



**PRESENTATION BY THE PRESIDENT OF THE COUNCIL OF THE
INTERNATIONAL CIVIL AVIATION ORGANIZATION (ICAO),
MR. ROBERTO KOBEH GONZÁLEZ,
OF THE ANNUAL REPORTS OF THE COUNCIL FOR 2004, 2005 AND 2006
AND THE SUPPLEMENTARY REPORT FOR THE FIRST SIX MONTHS OF 2007
DURING THE 36TH SESSION OF THE ASSEMBLY**

(Montreal, 20 September 2007)

Distinguished delegates and observers, colleagues from the world of international civil aviation, ladies and gentlemen.

In accordance with Article 54(a) of the *Convention on International Civil Aviation*, I have the honour to submit, on behalf of the Council, its Reports for 2004, 2005 and 2006, with a Supplementary Report for the first half of 2007. The Annual Reports have already been distributed to all Contracting States. In the next few minutes, I would like to present to the Assembly a summary of significant highlights from that period.

From 2004 to 2006, the growth of global civil aviation continued uninterrupted. The total number of passengers worldwide grew by an average 6.2 per cent annually and the actual number of passengers climbed from 1.9 billion to 2.1 billion. The forecast is for an average growth rate of 4.6 until 2025, when the total number of passengers should reach some 4.5 billion.

This creates new opportunities and new challenges for States and air transport organizations. The degree to which we collectively manage growth effectively, uniformly and consistently in all countries and regions will determine the level of safety, security, sustainability and efficiency of the global air transport system.

Accordingly, since the 35th Session of the Assembly in 2004, ICAO has intensified its leadership in a focused and proactive manner, under four basic principles – implementation, performance, results and transparency. These principles have accelerated the transition of the Organization from a traditionally prescriptive-based, to a performance-based and results-oriented Organization.

This was most evident in the area of safety.

Safety

The years 2003 and 2004 are recognized as the safest years since the creation of ICAO in 1944. Six major accidents in August and September of 2005, however, reminded us that systemic deficiencies already identified under the Universal Safety Oversight Audit Programme (USOAP) were still present. This prompted ICAO to suggest the convening of a Directors General of Civil Aviation (DGCA) Conference to build consensus on a global strategy for aviation safety in the twenty-first century.

The Conference was held in March 2006 and was successful in establishing the foundation for a revitalized approach to aviation safety. It reaffirmed the critical importance of transparency and the sharing of safety-related information as fundamental tenets of a safe air transport system. It recognized that safety is a shared responsibility and that advancements in global safety are only possible through the leadership of ICAO and a cooperative, collaborative and coordinated effort among all stakeholders.

At the Conference, participants committed to improving the global aviation safety framework by exercising safety oversight in full compliance with ICAO Standards and Recommended Practices (SARPs), implementing safety management systems (SMS), and developing sustainable safety solutions. They unanimously agreed to the posting of USOAP results on the public website of ICAO, no later than 23 March 2008. As of today, ninety-three States have provided consent for the release of relevant audit information to the public. I urge States that have not done so to give their consent as soon as possible. Sharing of audit reports can help correct outstanding deficiencies identified under USOAP more quickly by making it easier for States and donors to provide those in need with the required financial or human resources.

There should be no doubt that transparency is gaining momentum. As further evidence, ICAO signed in 2006 two agreements aimed at the exchange of incident and accident information. One was with the International Air Transport Association (IATA) and the other with the European Aviation Safety Agency (EASA). This will help ICAO expand the safety data in its Accident and Incident Data Reporting (ADREP) System, paving the way for more comprehensive risk assessment within the ICAO Safety Management Process.

Another major outcome of the DGCA Safety Conference was a recommendation for ICAO to revise its Global Aviation Safety Plan (GASP) by integrating the Global Aviation Safety Roadmap, prepared by the Industry Safety Strategy Group (ISSG) in close cooperation with ICAO. The integration of the Roadmap transformed the GASP into a proactive planning methodology for ICAO, States, regions and industry to work together in achieving specific safety targets.

I am pleased to report that the revitalized GASP has already been instrumental in the development of a Comprehensive Regional Implementation Plan for Aviation Safety in Africa. The AFI Plan adopts a disciplined, programme management approach and represents the most coordinated and inclusive effort to date for addressing the very serious safety challenges facing Africa.

Overall, the global challenge for aviation safety is to drive an already low accident rate even lower. I am confident that greater transparency and the rigorous application of proven management processes will lead to considerable progress in meeting our common goal during the next triennium.

Security

Turning now to aviation security, statistics for the past few years point to a global air transport system that remains secure. Between 2004 and 2006, there were only four actual seizures of aircraft, although other components of the system were the target of acts of unlawful interference.

The ICAO Universal Security Audit Programme (USAP) created in 2002 has visibly improved global aviation security. States have become more sensitized to international requirements as they strive to comply with the Standards in Annex 17 — Security. Last year, ICAO aviation security audit teams completed 46 audits, bringing the total number of audited States to 174, well on course for auditing all 190 States by the end of 2007. Eighty-six follow-up visits were conducted to validate the implementation of State corrective action plans.

Almost all audited States submitted their corrective action plans on time. The results of the audits are continually analyzed and the findings are providing a foundation for the development of a unified ICAO strategy for resolving aviation security deficiencies at State, regional and global levels.

Nevertheless, while aviation security improves, events such as the alleged terrorist plot in the United Kingdom in August 2006, potentially involving liquids used as explosives, remind us of the vulnerability of the system and of the need for constant vigilance. In this particular case, ICAO reacted in a rapid, proactive and cooperative manner by bringing together States concerned, law enforcement agencies and industry representatives to develop an effective response. A series of interim measures were issued and permanent guidelines, as well as a revised list of items which may not be brought on board aircraft will soon be published.

ICAO is well aware of the challenges facing governments who implement anti-terrorist measures that are effective, yet safeguard the efficiency of air transport and public confidence in air travel. The Organization will continue to work with States and the industry on adapting security-related methods and technologies to meet new and emerging threats, while at the same time facilitating the rapid and efficient flow of passengers through airports.

Helping States improve both security and safety involves addressing the root-causes of problems and developing practical, effective solutions. This will be the task of the Implementation Support and Development (ISD) Branch, created in June of this year. This new function is based on the observation that deficiencies identified through both safety and security audits are similar in nature, essentially a lack of proper legislation, regulations and infrastructure, as well as the inability to retain qualified personnel. ISD will focus on these areas and better coordinate support already available through ICAO programmes.

Environment

Environmental protection is another major sector where ICAO exercised its leadership. At the last meeting of the Council's Committee on Aviation Environmental Protection (CAEP/7) in February of this year, it was evident that environmental concerns are now part of the planning and actions of global aviation stakeholders. There is a growing recognition that solutions must and will come from the aviation sector.

Among the achievements of CAEP/7 was the introduction of medium and long-range goals in the development of technologies to control Nitrogen Oxide (NO_x). This will give industry more clearly defined objectives and a longer planning horizon. CAEP/7 also produced initial studies on the environmental benefits of operational procedures and, in relation to local air quality at airports, it proposed guidance on best practices to assess and quantify airport source emissions.

While improvements in technology and operational procedures are promising for additional emissions reductions, market-based solutions represent a very important part of the overall solution. As anticipated, CAEP/7 proposed wide-ranging guidance for incorporating international aviation emissions into national emissions trading schemes, consistent with the United Nations Framework Convention on Climate Change (UNFCCC) process.

This guidance deals with aspects of emissions trading related to aviation-specific issues and provides preferred options for the various elements of trading systems. I trust that the direction set forth in the guidance will prove useful to delegates in their consideration of these very important environmental issues.

Efficiency

Improving the efficiency of air transport operations, which results in the reduction of greenhouse gasses, was another milestone of the past triennium when the Council of ICAO approved the revised Global Air Navigation Plan in November 2006. Based on recommendations of the Eleventh Air Navigation Conference held in 2003 and two related industry roadmaps, it represents a new benchmark in the implementation of a global air traffic management (ATM) system.

The Plan features interoperability and seamlessness across regions for all users during all phases of flight, meets agreed levels of safety, provides for optimum economic operations, is environmentally sustainable, and reflects national security requirements.

ICAO has already integrated the various elements of the Global Plan into its Business Plan, which stresses the implementation of harmonized air traffic management systems, performance-based efficiency improvements, and increased integration between ICAO Headquarters and Regional Offices. The Global Plan will become the baseline for measurable achievements as the global ATM system continues to evolve from systems-based to performance-based.

The task ahead is nothing short of ensuring the viability of the future air navigation system and its continued contribution to global economic development while sustaining the environment.

Increasing the efficiency of operations also lies in the creation of a favourable operating environment for the air transport industry through effective liberalization, the cornerstone upon which to build the future growth of the industry. The emerging global market situation has increased the demand on ICAO's leadership role in supporting States in the liberalization process. In 2005, as a follow-up to the Worldwide Air Transport Conference of 2003, ICAO published three important studies. One dealt with the safety and security aspects of economic liberalization, another with an essential services and tourism development route scheme, and a third on the economic contribution of civil aviation.

ICAO's leadership and proactive stance in the economic field continue to guide States towards an appropriate policy in keeping with the changes, encouraging them to make regulatory adjustments of their own choice and at their own pace. ICAO also encourages States to consider establishing autonomous entities to operate their airports and air navigation services and provides at the same time guidance for the efficient and cost-effective management and operation of these facilities. The Council recently decided to convene a major economic conference next year, where we intend to take another step in the direction towards a performance-based and efficient air navigation system and also establish the foundation for a sound cooperation between providers of airports and air navigation services, and their customers – the airspace users, which we think is necessary for the future development of international civil aviation.

Continuity

In the area of continuity of air operations, ICAO focused much attention on developing an ICAO contingency plan for a potential avian influenza pandemic, in cooperation with the World Health Organization (WHO) and industry partners. The ultimate goal is a globally harmonized risk management programme. ICAO also updated many medical provisions in Annex 1 on Personnel Licensing.

Rule of Law

In legal matters, ICAO remained active in developing and updating international air law in keeping with the evolving needs of the international civil aviation community. This included work on compensation for damage caused by aircraft to third parties arising from acts of unlawful interference or from general risks. The *Convention on International Interests in Mobile Equipment and the Protocol thereto on Matters specific to Aircraft Equipment*, signed at Cape Town on 16 November 2001, which aim at facilitating aircraft financing, came into force on 1 March 2006 and the International Registry has been operating thereafter under the supervision of the Council. A special Sub-Committee of the Legal Committee was established to prepare one or more draft instruments addressing the new and emerging threats to civil aviation.

Technical cooperation

The Technical Co-operation Programme continued its impressive growth supported by recipient countries and donors who place their trust in the neutral, efficient and cost-effective services of the ICAO Technical Co-operation Bureau. The Programme has reached some US \$158 million by the end of 2006, a US \$53 million increase over 2003 with greater emphasis on the achievement of ICAO's Strategic Objectives. Given the users' satisfaction with the services provided, I fully expect the Programme to keep increasing over the next three years as ICAO will continue to cooperate with States and other entities in their efforts to improve safety, security and efficiency of civil aviation.

Efficiency of the Organization

As always, increasing the efficiency of the Organization received considerable attention. At the request of the Council, the Secretary General developed a Business Plan to transform ICAO into a results-oriented and performance-based Organization, and to introduce new working methods for the efficient and prudent use of limited resources. In a few moments, Dr. Taïeb Chérif will outline the main features of the ICAO Business Plan.

The future

As you can see from my brief overview of the triennium, the Organization has made substantial progress in realizing its strategic objectives - to enhance the safety and security of global civil aviation; minimize its adverse effect on the environment; enhance the efficiency and maintain the continuity of aviation operations; and strengthen laws governing international civil aviation.

The challenge for the next triennium and beyond will be to continue responding to the needs of the world aviation community in times of rapid growth. If the past is an accurate measure of future success, we can all look forward to a highly productive 2008-2010 triennium.