

AIR TRANSPORT LIBERALIZATION IN A SINGLE AFRICAN SKY:

SCOPE, BENEFITS, LEGAL TOOLS FOR SUCCESS TOWARDS BETTER AIR CONNECTIVITY AND CONTINENTAL INTEGRATION THROUGH IMPLEMENTING YD AND SAATM

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OUTLINE OF PRESENTATION

- ❑ AFCAC IN BRIEF
- ❑ STEPS TO LIBERALISATION OF AIR TRANSPORT (MINISTERIAL DECLARATIONS)
- ❑ DECISIONS OF HOSGs (Abuja Treaty, Constitutive Act of AU Rules of Procedures of Assembly and the Executive Council)



OVERVIEW OF AFCAC

A Specialized Agency of the African Union

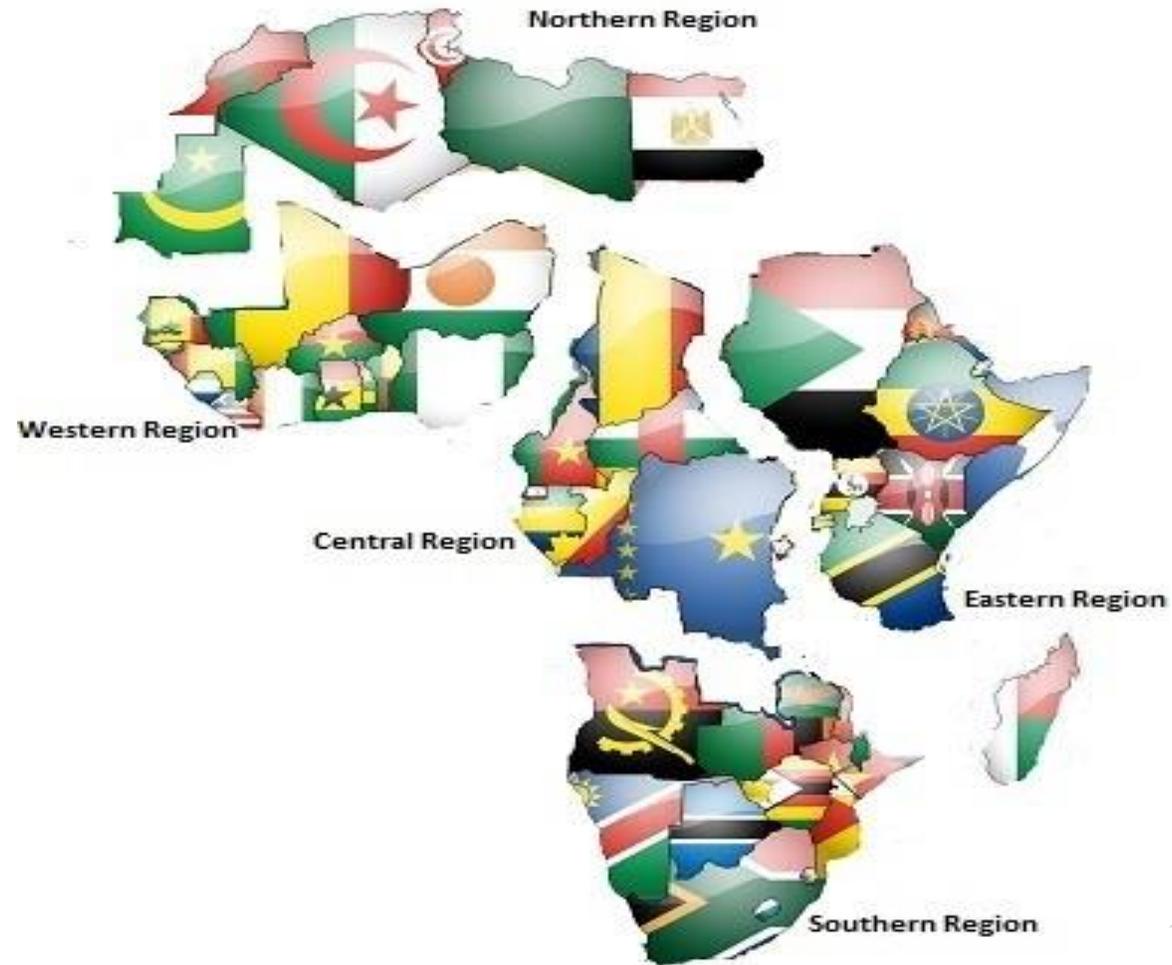
Established through a Constitutive Conference by ICAO and OAU (AU) in 1969.

Became fully established and operational on 11 May, 1978. Revised Constitution of 2009.

Responsible for coordination and orderly development of civil aviation on the continent

Membership

► 55 Member States





Objectives

Formulate and enforce appropriate rules and regulations

Facilitate, coordinate and ensure the successful implementation of the YD

Ensure adherence to and implementation of Decisions of the Executive Council and Assembly.

cooperate with ICAO, RECs and all other relevant organizations which are involved in the promotion and development of civil aviation.

Background of Yamoussoukro Declaration

- ❑ **The 1988 AU Ministerial Declaration.**
- ❑ **Focused primarily on airline cooperation and integration and not promotion of Competition.**
- ❑ **Foresaw the gradual elimination of traffic restrictions.**

Background of Yamoussoukro Declaration

- ❑ The 1997 Cairo Call by African Ministers Responsible for Transport and Communications.
- ❑ 11 years later, i.e. from the 13th -14th November 1999, African Ministers in charge of civil aviation again met in Yamoussoukro, Côte d'Ivoire, to discuss the liberalization of air services.
- ❑ The Conference in Yamoussoukro ended with the adoption of the decision Relating to the Implementation of the Yamoussoukro Declaration concerning the Liberalization of Access to Air Transport Markets in Africa.

Yamoussoukro Decision 1999.

The Lome Summit

- ▶ The objective was for the gradual liberalization of scheduled and nonscheduled intra-African air transport services.
- ▶ The main elements are the granting to all State parties to the decision the free exercise of **first, second, third, fourth, and fifth freedom rights on both scheduled and non-scheduled** passenger and freight (cargo and mail) air services performed by an eligible airline.

African Union (AU) Vision (The Africa we want)

**AU Vision:
A United,
Prosperous and
fully Integrated
Africa by 2063**

**Action Plan:
AU Agenda 2063**

**Flagship Projects:
SAATM (First)
AfCFTA
INTEGRATED high
speed rail network
African Passport and
free movement of
people Protocol**

FULL IMPLEMENTATION OF THE YAMOUSSOUKRO DECISION (1999)

YAMOUSSOUKRO DECISION and ESTABLISHMENT OF SAATM

The Assembly of Heads of State and Government of the AU adopted Declaration (Assembly. Doc./Au/Decl.1 (XXIV)) on the creation of SAATM in 2015 and on 29th January 2018 launched the SAATM

The YD aims at:

- Eliminating non-physical barriers that hamper the sustainable development of air transport services;
- Creating a conducive environment for the development and provision of safe, reliable and affordable air transport services;
- Establishing a liberalized intra-African aviation market in relation to traffic rights, capacity, frequency, pricing etc
- Enhancing cooperation among African airlines; and
- Improving the quality of service to the consumers.

SAATM seeks to:

Create one single air transport market in Africa, liberalize civil aviation on the continent and drive economic integration.

Benefits of Full implementation of the YD and SAATM

The Passenger

- Increased choice of carriers
- Convenience and ease of travel
- Better connectivity
- Reduced fares
- Better quality & reliable services from competing airlines

The African airlines

- More commercial freedom to wider route networks
- More frequencies, hence economies of scale and density
- Better aircraft utilisation
- Flexibility and reduced cost of operations
- More flexible commercial arrangements such as alliances, code shares, franchises, interlining, mergers and acquisitions among African carriers

Airports and Air Navigation service providers

- Increased and efficient utilisation of airport facilities and airspace.

Arising from traffic growth

- Enhanced revenue generation from Passenger Service Charges,
- Increased landing and parking fees,
- Enhanced Air Navigation charges
- Improved non-aeronautical revenues.

Benefits of Full implementation of the YD and SAATM

Allied Service Providers @ Airports

- Multiplier effect on activities and revenues arising from increased passenger, cargo and aircraft traffic (ground handling companies, fuel suppliers, caterers, ground transportation and hoteliers)

Tourism

- Boost in tourism and trade

Governments

- Cross-border investment opportunities
- Employment generation
- Growth stimulation of trade and tourism
- Free movement of people, goods and services.
- Attainment of African integration - objective of the Abuja Treaty & Agenda 2063
- Increase in revenue through taxes

LEGAL TOOLS: Treaty establishing the African Economic Community (Abuja Treaty) 1994 (Objectives)

- ▶ **Creation of an African Economic Community through a gradual process.**
- ▶ **The gradual removal, among Member States, of obstacles to the free movement of persons, goods, services and capital and the right of residence and establishment**

CHAPTER III ORGANS OF THE COMMUNITY.

Article 7. Ref. Art.5 of Constitutive Act of Au of 2000.

- ▶ 1. The organs of the Community shall be:
 - ▶ (a) The Assembly of Heads of State and Government;
 - ▶ (b) The Council of Ministers;
 - ▶ (c) The Pan-African Parliament;
 - ▶ (d) The Economic and Social Commission;
 - ▶ (e) The Court of Justice;
 - ▶ (f) The General Secretariat; and
 - ▶ (g) The Specialised Technical Committees
- ▶ 2. Other Organs that the Assembly may decide to establish

REGULATORY TEXTS OF THE YD

- ▶ **The key Institutional and Regulatory Texts of the Yamoussoukro Decision was adopted at the 30th African Union Summit in January 2018. The Regulations are:**
 - ▶ **Dispute Settlement Mechanism (Annex 3)**
 - ▶ **Regulations on the Powers, Functions and Operations of the Executing Agency (Annex 4);**
 - ▶ **Regulations on Competition in Air Transport Services within Africa (Annex 5);**
 - ▶ **Regulations on the Protection of Consumers of Air Transport Services (Annex 6);**

**Thank You
and
Any
Question?**

