



African Union

**TOWARDS THE ESTABLISHMENT OF A SINGLE
AFRICAN AIR TRANSPORT MARKET IN THE
FRAMEWORK OF THE AU AGENDA 2063**

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Department of Infrastructure and Energy



THE OUTLINE

1. Special role and importance of air transport and its market liberalisation in achieving the goals of the African Agenda 2063.
2. Background: From the Yamoussoukro Decision to the Single African Air Transport Market in the context of the AU Agenda 2063.
3. Actions taken and Proposed (Activity Road Map)
4. Institutional Arrangements
5. Key Issues: The Way Forward.



I. IMPORTANCE OF AIR TRANSPORT AND ITS MARKET LIBERALISATION - 1

1. A quick-win solution to socio-economic development and integration of Africa.
2. Mainly requires political will based largely on understanding of economic imperatives to open up national markets and create bigger regional and continental markets.
3. Needs minimal investment and time in infrastructure development compared with other transport modes.
4. Economic benefits:
 - i. brings more investment and trade opportunities
 - ii. reduces air transport cost; enhancing affordability and access
 - iii. increases connections between more African cities and important commercial centres within countries and across borders.
 - iv. creates more job opportunities.



I. IMPORTANCE OF AIR TRANSPORT AND ITS MARKET LIBERALISATION - 2

1. IATA/AFAC/AFRAA (InterVISTAS) Study illustrates considerable social and economic benefits of intra-African air service liberalization
2. The study outlines the huge benefits to accrue to 12 African nations on implementation of the Yamoussoukro Decision on liberalisation of air transport markets in Africa notably:
 - § A potential five (5) million passengers travelling by air
 - § 155,000 extra jobs
 - § Additional \$1.3 billion in annual GDP



II. BACKGROUND: FROM YAMOUSSOUKRO DECISION TO SINGLE AFRICAN AIR TRANSPORT MARKET - 1

1. Yamoussoukro Decision (YD): adopted by Air Transport Ministers in November 1999 and endorsed by the OAU Assembly in July 2000
2. Full implementation deadline: 2 years i.e. 2002; *Not yet achieved todate*
3. Todate: no open sky agreements have been signed between African countries but several have been signed between African countries and other regions
4. Consequences:
 - § limitation to growth of Africa's airlines, reduction of efficiency and high cost of air services in the continent
 - § More negative impact on economic development and integration of Africa



II. BACKGROUND: FROM YAMOUSSOUKRO DECISION TO SINGLE AFRICAN AIR TRANSPORT MARKET - 2

1. AU Assembly discussion and agreement, in the context of the AU Agenda 2063, on the crucial importance of air services liberalisation and creation of a continental air transport market: **AU Summit, July 2014**
2. Ad-Hoc Air Transport Experts Working Group: **16-19 September 2014**
3. Consultative Meeting: AFRAA/some major African Airlines and the AUC Chairperson: **9 October 2014**
4. Consultations between AUC and China (NDRC) on aviation infrastructure development: **20 October 2014**
5. Continental air transport workshop to finalise Yamoussoukro Decision regulatory texts (AUC/AFCAC/AFRAA): **29-31 October 2014**
6. Bureau of the AU Conference of African Ministers of Transport (CAMT): **18-19 December 2014**



III. 24TH AU ASSEMBLY DECISIONS: JANUARY 2015

1. **Assembly/AU/Decl.1(XXIV):** Declaration on the Establishment of a Single African Air Transport Market;
2. **Assembly AU Dec.565(XXIV):** Decision on the Development of the AU Agenda 2063 and the Bahr Dar Ministerial;
3. **Assembly AU Commitment(XXIV):** Solemn Commitment by African Union Member States to the Implementation of the Yamoussoukro Decision towards the Establishment of a Single African Air Transport Market by 2017.
4. **Highlights of the Decisions:**
 - i. Solemn Commitment of 11 Member States;
 - ii. Establishment of a Ministerial Working Group;
 - iii. Need for detailed Road Map for establishment of the Single African Air Transport Market by 2017



IV. ACTIONS TAKEN

1. Completion of the Regulatory and Institutional Yamoussoukro Decision documents adopted by the Executive Council in January 2015:
 - § Competition Regulations;
 - § Dispute Settlement Mechanism;
 - § Consumer Protection Regulations; and
 - § Regulatory and Enforcement Powers of the Executing Agency
2. Dissemination of the AU Summit decisions to Member States and stakeholders underscoring the need to implement and promote the project
3. Initiated preparations of a detailed plan of activities and road map
4. Initial Consultations with the Executing Agency (African Civil Aviation Commission – AFCAC) and other stakeholders on immediate activities of the project
5. Setting up Ambassadors Follow-up Committee



V. PROPOSED ACTIVITIES (ROAD MAP) - 1

1. Extending the study on benefits of air transport liberalisation to 12 other countries
2. Consultation with Civil Aviation Authorities on the establishment of a Single African Air Transport Market
3. Ministerial Working Group meetings (April & November 2015)
4. Finalisation of detailed plan of activities and road map and submission to AU Summit in June 2015
5. MOU between AFCAC and RECs for management of the single air transport market
6. Finalisation of Technical Regulations
7. Finalisation of External Policy and Guidelines for Negotiation of Air Service Agreements with Third Parties



V. PROPOSED ACTIVITIES (ROAD MAP) - 2

8. Capacity building measures of AUC, RECs and AFCAC (2016);
9. Development and signature of a continental open sky agreement (2016);
10. Establishment of an African Civil Aviation Arbitration Tribunal (2016);
11. Development of a continental airports master plan: hub and feeder airports (2016).



VI. INSTITUTIONAL ARRANGEMENTS

1. AFRICAN UNION
 - i. AFRICAN UNION COMMISSION
 - ii. NEPAD PLANNING AND COORDINATION AGENCY
2. **AFRICAN CIVIL AVIATION COMMISSION (EXECUTING AGENCY)**
3. REGIONAL ECONOMIC COMMUNITIES
4. MEMBER STATES
5. TECHNICAL/PROFESSIONAL ORGANISATIONS
 - i. AFRICAN AIRLINES ASSOCIATION
 - ii. ASECNA
 - iii. ETC.



VII. ISSUES ON THE WAY FORWARD

1. Advocacy and promotion to bring all African states on-board the single air transport market: the benefits factor to states, airlines, regions and continent
2. Technical and operational aspects – capacity for:
 - § Economic regulation of international air transport
 - § Development of aviation data/statistics
 - § Forecasting, planning and economic analysis
 - § Oversight over 2012 Abuja aviation safety targets
 - § Etc.
3. Building a conducive environment for improving competitiveness of African airlines and airports in the continental and global market:
 - § Infrastructure: Airports & air navigation equipment including Global Navigation Satellite Systems (GNSS) development
 - § Appropriate fiscal regime: taxation
4. Integrating air transport with other transport mode: multimodal context

THANK YOU



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