



## **CEANS Pre-Conference Symposium 14 September 2008**

### **Opening address by the Secretary General, Dr Taïeb Chérif**

I am delighted to welcome you all to Montreal and to ICAO for this pre-Conference Symposium that will set the stage for what I believe will be a milestone Conference on the Economics of Airports and Air Navigation Services.

Our last Conference on charges was held in 2000 and resulted in recommendations to address the new realities of the 21st century. The focus then was on a commercial approach to the management and operation of airports and air navigation services, coupled with specific financial and managerial guidelines as well as economic oversight. The intention was to develop a strategy to cope effectively with the consistent growth of air traffic worldwide.

This recognized the fact that the commercialization of airports and air navigation services had led to a marked improvement in overall management practices, with more incentives to be profitable and increased revenues to keep pace with the demand for investments in infrastructure, all the while enhancing aviation safety and security.

The strategy also was in line with the on-going globalization process, the liberalization of the world's economies and the trend toward privatization of commercially-oriented industries and services previously managed by States.

Eight years later, the fundamental wisdom of that approach is still valid. The air transport industry, however, has gone through enormous changes and stands on the threshold of one of the most profound transformations in decades. Rapidly escalating fuel prices are creating a situation reminiscent of the first oil shocks of the 1970s when fuel was the largest operating expense by far for airlines. Softening demand for services, filings for bankruptcy protection, outright failures or national and transnational mergers hold the potential for significantly restructuring the industry. The slowing global economy, food shortages and rising inflation are adding fuel to the fire. Security concerns were not what they used to be prior to the events of 11 September. Finally, environmental challenges are contributing to an operating environment that has rarely been seen before.

This is the context in which we find ourselves today as we prepare to review and update our policies on such vital issues as the economic oversight of airports and air navigation services, economic performance management, cooperation and consultation, and of course, charges.

Given the scope and substantive nature of these items, it is our hope that this pre-Conference Symposium will make it easier to consider them in a more holistic perspective. It is also our hope the informal setting of the Symposium will generate the kind of free-flowing exchanges that can allow everyone here to gain a broader understanding of the issues at play.

Again, we are delighted that you are here with us. We sincerely look forward to this sharing of views and experiences to better prepare us to reach the goals of the Conference, which include

- ways and means of enhancing cooperation between various industry stakeholders;
- increase efficiency through better performance of services providers, and
- establish the basis for a continuous dialogue between users and providers.

I would now like to call upon the Director of the Air Transport Bureau of ICAO, Mrs. Folasade Odutola, to initiate the proceedings.

I thank you for your attention and I wish you a productive Symposium and conference.

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