

Keynote Speech by the Secretary General of the International Civil Aviation Organization (ICAO), Dr. Fang Liu, to the Asian Business Aviation Conference and Exhibition (ABACE 2016)

(Shanghai, China, 12 April 2016)

Good morning ladies and gentlemen,

It's my great pleasure to be with you here today, and to be able to bring into focus some of the key challenges and opportunities for the business aviation community.

Let me please begin by extending my most sincere thanks to the organizers of this year's Asian Business Aviation Conference, including the National Business Aviation Association (NBAA), the Asian Business Aviation Association (ABAA), the International Business Aviation Council (IBAC) and your partners in the Shanghai Airport Authority (SAA).

Annual ABACE events help to showcase aviation as an important instrument for economic development, and to provide a venue for dialogue among regulators, manufacturers and operators.

They also provide a strong focus on safety education and promote opportunities for the next generation of aviation professionals.

Most importantly the Conference brings forward and seeks solutions to your community's concerns, which I will address in more detail shortly.

Before that, let me first provide some perspective on the state of civil aviation globally and the many contributions being made today by business aviation.

Air transport, as we are all aware, is an increasingly essential component of our global society.

It is a crucial driver of economic, social and cultural development worldwide, and today supports roughly 60 million jobs while generating more than 2.4 trillion dollars in global GDP.

Furthermore, as was made clear by the United Nations' *Agenda 2030* and its Sustainable Development Goals, safe and reliable air transport, enabled through the effective implementation of ICAO global standards, plays an essential role in the socio-economic development of States and regions.

This is especially important to the *Agenda 2030* goal for poverty eradication, and to ICAO's guiding objective to foster greater peace and prosperity wherever aircraft fly.

Business aviation is an integral member of the civil aviation community and an important contributor to these positive impacts, especially given its well-recognized role in promoting economic growth and international trade.

I would highlight in this regard the 22 billion dollars and 164,000 jobs your sector contributes to the EU, as well as the 200 billion dollars and 1.1. million jobs it generates in the United States.

These are very significant socio-economic contributions, and it would be encouraging to see similar levels of business aviation economic influence becoming more globally widespread.

As for less developed and rural regions, including landlocked and small-island States, where a lack of stable demand, infrastructure constraints, and other challenges can often impede the viability of commercial operations, business aviation helps to establish vital links enabling improved connectivity.

And in a similar vein, the ability of business aircraft to make use of shorter runways contributes substantially when emergency and humanitarian efforts are required.

In terms of prospects, especially here in the Asia-Pacific, the business aviation sector is expanding faster than anywhere else in the world, with current projections at 5 per cent per year.

And there is still significant room to better optimize this growth in some States, for instance through more cost-effective and flexible arrangements for business aircraft management services.

Looking more closely at ICAO's role, I believe that effective global standards and policies for international business operations must take into account users' unique requirements, regional potential, and global development priorities as a whole.

ICAO is committed to accommodating these diverse needs, and to optimizing the contributions of business aviation for enhanced global connectivity.

The ICAO Council recently adopted Standards in Annex 6 Part II, General Aviation, that will facilitate recognition of specific approvals.

I strongly encourage ICAO Member States to adopt these new Annex 6 provisions as soon as possible, so that they may adjust their regulatory regimes in a manner which can help to facilitate and optimize business aviation's benefits.

Another important safety-related development our communities have pursued together concerns the increasing importance of business aviation data to the global safety equation.

ICAO will be working with NBAA, ABAA and IBAC over the near-term to better integrate our organizations' respective safety monitoring results, and I am sure this intensified collaboration will deliver positive benefits to operators and regulators.

Other areas we have been reviewing in recent years include aircraft operations, aviation infrastructure, access to airspace and airports, environmental issues, as well as charging practices compliant with ICAO policies.

All of these are essential to business aviation's sustainable operations and long-term growth.

With respect to current matters of concern for business aviation, airport and airspace access restrictions represent clear opportunities for more effective consultation and coordination.

In this regard ICAO is working very hard today to mitigate the capacity management challenges due to projected air transport growth, but there remains a tendency to restrict access for non-scheduled operators, and this places limitations on business aviation's growth potential.

And effective and flexible airspace access solutions must be collaborative and fully respectful the needs and concerns of every air transport stakeholder.

Consensus and cooperation of this nature are precisely how ICAO ensures its Standards and policies are practical and effective, and this points to the need for more harmonized treatment of business aviation among States, consistent with the Chicago Convention.

Looking now to aviation and the environment post COP-21, a recent and important ICAO development concerns our Committee on Aviation Environmental Protection, or 'CAEP', which business aviation participates in.

This past February, the CAEP completed a recommendation for a robust aircraft CO₂ emissions certification standard which will deliver important benefits, and which is technically feasible and economically reasonable for aircraft of all sizes.

We are also on track to propose a global Market-based Measure (GMBM) scheme for international aviation emissions to the 39th ICAO Assembly later this year, consistent with earlier Council and Assembly Decisions.

If adopted by our 191 Member States, this landmark achievement would contribute greatly to our aspirational goal for carbon-neutral growth.

Both of these measures could be of tremendous importance to air transport sustainability, and business aviation inputs have been important to their development.

Distinguished ladies and gentlemen, ICAO's vision is for <u>all</u> of our 191 Member States to realize greater prosperity through safe, secure and sustainable air transport operations.

In order to ensure a truly effective and comprehensive global regulatory framework, we clearly recognize that it must support the varied but often complementary needs of commercial and general aviation operators alike.

The business aviation community is an invaluable partner as we seek to ensure this, a point which was formally established at ICAO's Sixth Worldwide Air Transport Conference.

And we will continue to work closely with the business aviation community to make certain that your voice remains an important one around our table, and that States more fully appreciate the important socio-economic contributions which business aviation has to offer.

It is also my hope that you will make use of your time here in Shanghai to seek out new means to improve air connectivity, and to explore further competitive market opportunities.

Innovation is the life-blood of effective and efficient air transport, and we must be tireless in our search for new ways for aviation to serve and assist States and societies.

You have many productive discussions ahead of you, on a wide range of topics, and I wish you all a very enjoyable conference.

Thank you.
