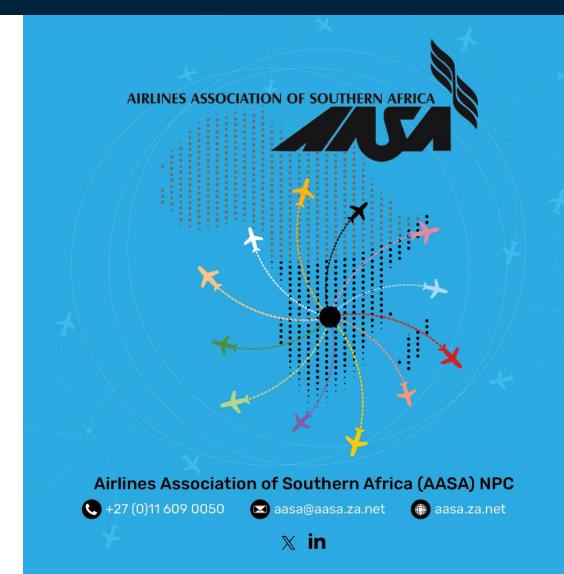
### Airports & Air Navigation User Charges Workshop 2024



### At a glance



- 1. Overview
- 2. Africa global positioning
- 3. Economies & Airlines
- 4. Regulatory and Policy Reforms regional cooperation
  - SAATM
  - AfCFTA
  - FMP Visa-free travel
- 5. SADC; SAATM PIP & the continent
- 6. Checks and balances
- 7. Way forward



### **AASA Airline Members**



































### **AASA Associate Members**



















































**Aviation** 















PUMA











### Africa global positioning for revitalisation



Land mass, population and the comparative GDP.



### Africa combined – compared to some economies

		TOTAL AREA	POPULATION ESTIMATE (2022)	DENSITY	GDP NOMINAL TOTAL	GDP NOMINAL PER CAPITA
AFRICA	*	30,370,000 km2	1,393,676,444	46.1/km2	\$2.96 trillion	\$2,180
USA	<b>4</b>	9,833,520 km2	331,893,745	33.6/km2	\$25.03 trillion	\$75,179
CHINA	*	9,596,961 km2	1,411,778,724	145[11]/km2	\$20.256 trillion	\$14,340
GERMANY	*	357,022 km2	83,695,430	232/km2	\$4.031 trillion	\$48,398

## Top ten of Africa...

Rank	Destination	Intl' Tourist Arrivals 2023	Intl' Tourist Arrivals 2022
1	Morocco	9.3million	8.1million
2	South Africa	7.5million	6.4million
3	Egypt	6.3million	5.9million
4	Tunisia	5.8million	5.4million
5	Algeria	2.5million	2.0million
6	Zimbabwe	2.4million	2.2million
7	Cote d' Ivoire	1.8million	1.6million
8	Botswana	1.6million	1.5million
9	Namibia	1.5million	1.5million
10	Mozambique	1.4million	1.6million

Source: WTO 2023 report

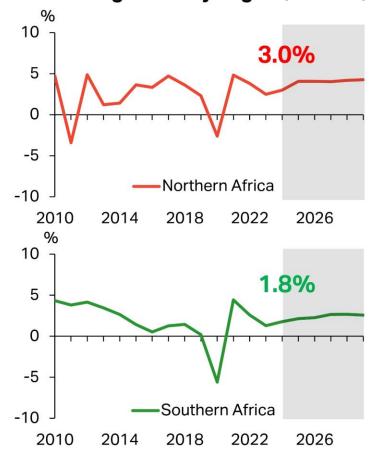
## Just a moment Africa!!!

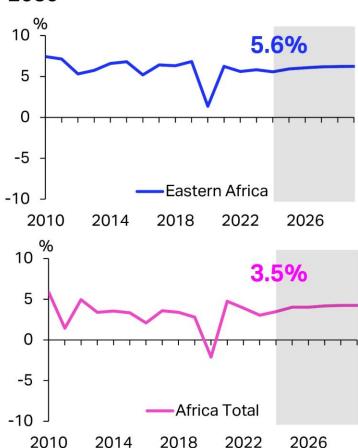
Rank	Destination	Intl' Tourist Arrivals 2023	Intl' Tourist Arrivals 2022
1	France	89.4million	86.9million
2	Spain	82.8million	81.9million
3	USA	79.6million	76.9million
4	China	62.9million	60.7million
5	Italy	62.1million	58.2million
6	Turkey	45.8million	37.6 million
7	Mexico	41.4 million	39.3 million
8	Germany	38.9 million	37.5 million
9	Thailand	38.3 million	35.5 million
10	United Kingdom	36.3 million	37.6 million

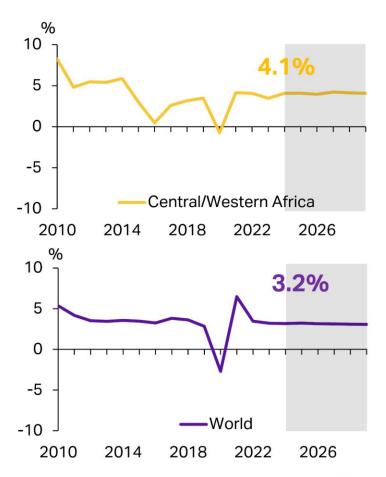
Source: WTO 2023 report

## Eastern Africa GDP growth is leading

#### Real GDP growth by region, % YoY, 2010-2030







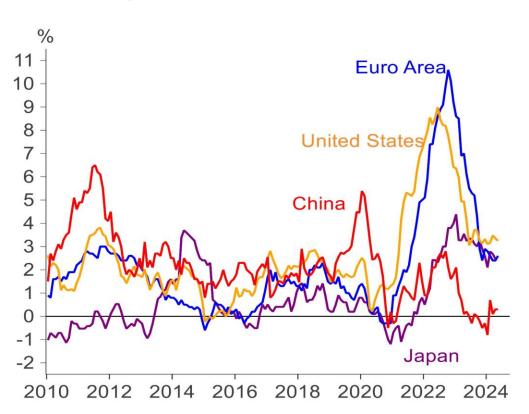
Source: IATA Sustainability and Economics, IMF World Economic Outlook, April 2023, IATA grouping of Africa subregions Notes: The shaded area represents forecasts, starting in 2024.



### Inflation is a big concern in some African countries

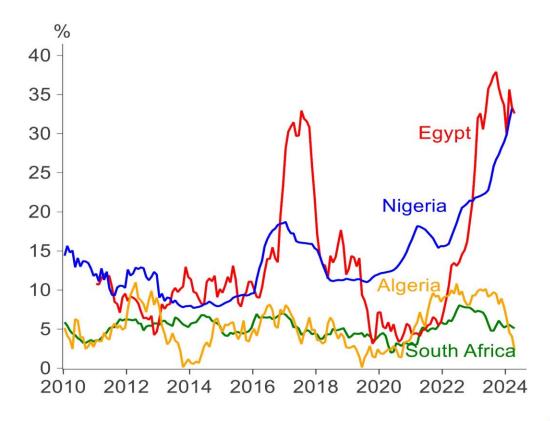
Inflation rate, % YoY, 2010-2025

#### Major economies



#### Source: MacroBond

#### **Major African economies**

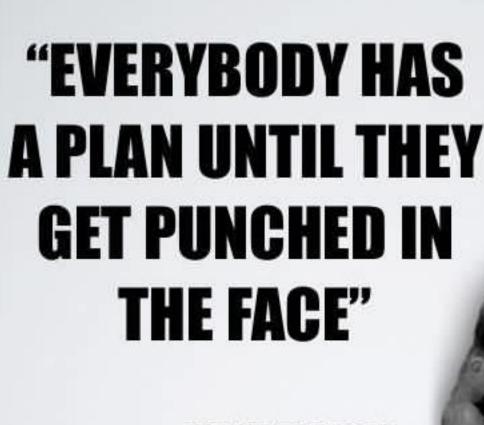




#### AIR TRANSPORT INDUSTRY ECONOMIC IMPACT



Source: Oxford Economics



- MIKE TYSON

### Air Afrique: African dream started it all...



Established by Treaty of Yaoundé 1961
 11 African countries
 Desire for common identity
 over 5,000 people
 30 destinations in Africa, Europe and North America.

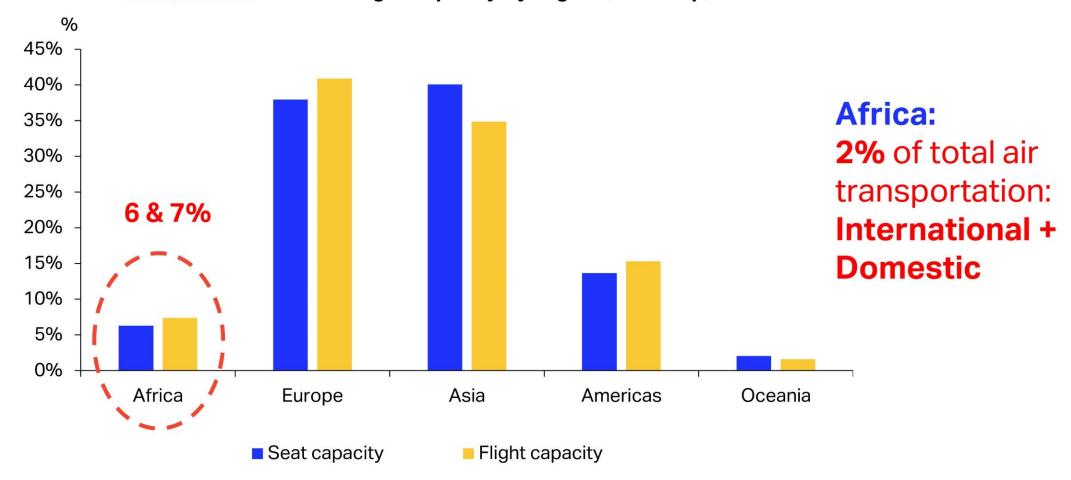


- Declared bankrupt 07 Feb, 2002
- After 41 years, the pan-African airline became history



## Poor connectivity = poor economic outcomes

Global international seat and flight capacity by region (non-stop), 2016-2021



Source: IATA Sustainability and Economics, OAG



## Challenges...near showstoppers!!



Airlines Jet fuel cost

Product cost logistics Taxes

Passengers Charges, Fees, Levies & Taxes

Operations Maintenance costs

- □ Scale of operations sub optimal at less than 50 aircraft
- safety & security (non negotiable)

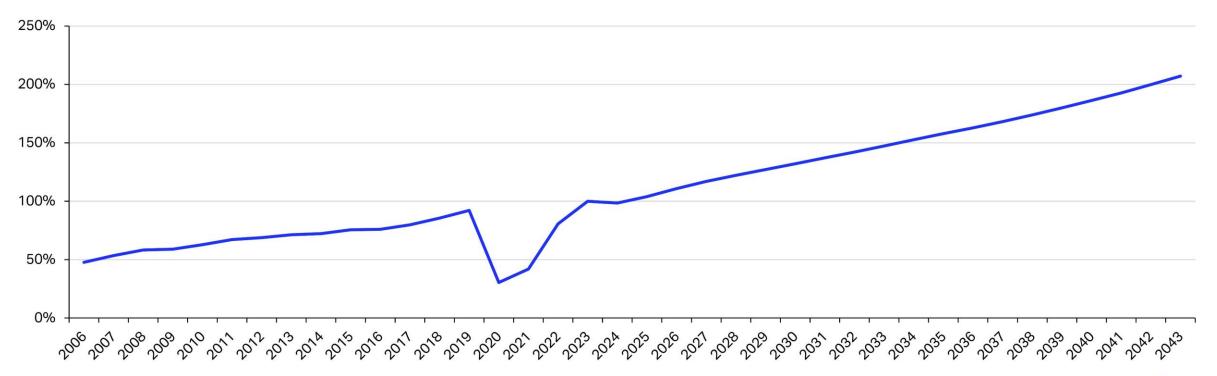
Finance Forex denominated costs

Inaccessible proceeds of sales (Blocked Funds)

## Huge potential

Africa traffic is projected to reach 345 million in 2043, more than doubling from 2023

#### Passengers, % share of 2023

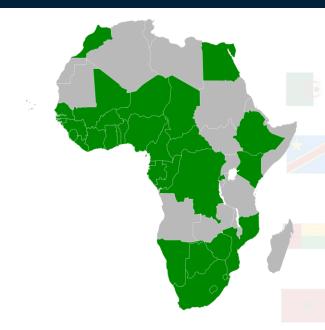




# Regulatory and Policy Reforms SAATM, FMP and AfCFTA







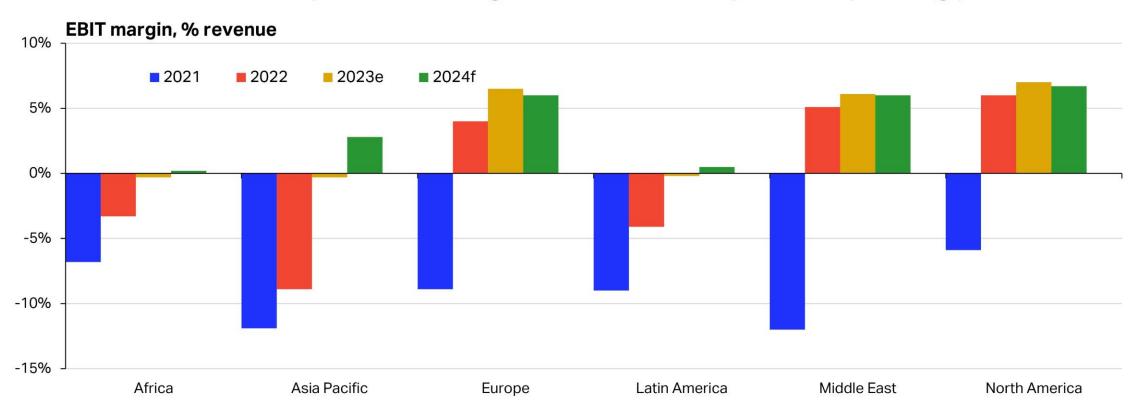


African Continental Free Trade Area (AfCFTA)



## Why Focus Africa?

### Africa net profit is still negative in 2024 but a positive operating profit





## Future path to our dream...



Fast tracking SAATM	AFCAC's PIP supported by DOT
Connectivity	<ul><li>Airlines</li><li>Airports</li><li>Regulators</li></ul>
Collaboration	<ul> <li>Cooperation + Collaboration = Commitment</li> <li>Tourism and Travel opportunities in Africa</li> </ul>
Stimulating traffic	<ul> <li>From visits to experiences – reasons for travel</li> <li>Mighty 5 – Biodiversity, Culture, Landscapes, Experiences, Lifestyle</li> </ul>
Sustainability	<ul><li>Economic</li><li>environmental</li></ul>

**Imena** 

Jerejef

Ke a leboga
Ahsante sana
Enkosi

Ndatenda

Obrigada

Zikomo

Webale

Amesaginaleh Siyabonga

Medaasi

Natotela

Murakoze