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ASSEMBLY - 35TH SESSION

PLENARY

Agenda Item 2: Statements by delegations of Contracting States and of Observers

STATEMENT

(Presented by Airports Council International)

Mr President of the Assembly Mr President of the Council Mr Secretary General Distinguished Delegates and Observers

The Airports Council International is honoured to address this 35th ICAO Assembly. ACI is the "voice of the worlds airports", representing 1550 airports in more than 170 States in all regions of the world.

ACI fully supports ICAO's leadership role in international civil aviation under the Convention. All parts of the aviation community must work together to meet the common vision of the safe, secure and orderly development of civil aviation. ACI is pleased to be part of this important process organized by ICAO and to provide airport input as an essential partner.

ACI has presented seven papers dealing with important issues on the agenda – on aviation security, airport safety oversight, airports and the environment, liberalization and economic issues. ACI invites the Assembly to take action on certain essential points as set forth in these papers.

There are four key challenges that we collectively must address successfully in order to ensure the continued growth of air transport in the decades ahead.

1. Enhancing security continues to be the top priority for ACI's member airports. A safe and secure global air transport system is a pre-condition for the stable recovery and development of our industry. We applaud ICAO for its rapid actions in: adding to Annex 17, through a fast track process, seventeen new standards which became effective in July 2002; and initiating and carrying out the Universal Security Audit Programme (USAP). ACI believes that global threats require global solutions and ICAO is the only forum where States and the industry can craft new countermeasures for a threat far more sinister than anyone would have predicted. These measures must be sustainable, cost-effective and consistent with good customer service. ACI is announcing today that a task force within its World Security Committee has been formed to recommend by mid-November improvements to enhance the screening of passengers and their carry-on baggage. Because terrorism targets States, the funding of countermeasures should be provided by States, and not further burden airports, airlines and passengers.

- 2. The striking rebound of traffic in the past year requires that airports refocus on building new capacity. The latest ACI statistics, from August 2004, show passenger traffic increased nearly 9 percent over the past 12 months, with strong growth in all regions. In 2004, ACI members will invest a record amount of more than US \$31,000 million in capital improvements at existing airports. ICAO's latest policies and guidance on airport economics are encouraging to ACI. By giving airport operators needed flexibility to pre-finance capital expenditures through increased charges and by encouraging the development of non-aeronautical revenues, ICAO has facilitated the creation of additional capacity and new facilities to meet demand. However, further development of airports remains seriously constrained by environmental considerations. In order for such constraints to be overcome it will be essential for more stringent aircraft noise and emissions standards to be incorporated in ICAO Annex 16.
- 3. ACI welcomes ICAO's efforts to encourage and facilitate the liberalization of passenger and cargo services, since we believe that air services should be market-driven. The liberalization of passenger services will make air transport more accessible and affordable, thereby expanding the market. Cargo liberalization will permit the further streamlining of the global logistics supply chain and create new efficiencies in the manufacture and delivery of time-sensitive goods. As mentioned earlier, airport operators are prepared to accept the challenges of meeting the demand for additional capacity which will accompany such growth. However, continued effective partnership between airports and ICAO, governments and airlines will be essential.
- 4. Low cost airlines are rapidly expanding their operations in many areas around the world, increasing their market shares and challenging the full service carriers. More airports and cities, and new city pairs, are receiving direct services as lower travel costs encourage new demands for air travel. These developments, in turn, are impacting the use of hubs. Airports are exploring different ways of meeting requests of low-cost carrier for facilities that provide only the services they require, while respecting ICAO principles of cost-relatedness and non-discrimination in airport charges. While great demands are being placed on them, airports are committed to to effectively reconciling the needs of all segments of the airline industry.

ACI and its global airport membership wish the Assembly every success in its important deliberations.