



ICAO 5th Air Services Negotiation Conference

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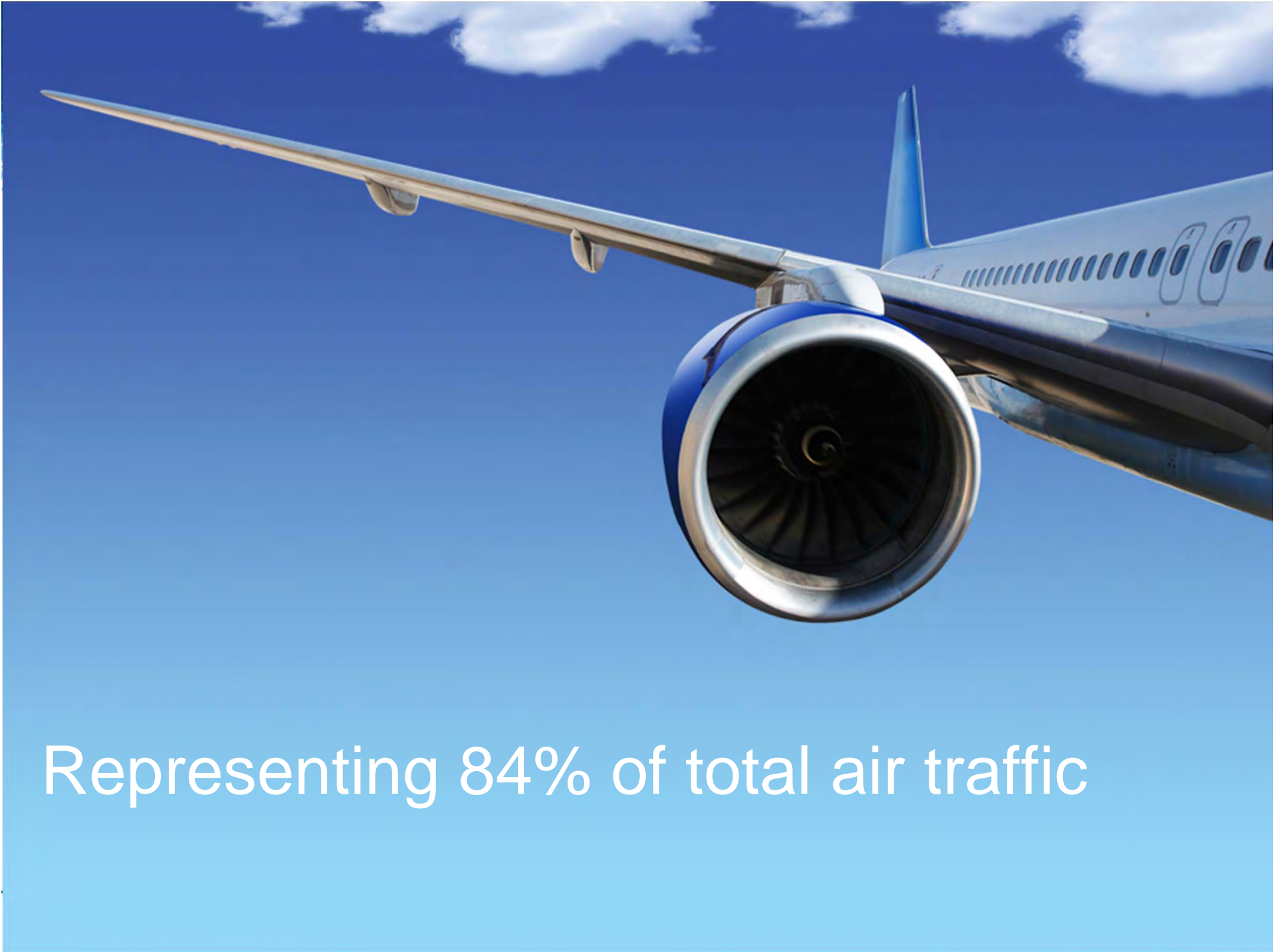
Corporate Secretary and Senior Vice President

International Air Transport Association

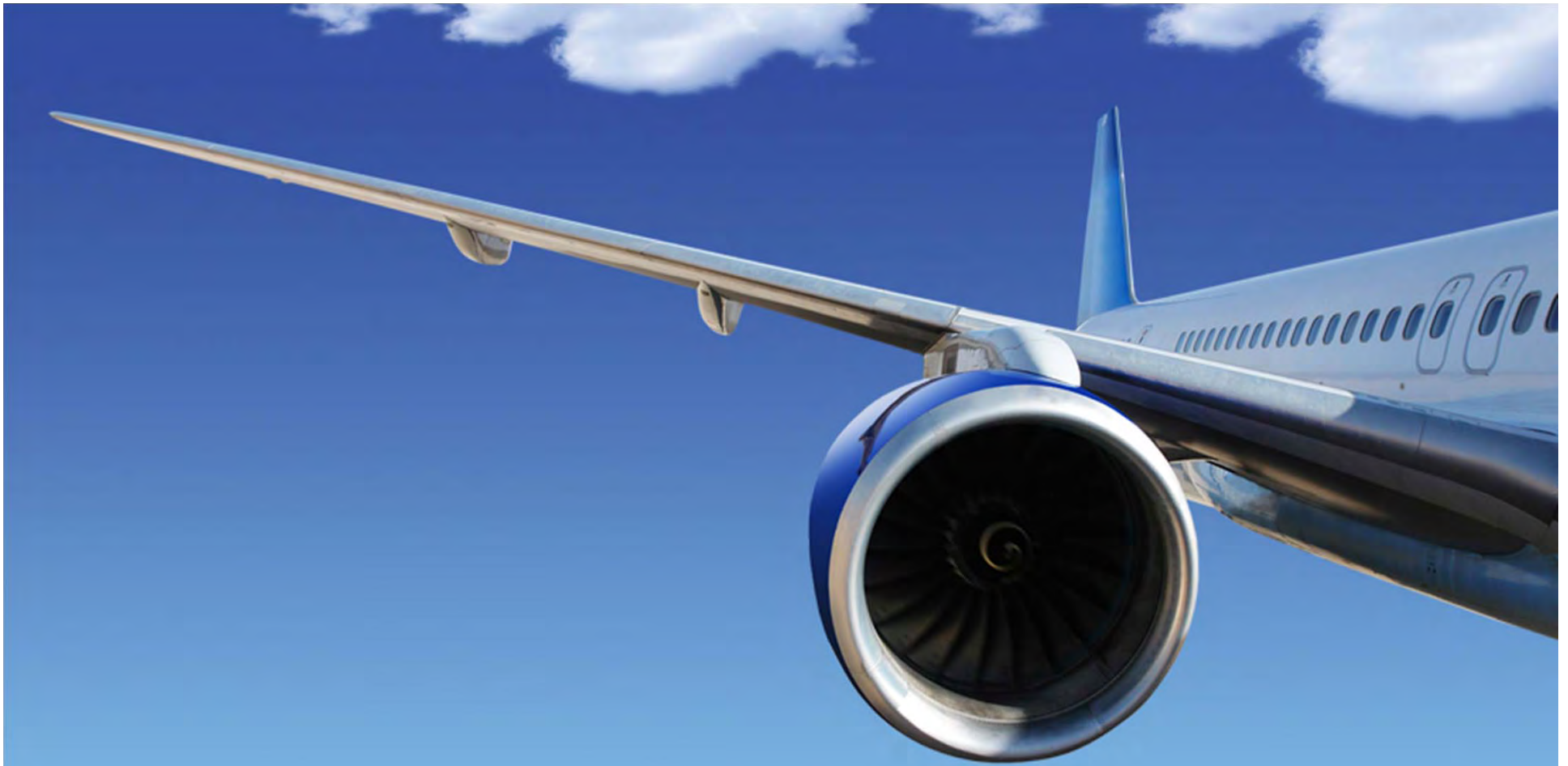
Jeddah, 8 December 2012



IATA has 243 member airlines



Representing 84% of total air traffic



Our mission to **represent,**
lead and **serve** the airline industry

Work together for a brighter future



**Aviation is a catalyst for
growth and development**



Benefits of Global Connectivity

- 2.8 billion passengers
- 48 million tons of cargo
- 57 million jobs
- \$2.2 trillion in economic activity
- 3.5% world GDP



Saudi Arabia

- 3.2% of GDP
- 3% of workforce



IATA – ICAO Partnership

Critical foundation
for ensuring a safe,
secure & sustainable
industry



IATA – ICAO Joint Efforts

Fatigue risk management systems

Procedures for operations in the presence of volcanic ash

Extended diversion time operations

Fuel reserves on board

Fuel quality and safety at airports

**Industry and governments
must work together**



Liberalization



Saudi Arabia
is an
excellent
example



**Aviation must
operate like
other
transnational
industries**



Liberalization of
only **320**
bilateral
agreements:
24.1 million
more jobs

➤ **US\$490**
billion of
GDP



**Liberalization
provides
airlines**

with a fair and
equal opportunity
to compete in the
global market



...alliances and joint ventures
represent opportunities



Saudi Arabia
is moving in the
right direction



- Opening up local aviation market
- Privatization plan
- Open skies policy



Slots and Capacity



Aviation can deliver economic and social benefits



Threat of global slot allocation system with bespoke regulation



IATA's Worldwide Slot Guidelines (WSG)

- used at over **120** airports
- certainty
- transparency



Taxes...



Aviation can deliver the greatest value
to national economies



...the UK's Air Passenger Duty
(ADP) grew from

➤ GBP 331 million
in 1995

➤ to **GBP 2.6 billion**

Positive impact of low tax regime
is apparent in:

- Hong Kong
- Singapore
- UAE



Regulation



**Sometimes
new regulation
has unintended
consequences**



IATA hopes for:


- Continued steps towards liberalization
- Timely and cost-efficient infrastructure
- Adherence to ICAO principles on taxation
- Harmonized approach to slots and consumer protection regulations





**Aviation is
a force
for good**

By 2030:

- 5.9 billion passengers 
- 150 million tons of cargo shipments
- 82 million jobs
- US\$6.9 trillion global GDP
- 5% growth rate

Hold back aviation by **1%**

....and global
economy would
forfeit:

- 14 million jobs
- US\$1 trillion in GDP





Looking forward to working together on
the path of cooperation and prosperity



Thank You