



**INTERNATIONAL CIVIL AVIATION ORGANIZATION**

*A United Nations Specialized Agency*



**ICAO AIR SERVICES NEGOTIATION CONFERENCE**

Jeddah, Saudi Arabia, 8-12 December, 2012



# ICAN 2012

**Narjess Teyssier**

Chief Economic Analysis and Policy Section

ICAO

Jeddah, December 8, 2012

# ICAN 2012: A successful event



## ICAO AIR SERVICES NEGOTIATION CONFERENCE



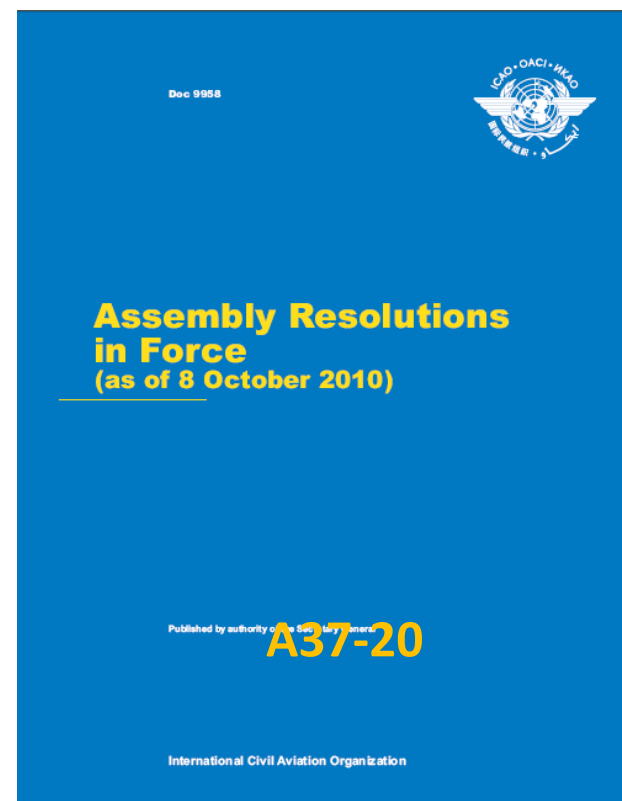
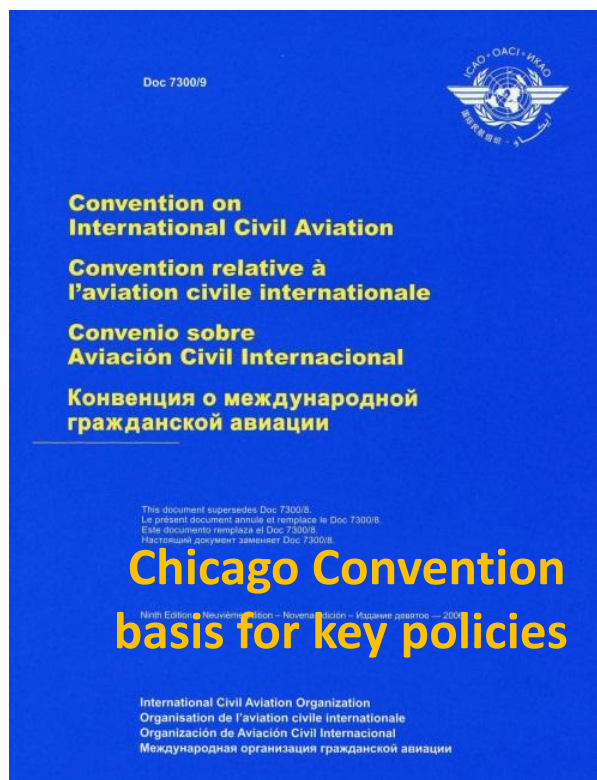
# ICAN benefits for States



Venue Year	Dubai 2008 UAE	Istanbul 2009 Turkey	Kingston 2010 Jamaica	Mumbai 2011 India
Number of participating States	27	52	38	64
Number of bilateral meetings held	100	200	200	340
Number of Bilateral Agreements signed at the meeting	20	60	60	120

**In 2010 Estimated Cost savings to participating States: Several million USD**

# ICAO's Policies and guidance material



# Passenger traffic in 2011

**+6.5%**

**5.1**

trillion

Passenger-km

**+3.6%**

**30**

million

Departures

**+5.6%**

**2.7**

billion

Passengers

**(%): 2011/2010 growth**

# Air Cargo in 2011

**182** billion  
**Freight Tonnes-Kilometer performed**

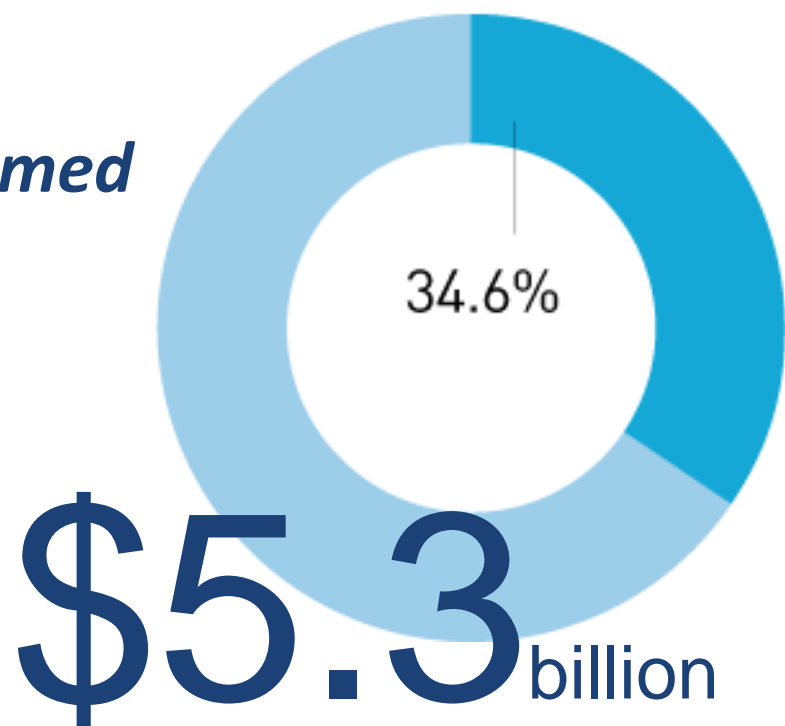
**-0.1%**  
YoY

**51** million  
**Freight Tonnes carried**

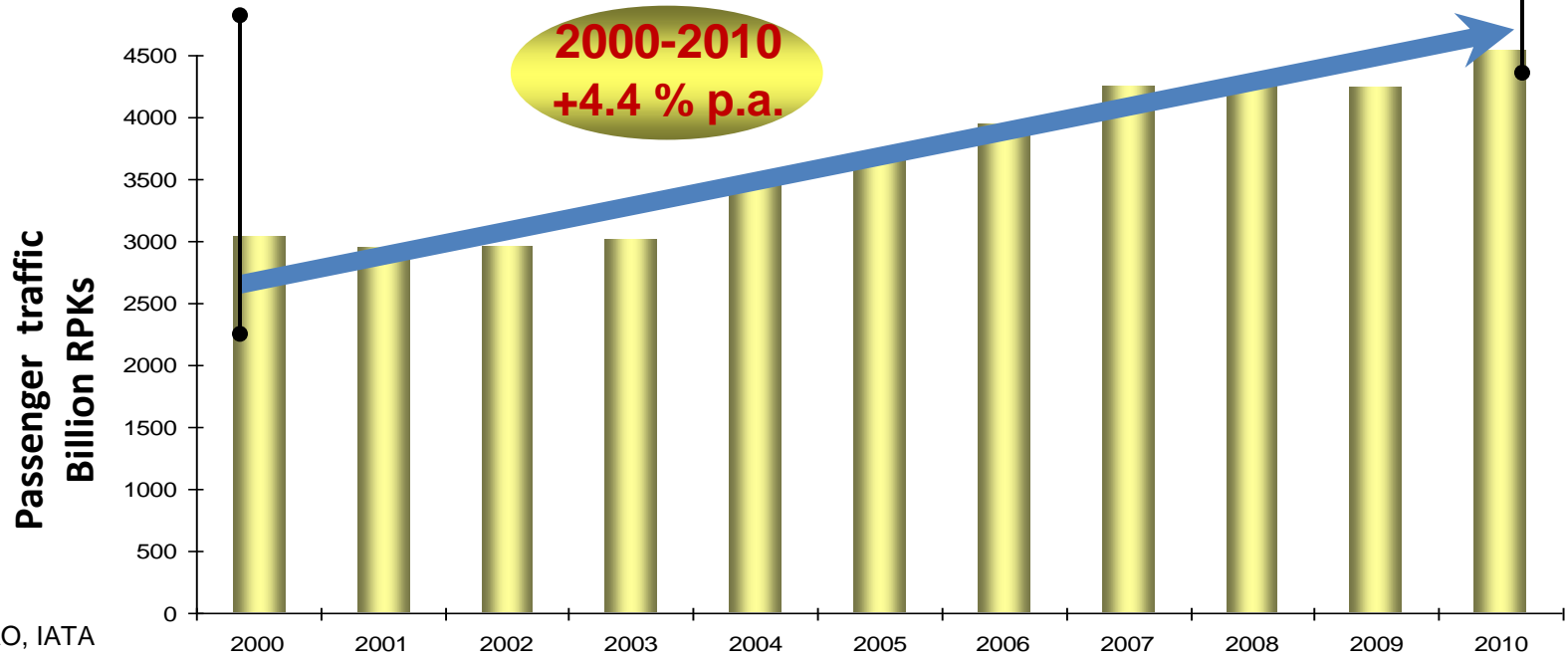
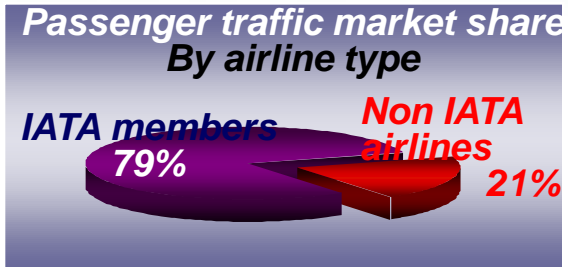
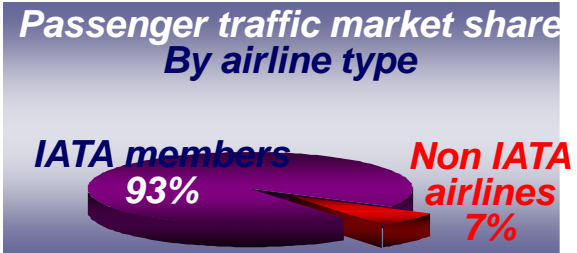
**+1.4%**  
YoY

**Note:** Scheduled services

**Air freight in the international trade**  
**By value**



# Past decade traffic growth

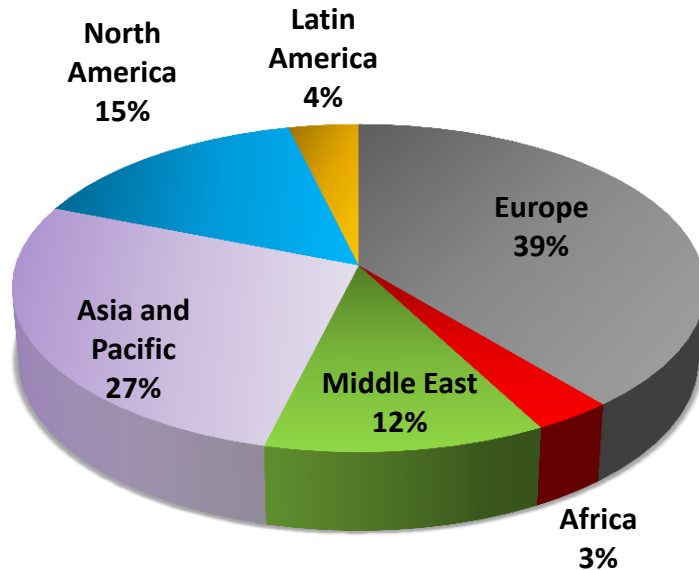


Source: ICAO, IATA

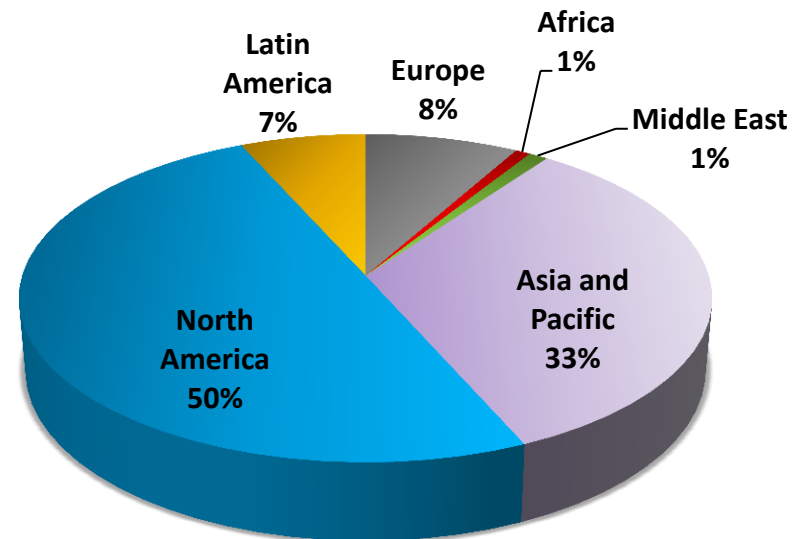
# Market Shares\* Achieved in 2011

**International traffic represents 62% of the total passenger traffic**

*International passenger traffic\*\**



*Domestic passenger traffic\*\**

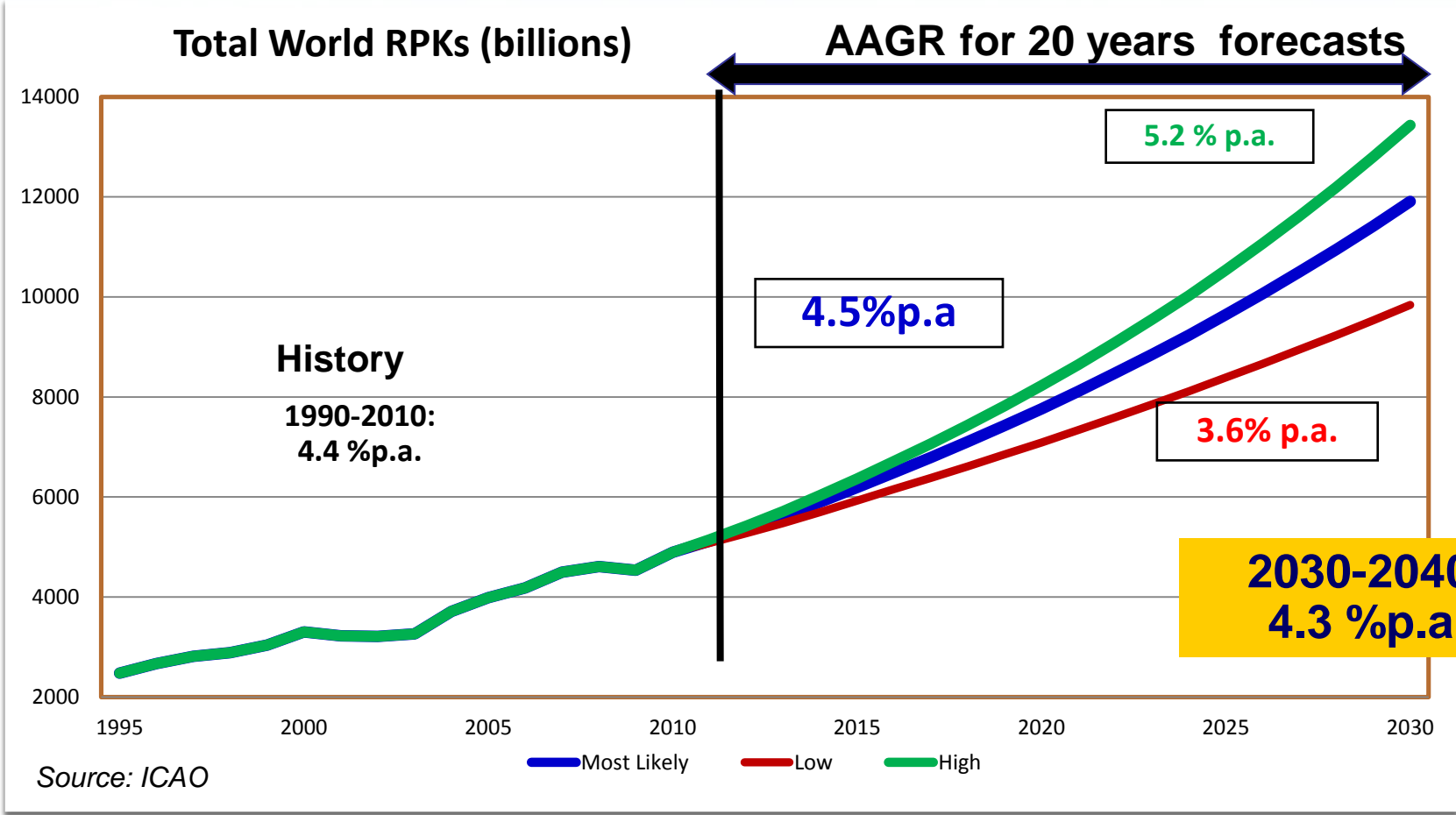


\* Market share of the scheduled traffic of the airlines domiciled in the region

\*\* Expressed in Revenue Passenger Kilometer



# Long-term passenger traffic forecast

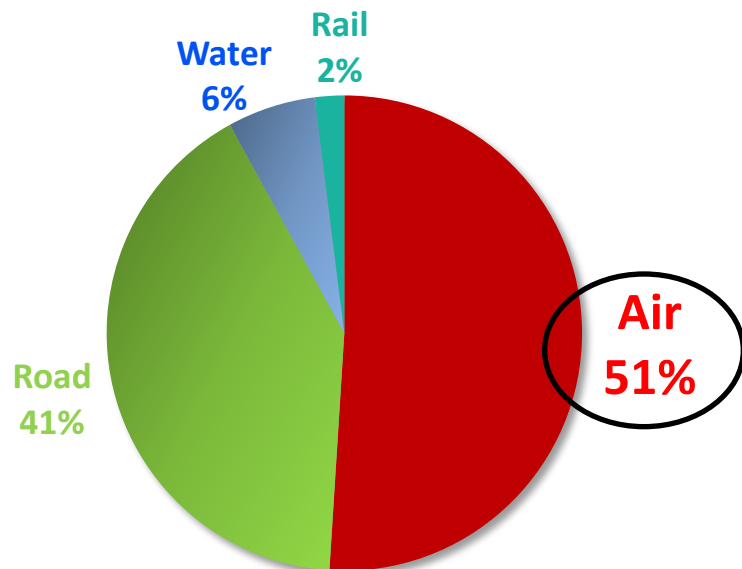


**High GDP scenario = +0.3% for developed countries & +0.6 for the developing countries**  
**Low GDP scenario = -0.5 for developed regions & -0.1 for the developing regions.**

# Air travellers represent 51% of international tourist



## Inbound travellers by mode of transport



## Aviation and Tourism: Key figures

Year 2010

34.5 millions

Jobs linked to the catalytic impact of tourism on aviation

\$762 Billions

Contribution to the world GDP induced by the tourism travel by air

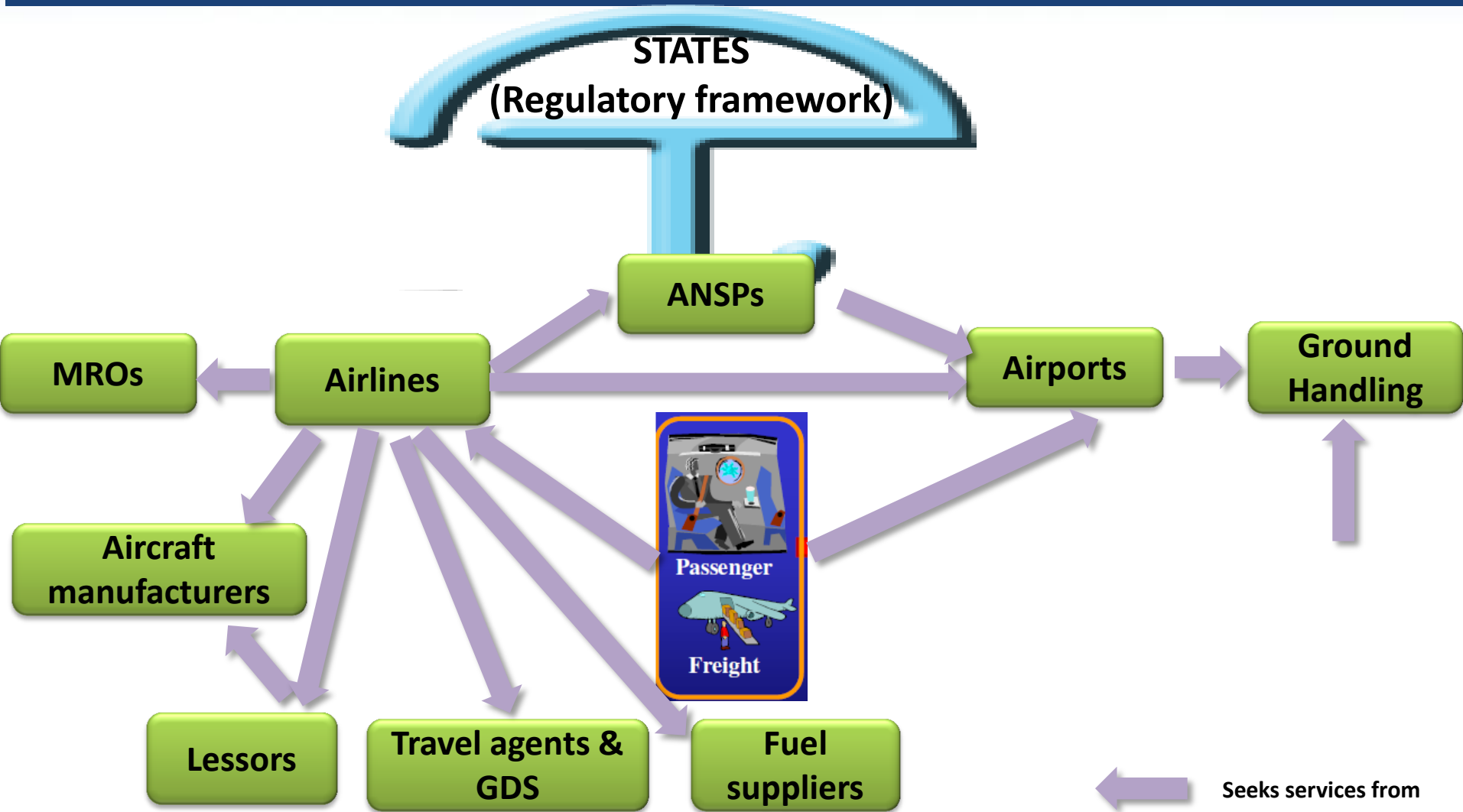
51%

Of international tourists travel by air

Source: UNWTO

**Note:** 2010 figures for international tourists

# Value chain of air transport





## TOWARD A SUSTAINABLE AIR TRANSPORT DEVELOPMENT

- Main Impediment: “**Fragmentation**” of markets and regulation
- Strategy: “**Seamlessness**” while
  - Striking a balance between security and facilitation
  - Minimizing impact on environment

From ATConf/5....

to ATConf/6

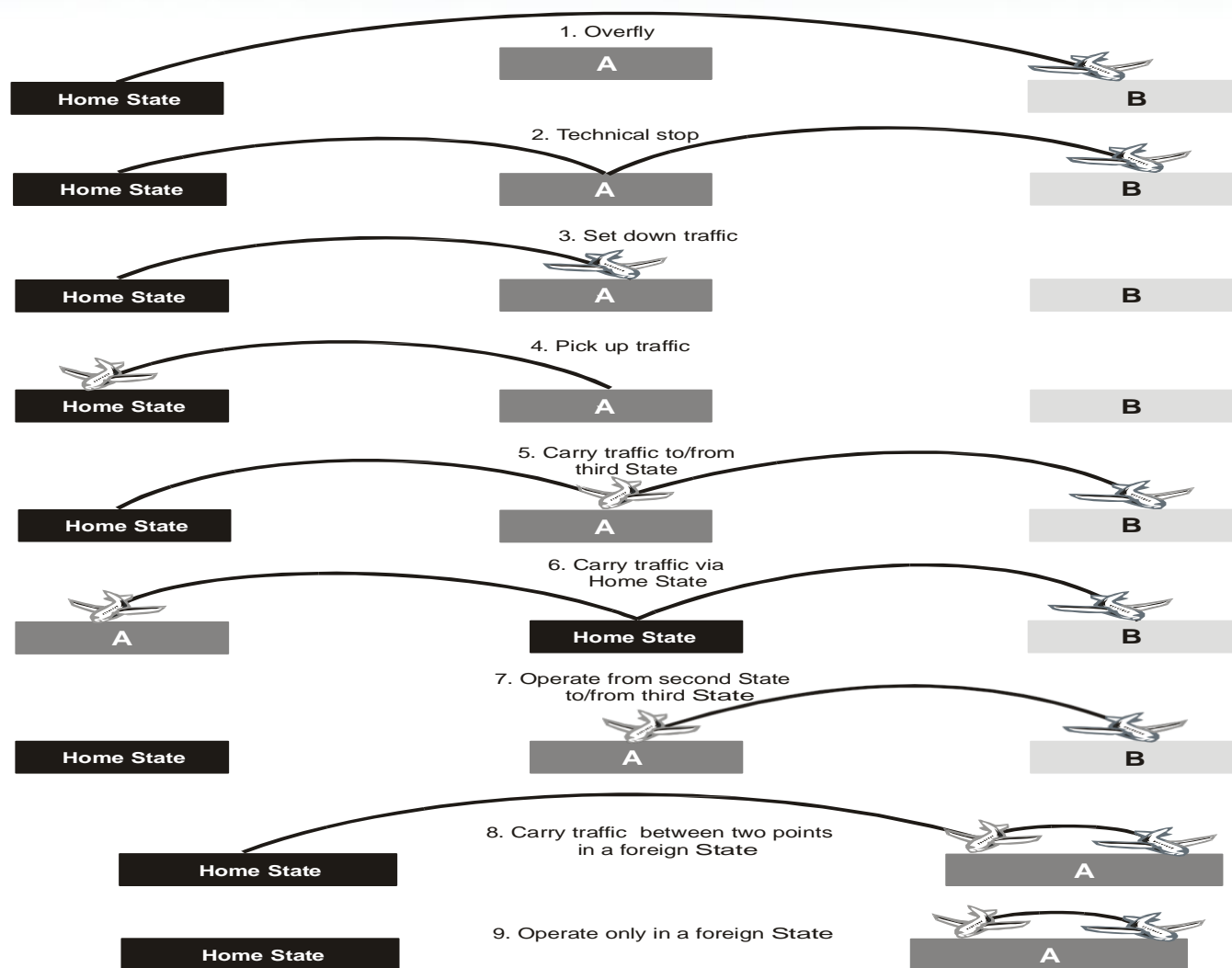


**Theme:** “Challenges & Opportunities for Liberalization”

**Role of ICAO:**  
“Facilitate, promote and assist States in the liberalization process”

**Outcome / Results**

# The nine Freedoms of air



# Top 5 States involved in bilateral Open Skies Agreements (OSAs)\*



State	Number
United States	109
United Arab Emirates	77
Canada	43
Singapore	34
Bahrain	26

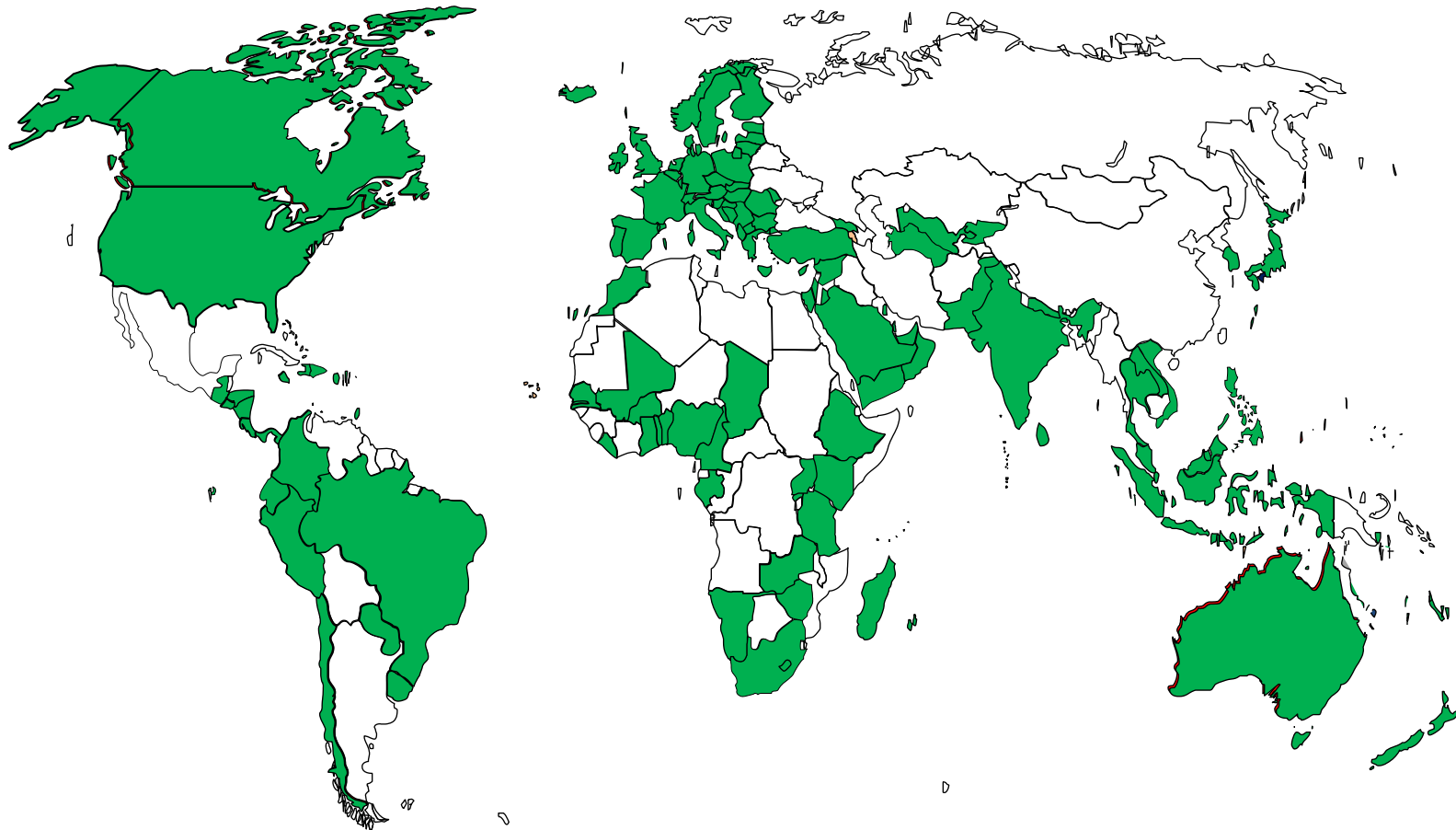
Source: Governmental Internet sites

**\*Considered as an OSA when there is no restriction on 5<sup>th</sup> Freedom and above**  
Status as of October 2012

# States involved in bilateral OSAs



By October 2012, 145 States signed one or more bilateral OSAs



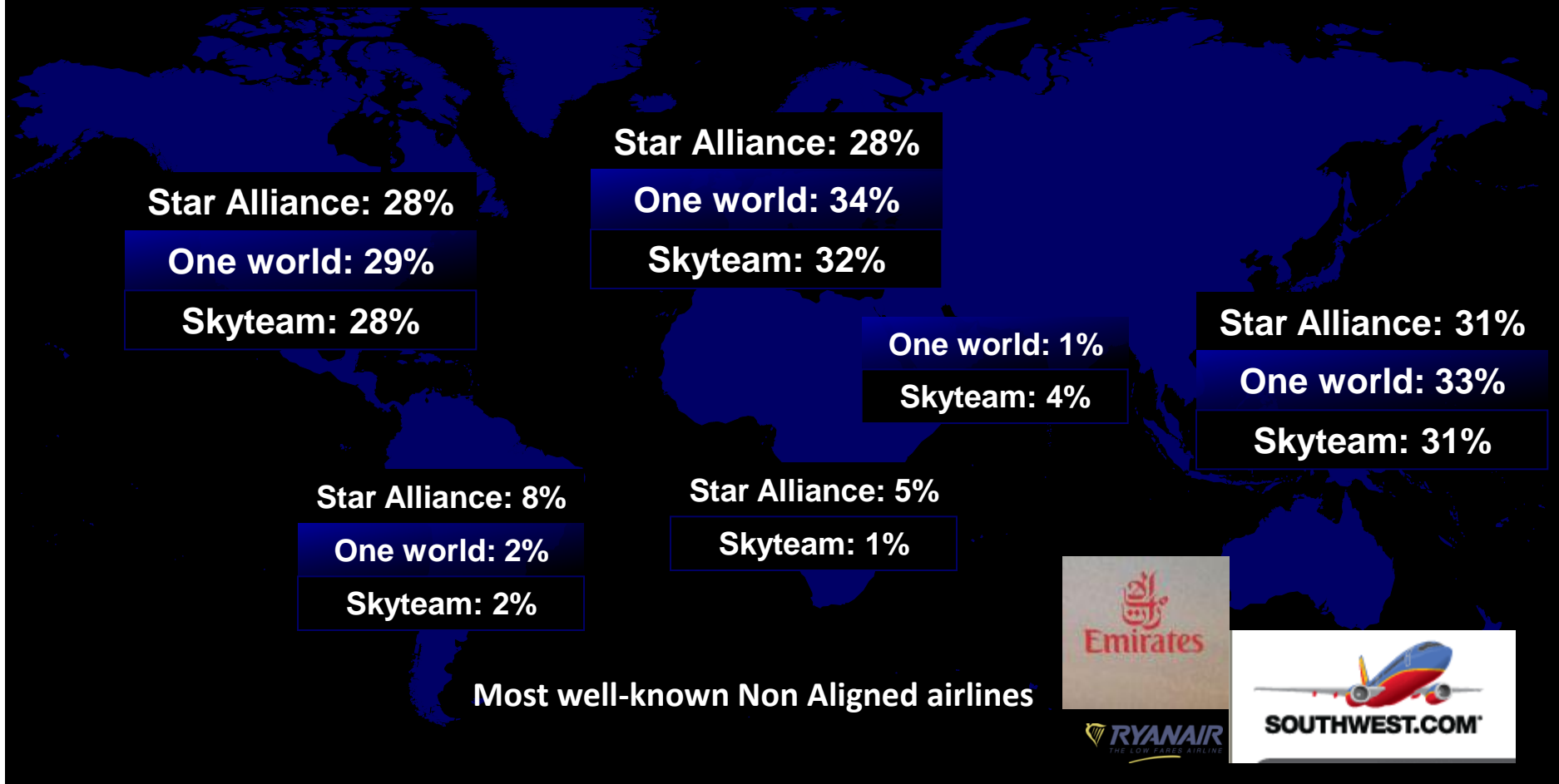


# Toward more consolidation: Alliances, Airlines' mergers and acquisitions

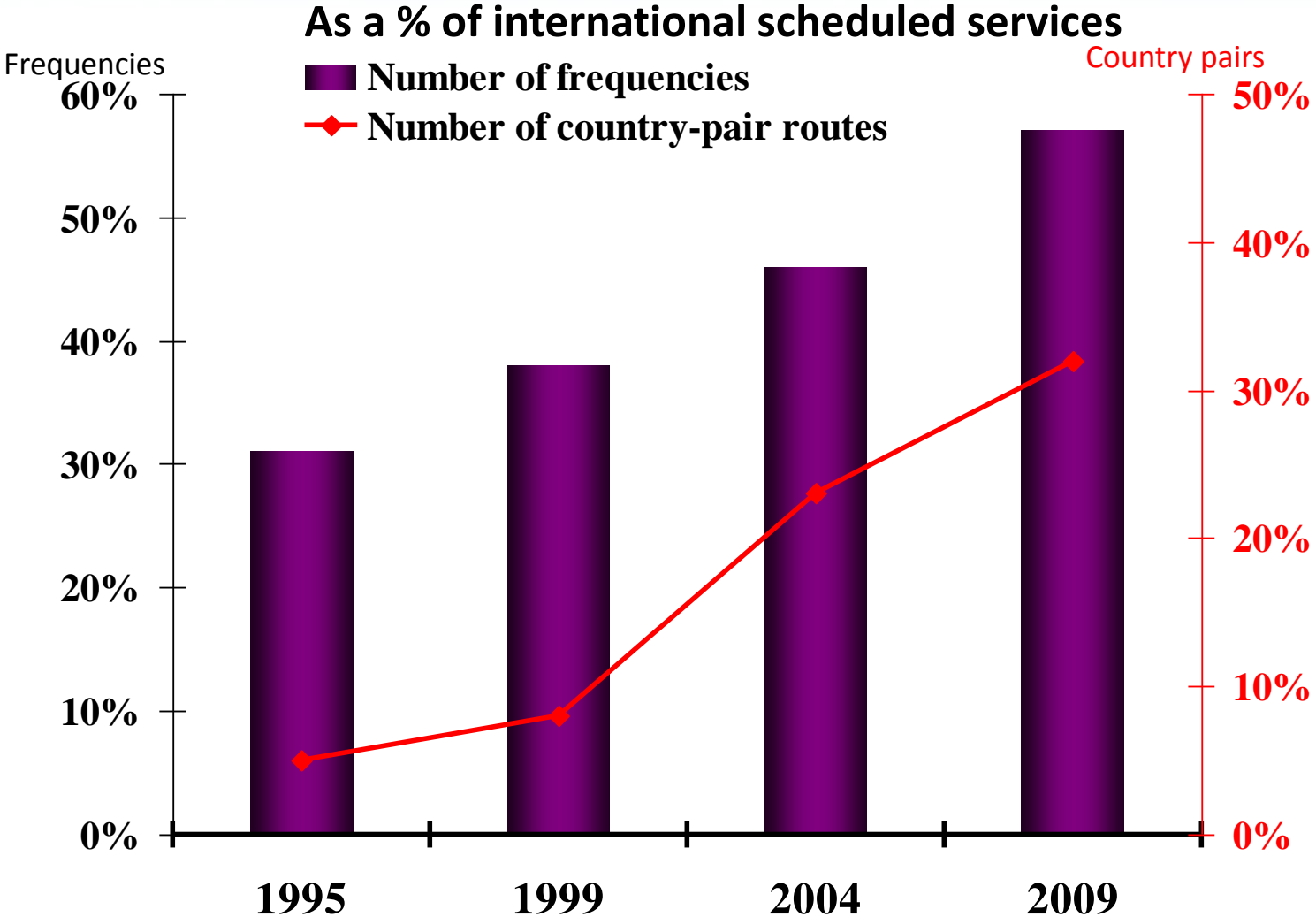


# 2012: Alliances regional distribution

## 3 Major alliances grouping : more than 60% of the worldwide scheduled traffic



# Indicators: Air transport services conducted under liberalized agreements or arrangements



Source : ICAO

## ➤ Template Air Services Agreement



**A "Living  
document"**

**TASA**

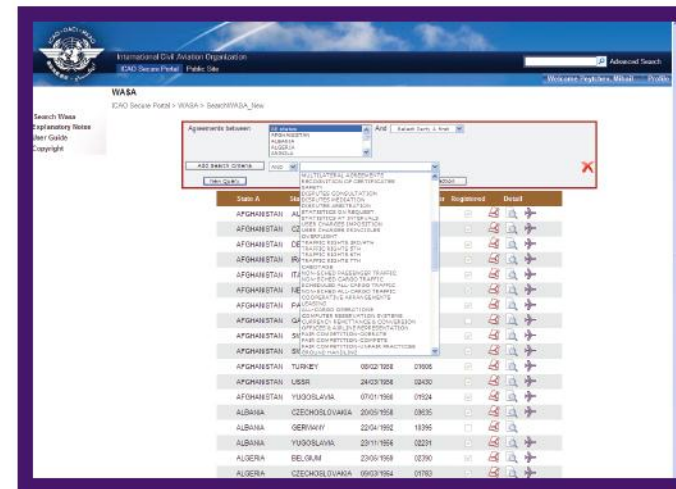
**TASA**

# World Air Services Agreements (WASA) Web Database



- Original text of over 2500 bilateral agreements
- 90 distinct provisions covered
- Summary of the routes exchanged
- A built-in search engine

[www.icao.int/eshop/wasa\\_list.htm](http://www.icao.int/eshop/wasa_list.htm)





## ***Economic Development of Air Transport***

- To foster the development of a sound and economically viable air transport system
- New SO reflects the needs for ICAO's leadership in developing and harmonizing the global regulatory framework
- Helps focus ICAO's work to meet the need of Member States and aviation stakeholders

# Sixth Worldwide Air Transport Conference (ATConf/6)



**Theme :** “Sustainability of Air Transport”

**Objectives :** to develop guidelines and,  
to develop an action plan for a global regulatory framework.

**[www.icao.int/meetings/atconf6/Pages/default.aspx](http://www.icao.int/meetings/atconf6/Pages/default.aspx)**

**18-22 March 2013**  
**ICAO Headquarters, Montreal**



# Pre-Conference Symposium

- One-day symposium: **Montréal, 17 March 2013**
  - Better prepare participants
  - Join forces with the major stakeholders organizations such as IATA, ACI, CANSO, TIACA, UNWTO.
  - Very high level speakers
  - December 2012: Electronic bulletin for invitation including the preliminary symposium agenda



# Challenges and issues

- Market access
- Air carrier ownership and control
- Consumer protection
- Fair competition and safeguards
- Funding and financing of the air transport system
- Taxation of international air transport



**Main challenge:**  
**Implementation of ICAO policies and guidance**

**SHUKRAN**  
**Thank You,**  
**Merci,**  
**Spasiba,**  
**Xie Xie,**  
**Gracias**

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