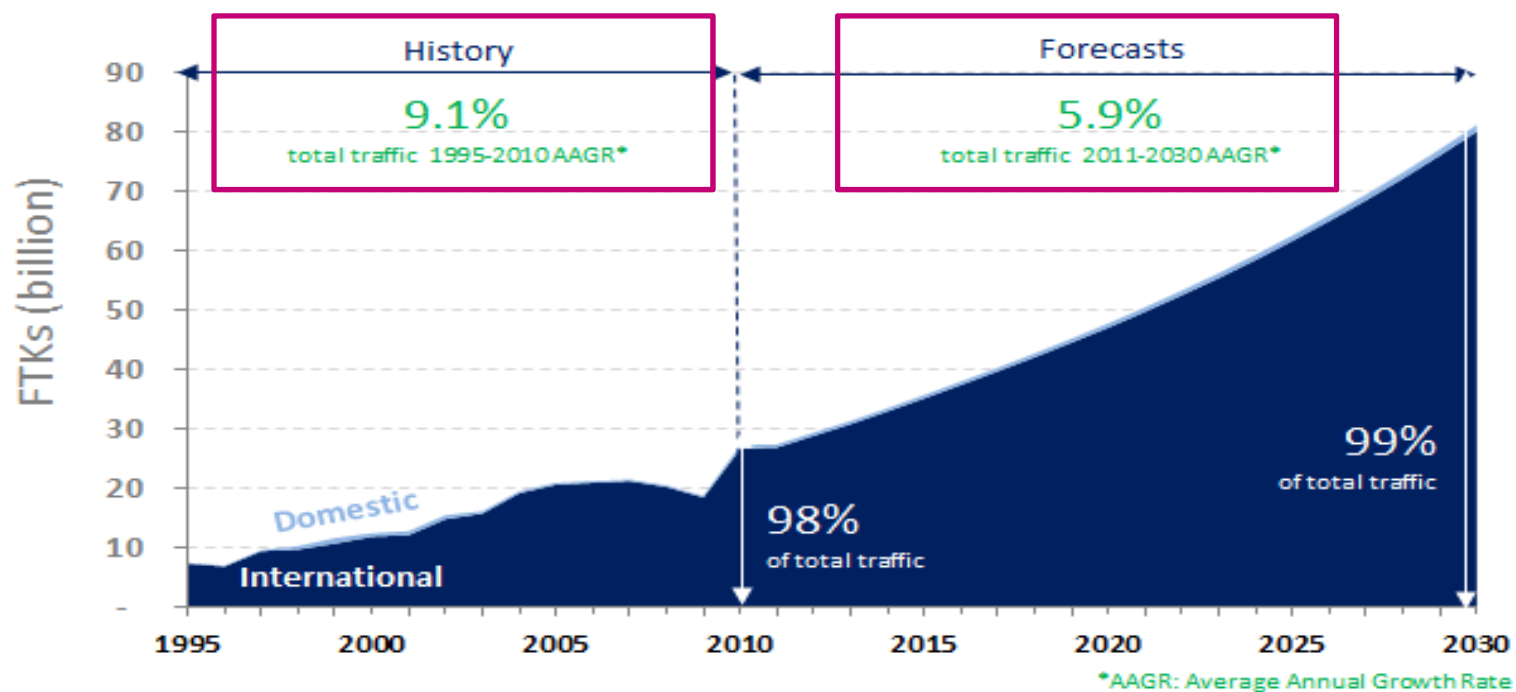
Passenger traffic (RPK) to/from and within Middle East





Long-Term Air Traffic Forecasts: “GATO” Middle East - Scheduled Freight Traffic

Freight traffic (FTK) to/from and within Middle East





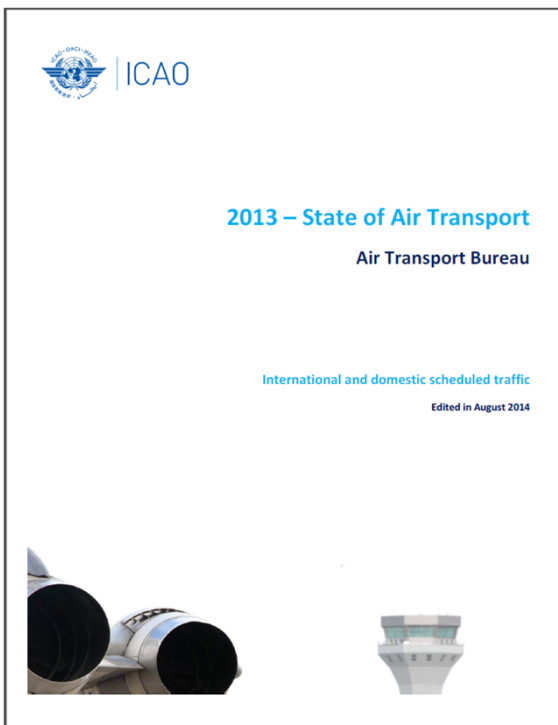
Aviation Data and Analysis Panel (ADAP)

Outcomes

- **Single set of harmonized forecasts**: working group
- Statistical forms
 - Discontinuation: 4 Forms (H, I — Part II, L and N)
 - Amendment: 3 Forms (A-S, B and E-F)
- **Cooperation with International Organizations**
 - ICAO/ACI common form on airport traffic
 - UNWTO (tourists vs. passengers, travel facilitation, taxation, connectivity)
 - Others
- Improve the framework of the ICAO Statistics Programme by creating and implementing **dedicated SARPs**
- Data collection through **web application**: working group
- Enhancement of **BI tools for data quality** and analysis
- Ensure coordination between MDWG-ASBUs, ATRP and ADAP



Air Transport Monitor



Air Transport Monthly Monitor



ECONOMIC DEVELOPMENT

OCT 2013: Air Transport Monthly Monitor

World Results and Analysis for AUG 2013. Total scheduled services (domestic and international).

Economic Analysis and Policy Section
E-mail: eap@icao.int

<http://www.icao.int/sustainability/Documents/Monthly-Monitor.pdf>

GLOBAL KEY FIGURES

AUG 2013
(versus AUG 2012)

RPK \uparrow +6.8%

ASK \uparrow +5.9%

LF: 83.4% \uparrow +1.3 pts

OUTLOOK - SEP 2013

(versus SEP 2012)

ASK \uparrow +5.8%

PASSENGER TRAFFIC

Revenue Passenger-Kilometres - RPK

World passenger traffic grew at +6.8% in August 2013 compared to August 2012. This growth represents the highest year-on-year increase in the past 12 months. Compared to one year ago, the demand has been quite robust during the summer peak period, reflecting market development and better consumer and business confidence, notably in the Eurozone, UK, US, Japan and China.



(Source: ICAO, IATA, OAG, airlines websites)

CAPACITY

Available Seat-Kilometres - ASK

Capacity increased by +5.9% in August 2013, the highest growth posted in the last 12 months. Capacity is expected to increase by +5.8% in September 2013, which would be the fifth consecutive growth above 5%.



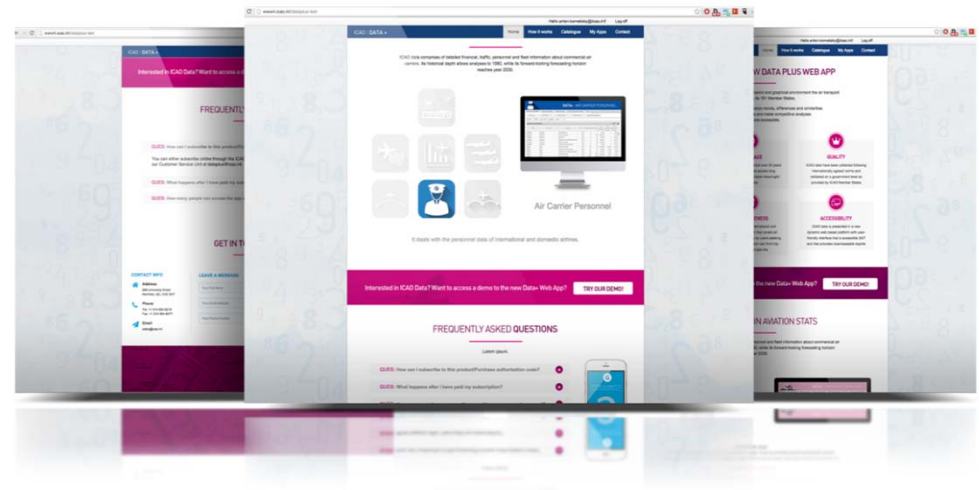
(Source: ICAO, IATA, OAG, airlines websites)

<http://www.icao.int/sustainability/Pages/Air-Traffic-Monitor.aspx>



New ICAO Data Plus

- Released April 2015
- Dynamic and graphical presentation of large amounts of air transport statistic data collected from Member States
- Cloud-based tool
- enables users to quickly identify patterns, trends, differences and similarities between data selections and make competitive analyses (benchmarking) more accessible.





Demonstration of Business Analysis Tools

Access through ICAO eTOOLS Website
www.icao.int/etools

- Distribute free “authorization codes” to Council members, Member States and Secretariat on a regular basis
- Business Analysis Tools currently available:
 - International traffic mapping and data tool
 - Air services agreement (WASA) visualization
 - Aeronautical treaty map
 - Traffic Trend tool
 - iStars applications (integrated)



Study on Regional Differences in International Airline Operating Economics

- unique and fundamental source of data
- used by stakeholders for essential tasks such as analysis of airline operating economics, evaluation of the impact of regulatory change and environmental planning
- results of the study are also used by the IATA Prorate Agency to prorate passenger revenues from interline journeys

Number of replies to the recent State letter not satisfying, especially from States of the Middle East region

(EC 2/20.3.2.14/ 87 dated 21 November 2014)



Air Transport Fund



- Established in 2014 thanks to a UAE initiative
- Mechanism for the collection and use of **voluntary contributions** from States and other donors to support ICAO's work in the air transport field
- For projects and activities not covered by the Regular Programme Budget under the new Strategic Objective, *Economic Development of Air Transport*
- Consistent, transparent, efficient and timely
- Streamlined administration of donated funds

For more information :

<http://www.icao.int/sustainability/Pages/TRAF.aspx>



Instruments

Convention on international interests in mobile equipment

Signed in Cape Town on 16 November 2001

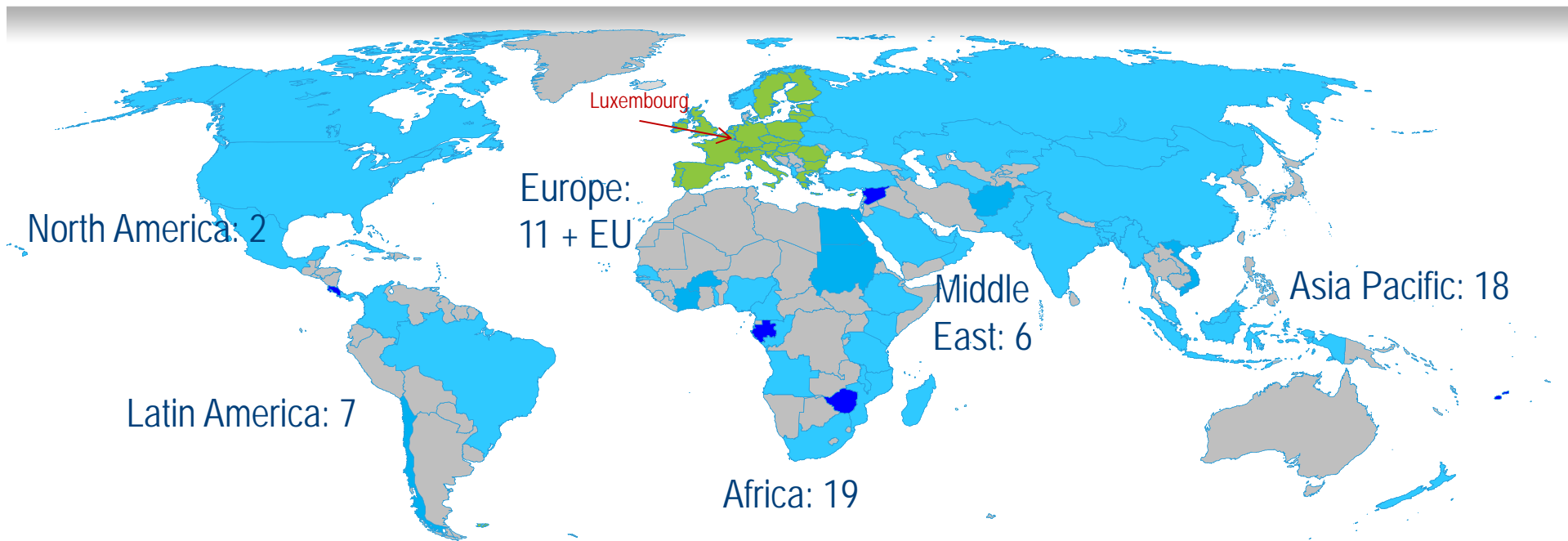
Protocol to the Convention on international interests in mobile equipment on matters specific to aircraft equipment

Signed in Cape Town on 16 November 2001

Entry into force: 1st March 2006



Cape Town Convention



Status of Ratification (as of Feb 2015)

- Member Countries (incl. aircraft protocol)
- European Union (incl aircraft protocol)
- Member Countries (no protocols)
- Member Country (incl both protocols) ratification also covered by European Union



Main reasons for ratification by States

- **Legal advantages**
 - new **uniform international regimen** governing the taking of security in high-value mobile equipment, based on the creation of an **international interest**
 - **improve predictability** as to the enforceability of security, title reservation and leasing rights in aircraft objects
- **Economic advantage**
 - **provide confidence** to lenders and institutional investors
 - **attract** domestic and foreign **capital**
 - **improve opportunities for asset-based financing** of high-value aircraft equipment **reduce risks for creditors** and consequently **borrowing costs** for debtors
 - **improved safety** by assisting airlines in many jurisdictions in their efforts to modernize and upgrade their fleet
 - **Reduce fuel and maintenance costs** by having a more fuel efficient fleet
- **Environment advantage**
 - **Improve the fuel efficiency of the fleet** and reduce the emissions of greenhouse effect gases



What ICAO can do for you

- **Aviation Security**
 - Assist you in the identification of deficiencies in your aviation security system
 - Assist you in addressing and solving those deficiencies
 - Assist you in enhancing your aviation security and facilitation capabilities
- **Economic Development of Air Transport**
 - Assist you in estimating the economic contribution of air transport to your economy
 - Assist you in the analysis of your portfolio of bilateral agreements and in identifying new opportunities
 - Assist you in your aviation forecasting and planning activities
- **Environmental Protection**
 - Assist you in the preparation of your action plans to reduce CO₂ emissions from aviation
 - Assist you in the estimation of the environmental benefits of air navigation (ATM and operational) measures including ASBUs



شكرا

Thank you