STA/10-WP/35
24/11/09

TENTH SESSION OF THE STATISTICS DIVISION (STA) DIVISION

Montréal, 23 to 27 November 2009

DRAFT REPORT ON AGENDA ITEMS 1

The Plenary, on 24 November 2009, approved the Draft report on Agenda Item 1.

(6 pages)

Agenda Item 1: Civil aviation statistics — ICAO classification and definition

Scope of the ICAO Statistics programme and related activities (WP/3)

1.1 **DOCUMENTATION**

1.1.1 WP/3 presented a description of the current ICAO Statistics Programme and its use for achieving the forecasting and economic activities of the Organization. It reminded the participants of the requirement that States file statistical reports in accordance with Articles 54 (i), 55 (c) and 67 of the Convention on International Civil Aviation and Assembly Resolution A36-15, appendix B. In the latter the Council is requested to, *inter alia*, examine on a regular basis, the statistical data (referring to "statistics on airline operations") collected by ICAO in order to meet more effectively the needs of the Organization and its Contracting States and to establish the necessary metrics to monitor the performance of the Organization in meeting its Strategic Objectives. While detailing why the ICAO Statistics Programme is the necessary tool for its economic analyses and forecasting activities, the paper also indicated the assistance ICAO provides to Contracting States aimed at familiarizing staff of national administrations with statistical techniques, and at improving the quality of the information submitted.

1.2 **CONCLUSION**

1.2.1 The division noted the information provided in this paper.

Developments since the Ninth Session of the Statistics Division (WP/4)

1.3 **DOCUMENTATION**

1.3.1 WP/4 reviewed the level of implementation of the Recommendations adopted by the Ninth Session of the Statistics Division, as well as events within and outside the Organization which were the prime movers of determining the need to convene this meeting of the Statistics Division to review the new data requirements of the Organization, with particular reference to the need of the Organization to be able to measure and monitor its progress towards achieving its Strategic Objectives.

1.4 **DISCUSSION**

1.4.1 In response to a question from one of the State representatives, the division noted that ICAO had signed commercial agreements for the sale of statistical data with Air Transport Intelligence (ATI) and OAG Aviation. It was further noted that except for the publication restrictions which were applied to the On-flight Origin and Destination data (OFOD), all other statistical data collected through the regular Statistical Programme had always been available in the public domain and were sold to third parties (such as academics, airlines, and consultants). However, with regard to the data collected through a State letter for the study on cost and revenues of international air carriers, these were considered to be highly confidential and were only published in an aggregated manner so that no individual air carrier data could be identified.

1.5 **CONCLUSION**

1.5.1 The division noted the information provided in this paper.

Results of the questionnaires on the ICAO statistics programme (IP/2)

1.6 **DOCUMENTATION**

1.6.1 The purpose of IP/2 was to present the results of the surveys conducted in 2009, among both internal and external users of the ICAO Statistics Programme, with the aim of assessing its relevance, and identifying possible improvement for future implementation. It was noted that users had recognized this programme as a unique and trustworthy sole source of data package.

1.7 **DISCUSSION**

1.7.1 In response to a question from one of the participants related to the change in relationship between GDP and traffic growth, the division noted that the forecasting activities of ICAO were being restructured, in order to highlight the specific models linked to each air travel market. The traditional GDP elasticities in traffic modelling, may require to be reviewed in the light of the higher impact of lower fares on traffic development caused by the strong emergence of low cost carriers (LCCs). Additionally, it was noted that as in the past, when facing crisis and economic downturns such as in 1991, 2002-2003 and 2008, the elasticity between GDP and traffic growth were altered thus leading to declines in traffic although GDP showed small positive gains.

1.7.2 Similar to some of the comments obtained through the surveys, a few States indicated the need to include in the ICAO website, statistical aggregated data at national, regional and global level as they were published in Civil Aviation Statistics of the World.

1.8 **CONCLUSION**

1.8.1 With no further discussion the division noted the contents of IP/2

Available capacity and average passenger mass (WP/5)

1.9 **DOCUMENTATION**

1.9.1 WP/5 discussed the importance of the ability of air carriers to calculate their production in terms of tonne-kilometres available. This was not only important for the air carriers in the context of their management but also useful for all other stakeholders involved who may wish to carry out comparative analyses among the various air carriers. One of the elements used in this calculation is the average passenger mass (including baggage). While air carriers were encouraged to make use of their own figures, the paper noted that the internationally agreed recommended average passenger mass had stood at 90 kg for over seventy years. The Fourteenth Meeting of the Statistics Panel (STAP/14) had suggested that IATA might wish to conduct a survey among its members to verify if the existing recommended value was still relevant in today's environment. The results of this survey, which also covered the average cargo density used to arrive at the calculation of available capacity (expressed in tonne-kilometres), were included in the paper.

1.10 **DISCUSSION**

1.10.1 The division noted that the suggested values for passenger mass, including normal baggage allowance and excess baggage, and for air cargo density, only applied if an air carrier did not have values of its own. Hence, the recommended values did not affect those carriers which applied figures which were related to their own operations. In this context, at a global level a change in the recommended values was unlikely to have a significant effect on the long term traffic trends. Consequently, there was no need to review the historical series.

1.10.2 Without any issues raised, the division adopted the following recommendation.

Recommendation 1/1

For statistical purposes:

a) where an air carrier does not have a factor representing the average mass of the passenger plus both normal baggage allowance and excess baggage to convert them into a mass, it is recommended that 100 kg. should be used; and

b) where an air carrier does not have a cargo density to convert the volume of air cargo or checked baggage into a mass, the density of 161 kg per cubic meter should be used. Such a density can be used for all-cargo and mixed operations.

Review of definitions of domestic and cabotage air services (WP/6)

1.11 **DOCUMENTATION**

1.11.1 WP/6 explained that at present ICAO used two different definitions to identify the traffic of domestic flight sectors of international flights; one used by the Statistics Programme, based on the nature of a flight stage, and the other, used for the economic studies on air transport, based on the origin and final destination of a flight (with one or more flight stages). Both definitions were noted to have their shortcomings which might affect traffic forecasts produced by ICAO for domestic operations. A similar situation arised with the current inclusion of cabotage services under international operations. The paper noted that after reviewing these issues, STAP/14 agreed to recommend that no changes be made to the current definitions and instructions. Nevertheless, the Secretariat pointed out that by not identifying this traffic in its correct context, the traffic forecasts for Europe would be distorted, and requested that in Forms B — OFOD and C — TFS, States should cover all international flights *including* cobatage services.

1.12 **DISCUSSION**

1.12.1 Some participants suggested that the data on cabotage services should be explicitly requested and shown separately from other data. However, such a request had already been rejected in the past at STAP/13, STA/9 and more recently at STAP/14. The division noted that in accepting this

recommendation, cabotage traffic would continue to be considered by the reporting carrier as international traggic. This meant that any cabotage traffic would have to be reported in Air Transport Reporting Forms B (OFOD), and C (TFS) which would allow the Secretariat and other users to estimate the amount of traffic concerned and make the necessary corrections to the domestic and international traffic used for forecasting purposes.

1.12.2 With this provision in mind, the division concluded that for air carrier statistics and economic studies, both definitions of domestic services can coexist as they serve different purposes; and adopted the following recommendation.

Recommendation 1/2

The division Recommends that:

States should be reminded that under the current definitions, international traffic includes data for cabotage services and that these data should be reported whenever data for international traffic is requested for the relevant Air Transport Reporting Forms, in particular in Forms A — Traffic, commercial air carriers, B – OFOD and C – TFS.

Review of the classification and definitions used for civil aviation activities (WP/7)

1.13 **DOCUMENTATION**

1.13.1 The meeting was informed that over the years, ICAO had developed a system of definitions to support the process of preparing and updating the various Annexes to the Chicago Convention and related documents such as manuals and circulars. Definitions were also provided in the framework of ICAO's statistics programme. It was further informed that it had been noted in various analyses involving the use of classification of civil aviation activities (commercial, air transport, general aviation, etc.), that there was a need to review, update and complete the available classifications and definitions.

1.13.2 WP/7 reviews the current definitions and informal classification and, incorporating the changes recommended by STAP/14, it proposes a more comprehensive classification with the corresponding definitions.

1.14 **DISCUSSION**

1.14.1 EASA indicated that for accident analyses purposes, air taxis had always been considered as part of general aviation. If, as suggested in paper to be considered later by the division, ICAO had the intention to harmonise the definitions used for statistical purposes with those for safety analyses, such a change would significantly alter the previous analyses where air taxis were not included under non-scheduled operations.

1.14.2 Some States also indicated that they would have a problem to acceptING the classification as proposed and suggested that one solution would be to split General Aviation into commercial and non-commercial activities, where the former would include air taxis and commercial business flights. In view of the number of States which were in support of this proposal, the Chairman

decided to set-up an ad-hoc working group composed of representatives from Bahrain, Brazil, China, France, Germany, Saudi Arabia, Switzerland and the United States to review this issue and come–up with an agreed proposal for consideration by the division.

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