



**Address by the Secretary General of ICAO
Mr. Raymond Benjamin
to the ICAO/McGill Pre-Assembly Symposium**

(Montréal, ICAO Headquarters, 21 September 2013)

Good morning ladies and gentlemen, and welcome to what I expect will be a particularly stimulating and productive *ICAO/McGill Pre-Assembly Symposium*.

Let me begin by quickly reviewing a few of the fundamentals that help us recognize air transport as an essential enabler of our modern and global society.

Aviation today is acknowledged as the fastest mode of transportation on any but the shortest of distances. This is true for business, leisure, and for what is becoming now commonly recognized as VFR, or *Visiting Friends and Relatives* travel.

Interestingly, the proportion of VFR travellers now accounts for 30 per cent of our growing air transport passenger market. And because the world's economies are increasingly interconnected, business travel now accounts for more than 15 per cent of travellers.

If we further acknowledge that tourism represents five per cent of current global GDP, and that more than half of all international tourists travel by air, the significance of air travel to sustainable worldwide prosperity becomes very clear.

From an overall standpoint, aviation supports some 60 million jobs directly and indirectly worldwide, and generates more than 2 trillion dollars in associated economic activity.

Last year, our global network carried three billion passengers on 30 million scheduled departures. By 2030, current projections suggest those numbers will double.

On the cargo side, the total value of goods transported by air represents more than 35 per cent of all international trade – or just over 6 trillion dollars.

By any measure, these numbers are impressive. But as we often remind ourselves, there remains substantial room for improvement. We know we have to focus on improving the quality of services to users, be they passengers or shippers, and this means increasing the efficiency of what is already recognized as the most efficient global transportation system...

So how do we do this? Let me illustrate with a few examples of some of the inefficiencies in our system today.

When point-to-point destinations are not available, even a short journey to a nearby city requires a connection that adds hours to a traveller's journey. Factor-in immigration and a checkpoint, and especially for short visits these delays will make a traveller think twice about buying their ticket.

Next consider an airline pilot who has to overfly traditional waypoints instead taking advantage of performance-based routes. Their flight time and fuel expenditure will be increased by an average of 10 per cent, with direct negative impacts on both the airline and its passengers.

Lastly let's look at an exporter who relies on aircraft to get perishable goods to distant markets. If they're lucky, and the airports and checkpoints along the journey aren't too busy, the goods will arrive fresh. But if it's a busy day, then airport, customs and security delays will cost this business both customers and profits

The point of all these examples is that the main benefit of air transport, namely the moving of people and goods from point A to point B as quickly as possible, is too often eroded due to fragmentation and inefficiency in our global network.

Much of this fragmentation may be attributed to bilateral frameworks which too often limit airline market access and traveller destination choices. This leads only to frustration in our customer base.

Network configurations favouring hub-and-spoke over point-to-point routes, over-saturated airspace, or outdated ATM infrastructure and procedures are additional concerns... And let's not forget our economic regulatory framework, which guarantees neither fair competition between operators nor smart taxation or charging practices by States.

These impediments and a number of others have one clear element in common – they all lead to a reduction in what air travel is supposed to be all about: *Connectivity*.

With connectivity firmly recognized as a guiding principle, aviation could resolve virtually every form of fragmentation and inefficiency I have just described.

In fact, a representative from one of our Member States, speaking in the Security context at ICAO's high-level conference last September, summarized the core aspects of the connectivity concept very clearly when stressing – and I quote:

“Passenger satisfaction must be the basis of any public policy in civil aviation matters, particularly regarding security.

This priority, which is in no way incompatible with the need for security, is split between two complementary objectives: facilitation and quality of service; and cost control. The whole idea is to foster a ‘holistic’ approach which is focused on efficiency.”

I fully subscribe to this customer-centric viewpoint, and to the premise of taking a holistic approach to our connectivity challenges. In fact the goal of achieving effecting security, but without adversely impeding customer throughput and satisfaction, was critical to ICAO having adopted a new Strategic Objective for the next triennium which is now inclusive of both Security *AND* Facilitation.

It is furthermore ICAO's position, in light of its strong customer focus, that connectivity encompasses not only the streamlining of airport clearances but also the convergence and global compatibility of passenger rights regimes.

Pursuant to these and other developments which emerged from our Sixth Air Transport Conference in March, we are presently considering comprehensive air transport consumer protections being established in a new second Volume to our Annex 9 on *Facilitation*.

During this event, States also agreed we should continue liberalizing market access in a flexible manner, appropriate to the varying needs and circumstances of each of them. By doing so, we will help address a main impediment to current connectivity levels in our system and help resolve some of the primary consumer frustration with air travel.

Liberalization, of course, is also very closely related to fair competition. Many of our African colleagues here today can attest to this fact. Having agreed on a path to liberalization through the Yamoussoukro Decision, they still remain hampered in its implementation – largely because only 20% of African States have general competition laws currently in place.

Fair competition is also essential to fair pricing, which brings us back to our connectivity priorities. This highlights why the upcoming ICAO Air Services Negotiation Conference, taking place in Durban this December, will include a special seminar on new regulatory approaches to fair competition in international air transport.

These and other recommendations which emerged from ICAO's Sixth Air Transport Conference, when they are reviewed in the context of our shared connectivity objectives, represent major steps toward a more practical and truly consumer-centric regulatory framework.

ICAO is convinced that, by taking this approach, our sector can jointly realize a more sustainable economic foundation for air transport – one that creates both a level and profitable playing field for operators, and a safe, responsive and convenient transportation option for businesses and travellers.

A lot of work, concerted international cooperation, and a significant evolution in how we understand and approach our air transport challenges will be essential to our success in these efforts.

It's my sincere hope, during the frank discussions to follow, that the high-level panellists here with us today will find more common ground than they may have expected – mainly by concentrating their exchanges within the context of end-user needs and the wider and inclusive concept of air transport connectivity.

I would encourage you all to speak your minds and be forceful in your views, but I know that you are already quite well-prepared to do just that.

I'll now hand the podium over to Mr. Daniel Jutras, Dean of McGill University.

Thank you.

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