



## Study demonstrates positive impact of aviation modernization on national GDP

For immediate release

**Montréal, 10 October 2019** – A new study conducted by the UN’s specialized agency for civil aviation demonstrates strong evidence that enhancements to the Dominican Republic’s implementation of ICAO guidance has resulted in a 15.5% increase in GDP per capita over 2006-2012.

This equates to an increase of USD 607 per capita of income, and a net effect on the GDP of USD 5.5 billion over 7 years (2006-2012).

The study was conducted with the support of the Inter-American Development Bank and launched concurrently with the 40th Assembly of ICAO’s Member States. It reflects the vision set forth by ICAO’s Member States in the Declaration they adopted at the [Fourth ICAO World Aviation Forum](#).

“The 2030 Agenda for Sustainable Development calls for special attention to Small Island Developing States (SIDS), as they face unique vulnerabilities in their sustainable development,” declared ICAO Secretary General Dr. Fang Liu. “The Dominican Republic, due to its close and uninterrupted work with ICAO, serves as a model to the SIDS, since they share the same characteristics, such as the reliance on tourism and air transport as the main means of transportation.”

In this regard, this case study can be used as a template to conduct other case studies to SIDS in need of assistance in understanding the economic benefits of aviation to their economy. It also provides a powerful platform from which ICAO can continue its advocacy for strategic aviation development that is aligned with its policies, strategies, and standards and recommended practices.

“Over the past 12 years, the Dominican Republic has made air connectivity a priority, and undertook a group of reforms in the aviation sector, with the objective of conforming to ICAO international standards,” explained the ICAO’s North American, Central American and Caribbean Regional Director, Mr. Melvin Cintron. “These reforms, coupled with other policies to foster tourism in the State, increased the number of passengers who fly to Dominican Republic, thus greatly impacting in the State’s economy.”

The case study sought to provide a more relevant and accurate representation of the “before” and “after” effects on the economies and sustainable developments of SIDS as well as other small developing economies, including meaningful insight to civil aviation planners and to line ministries (tourism, finance, transport) on the returns on investments generated by the civil aviation sector.

The methodology applied a synthetic control approach: a quantitative modelling technique called difference-in-difference (DID) estimators using a pool of 20 other comparable States. This technique is typically used when some groups, like States, experience a treatment, such as a policy change, while others do not. The groups are observed before and after the treatment. The control group chosen for this case study is a mix of Latin American and Caribbean States and some tourist destinations around the world.

“This study provides ICAO, Heads of State, Ministers, Directors General, the industry, NGOs as well as developing States and SIDS in all parts of the world with a true and reliable representation of the

impact of political commitment to sustainable development of the air transport system,” Dr. Liu noted. “It underscores the importance of placing aviation modernization at the heart of national sustainable development strategies, enabling States and local communities to reap the socio-economic benefits of ICAO-compliant connectivity to the global civil aviation network.”



The Dominican Republic celebrated the release of a study undertaken by ICAO and the Inter-American Development Bank which has illustrated the tremendous economic impact of the modernization of its air transport sector.

## Resources for Editors

### About ICAO

A specialized agency of the United Nations, ICAO was created in 1944 to promote the safe and orderly development of international civil aviation throughout the world. It sets standards and regulations necessary for aviation safety, security, efficiency, capacity and environmental protection, amongst many other priorities. The Organization serves as the forum for cooperation in all fields of civil aviation among its 193 Member States.

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