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UNITING AVIATION

ICAO Air Services Negotiations (ICAN) 2017

Setting the Scene

Mr Boubacar Djibo
Director Air Transport Bureau
ICAO



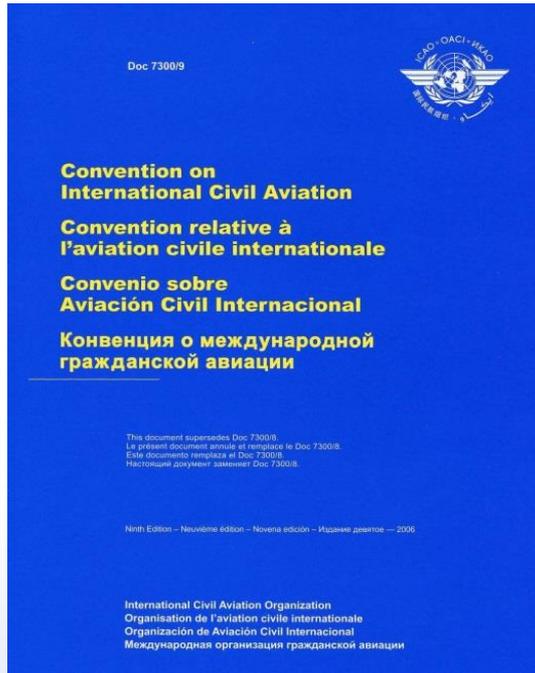


Preamble

THEREFORE, the undersigned governments having agreed on certain principles and arrangements in order that international civil aviation may be developed in a safe and orderly manner and that international air transport services may be established on the basis of equality of opportunity and operated soundly and economically

Article 44

d) Meet the needs of the peoples of the world for safe, regular, efficient and economical air transport





State of the Industry 2016: Latest Figures



Impact of Air Transport - Aviation Benefits



Regulatory Development



Role Of ICAO in the Sustainable Development of Air Transport



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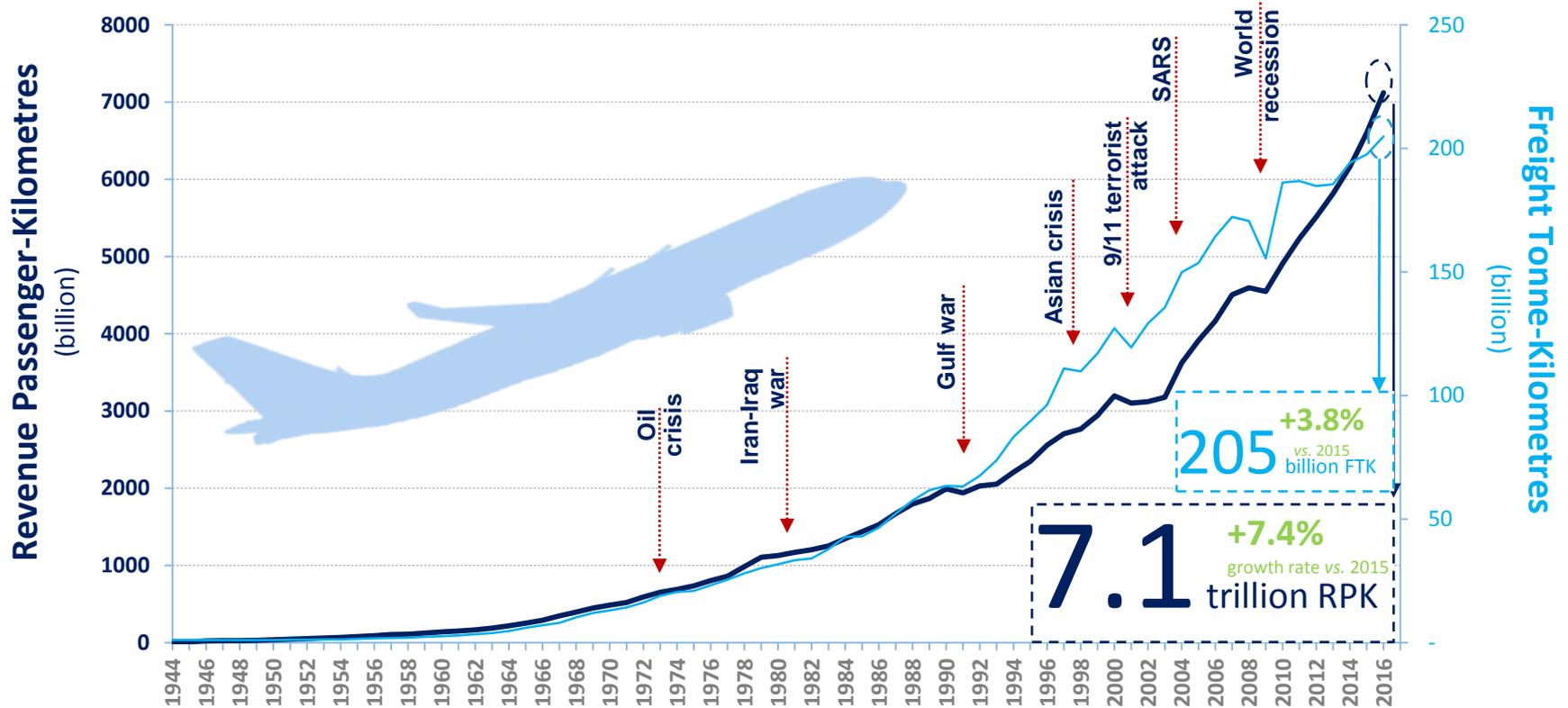
UNITING AVIATION

STATE OF THE INDUSTRY AS AT 2016





Growth of air transport





- ✈ **3.8 billion passengers**
- ✈ **53 million tonnes of freight**
- ✈ **Over 1 400 scheduled airlines**
- ✈ **More than 28 000 aircraft**
- ✈ **More than 4 130 airports**
- ✈ **173 air navigation centres**

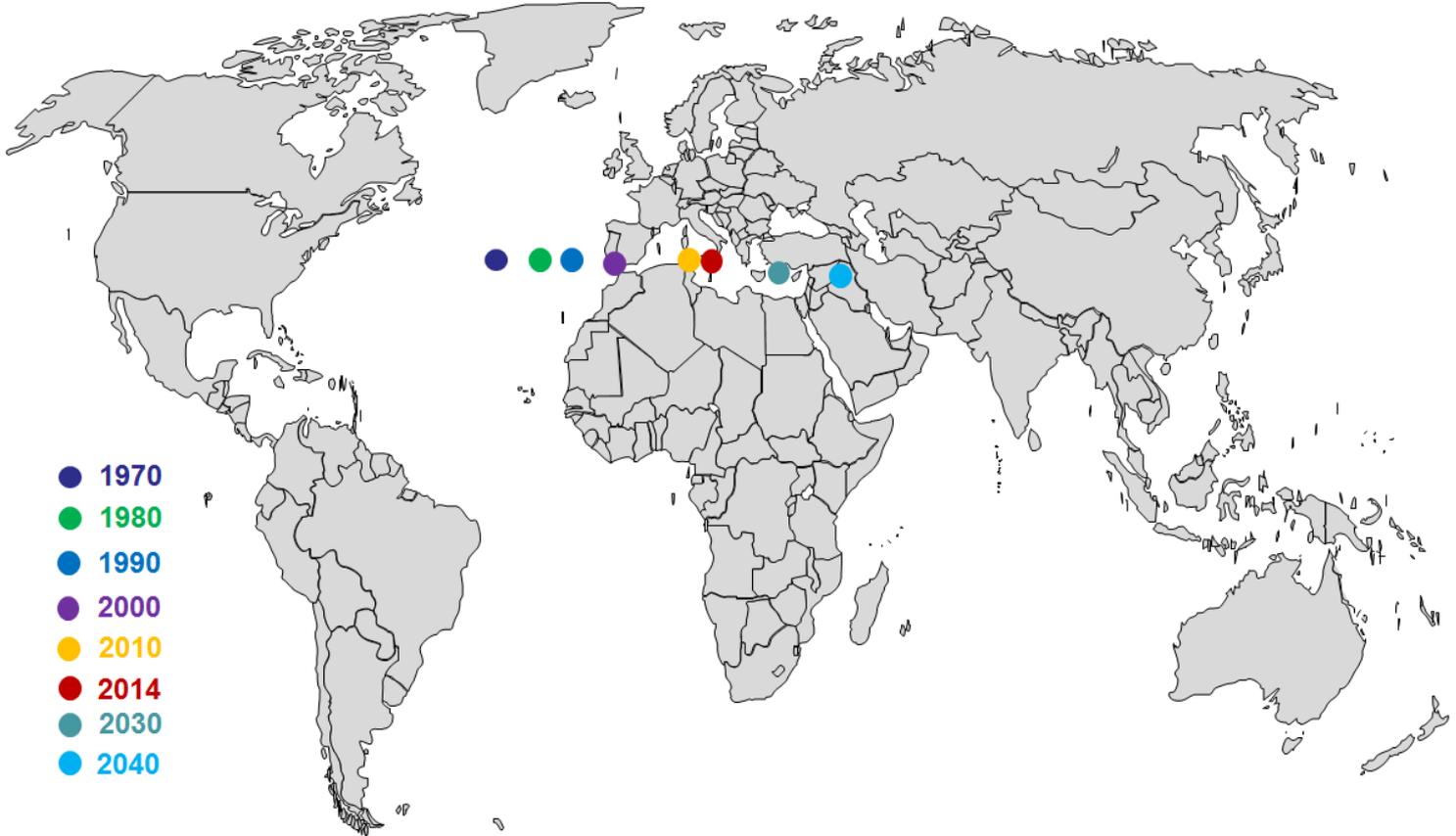


Air route network 2016



Geographical centre of gravity of departing/arriving passengers

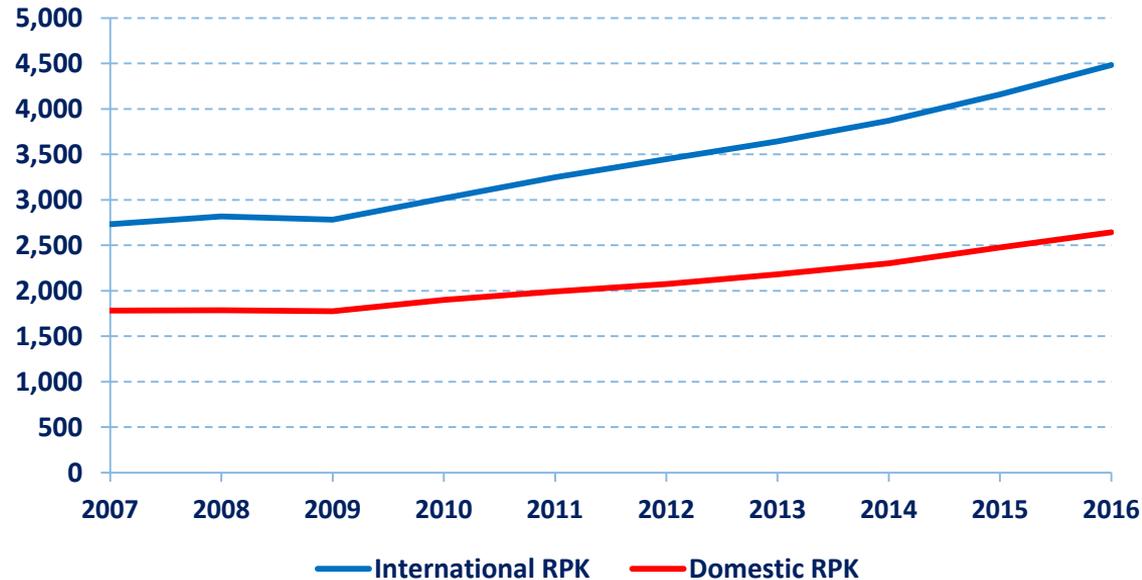
- 1970
- 1980
- 1990
- 2000
- 2010
- 2014
- 2030
- 2040





International and Domestic Passenger Traffic

Domestic and International Revenue Passenger-Kilometres (RPK)
(in billion)

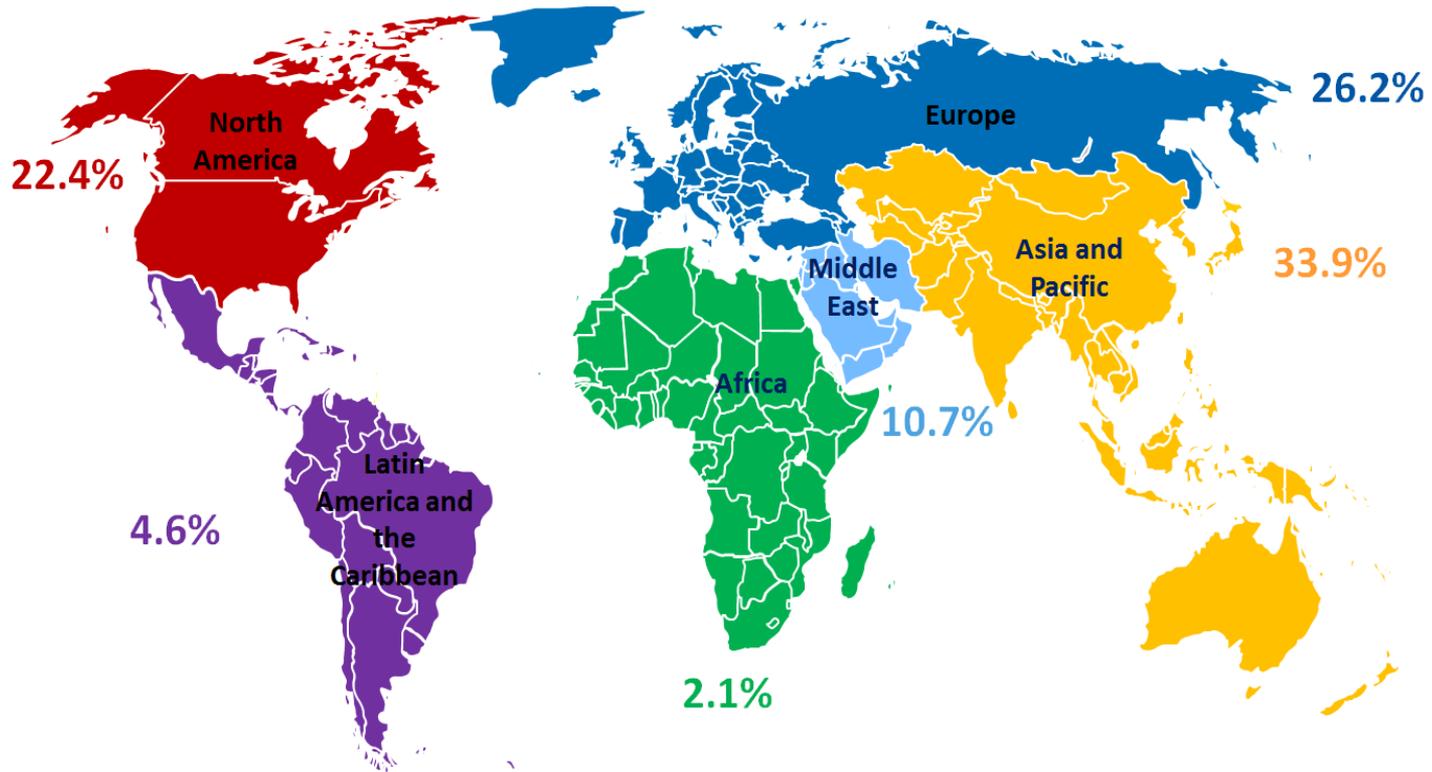


International
+4.3% CAGR (2012-2022)

Domestic
+5.3% CAGR (2012-2022)

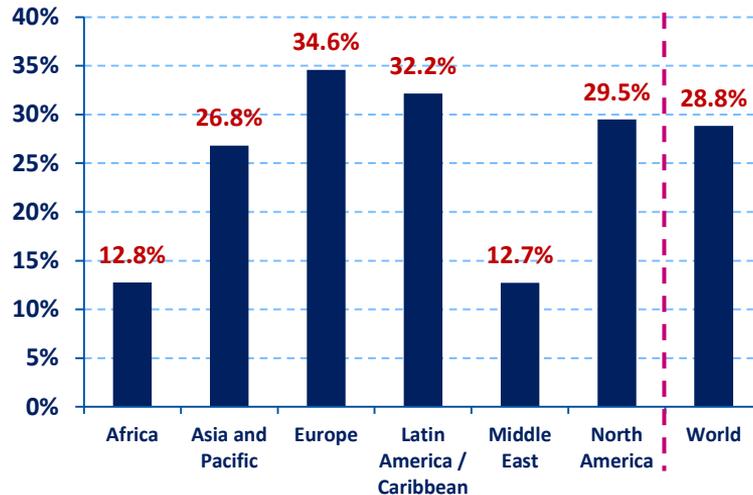


Share of Revenue Tonne-Kilometres by region in 2016



Low-cost carriers (LCCs) stimulating traffic

Share of passengers carried by LCCs in 2016

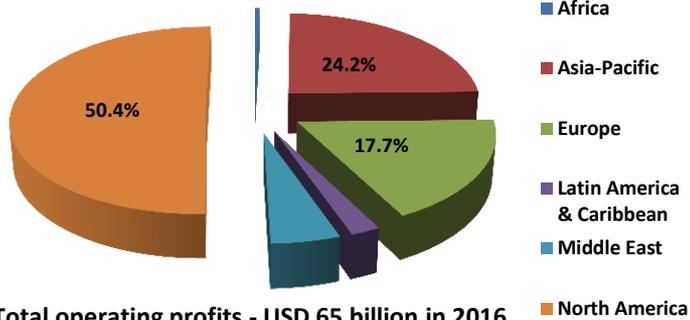


Passenger number growth for LCCs and other carriers

	2015	2016
LCCs	11.4%	10.5%
Others	5.1%	4.2%
Total	7.2%	6.8%

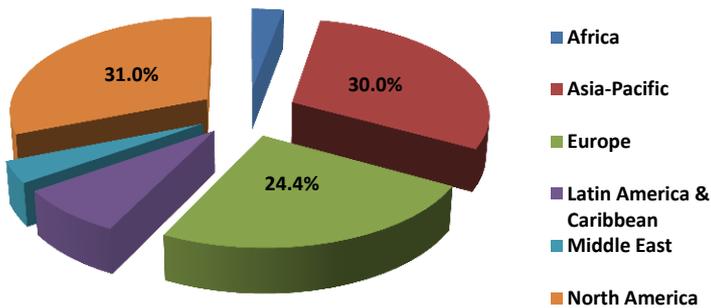
LCCs growth has been consistently twice as much as other carriers' growth

Share of Operating Profits - 2016



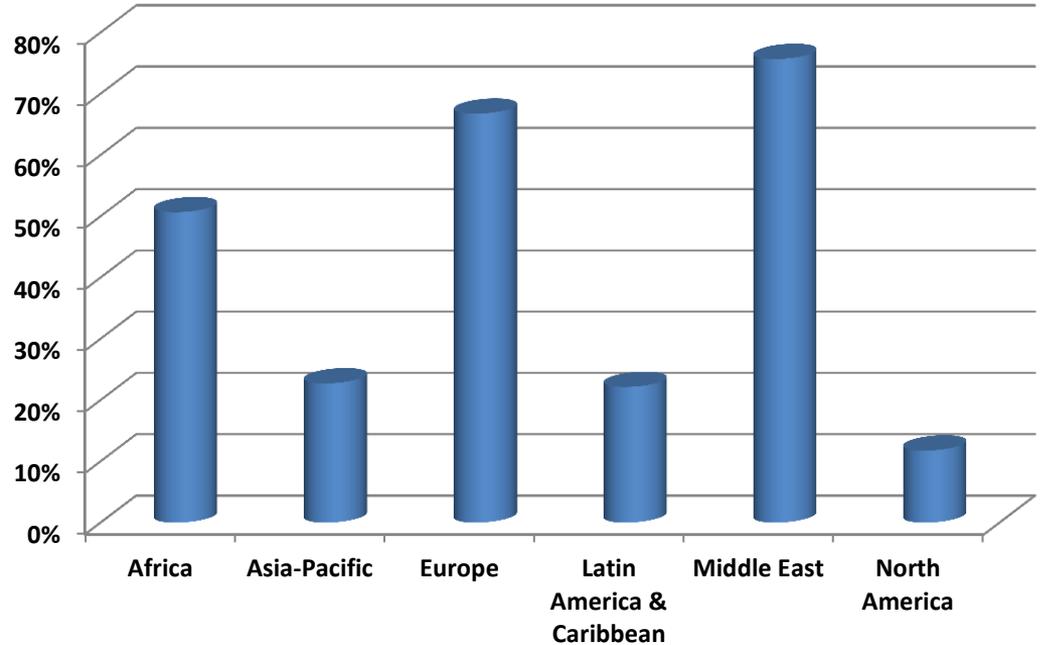
Total operating profits - USD 65 billion in 2016

Share of Total Departures - 2016



Total departures - 35 million in 2016

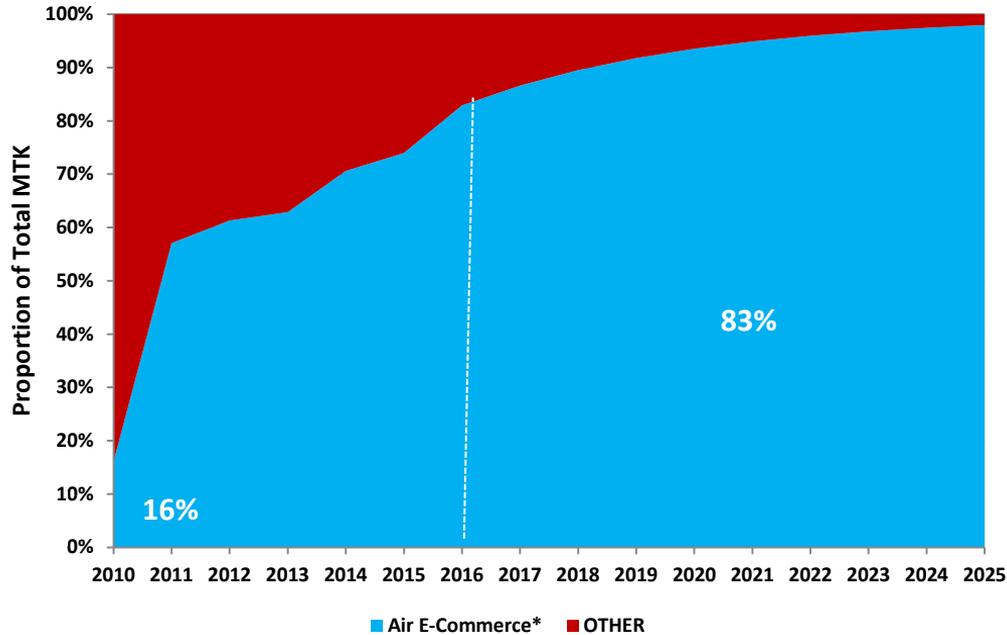
International departures as a % of total departures





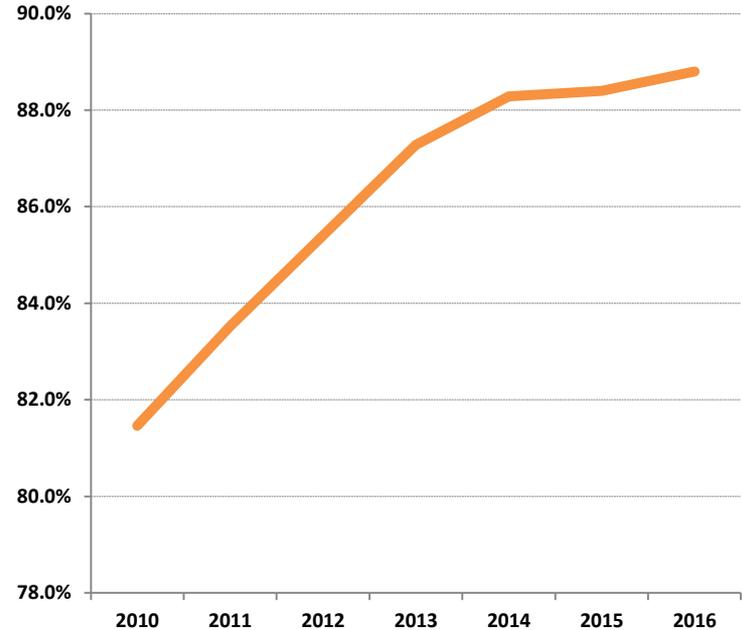
E-commerce development

Mail Tonnes Kilometres (MTK) Breakdown



- E-commerce share of MTKs grew from 16% to 83% between 2010 and 2016 and is estimated to grow to 91% by 2025

Percentage of E-Commerce Parcels Carried by Air



- Approximately 90% of e-commerce parcels were carried by air in 2016

* Air E-Commerce is estimated assuming parcels traveling a distance of above 1000 kilometres are delivered by air



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Aviation Benefits

IMPACT OF AIR TRANSPORT





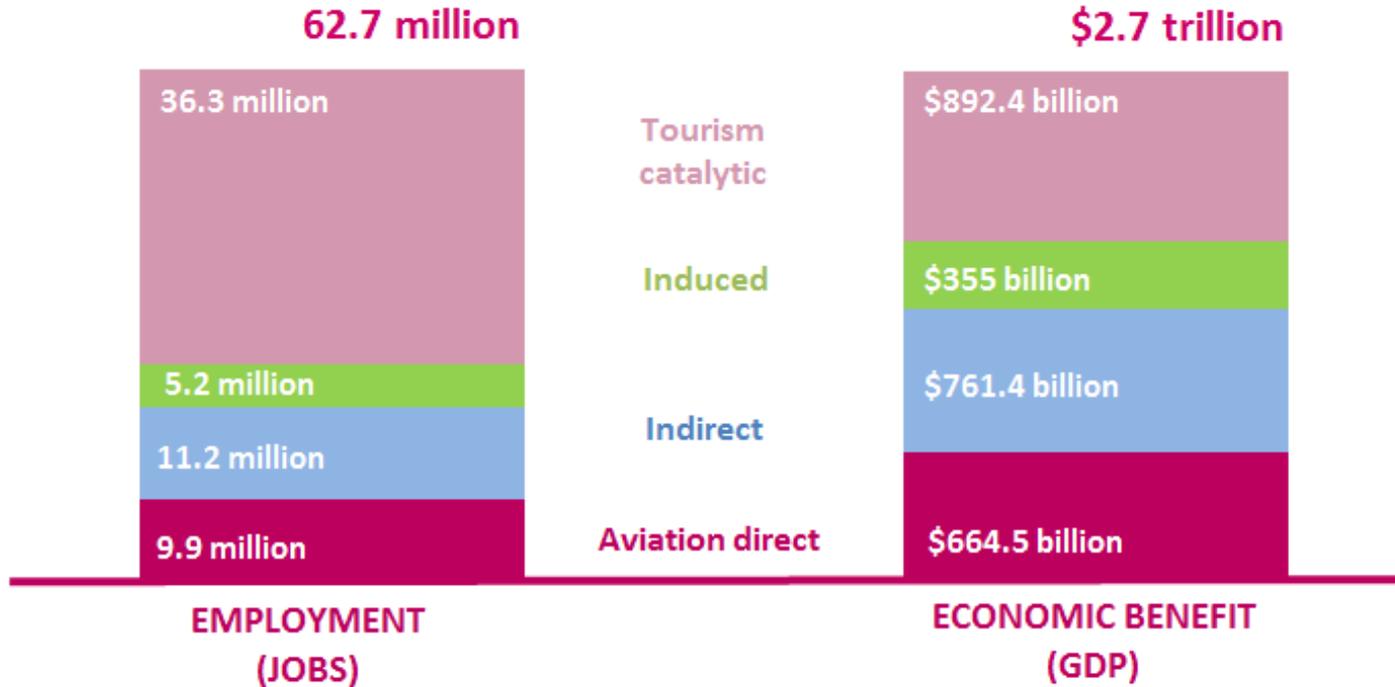
AVIATION BENEFITS

2017

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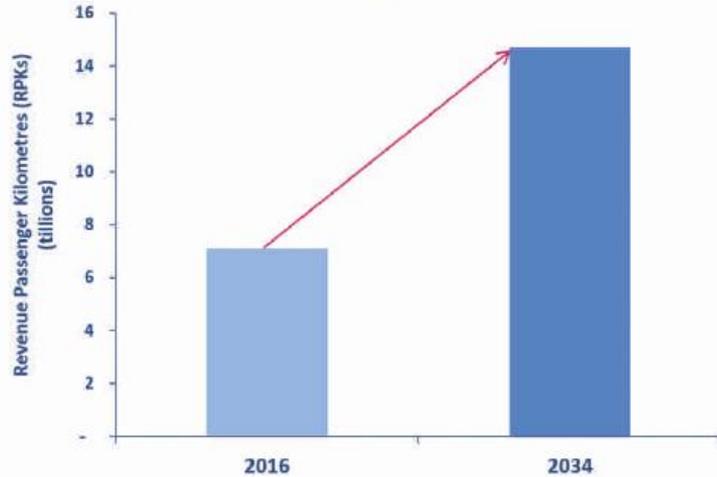
Aviation's global employment and GDP impact, 2014



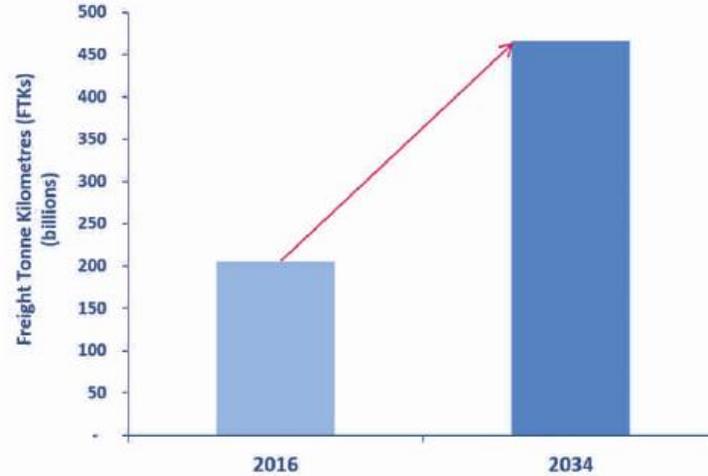


Air traffic will double by 2034

Forecasted Passenger Traffic in 2034

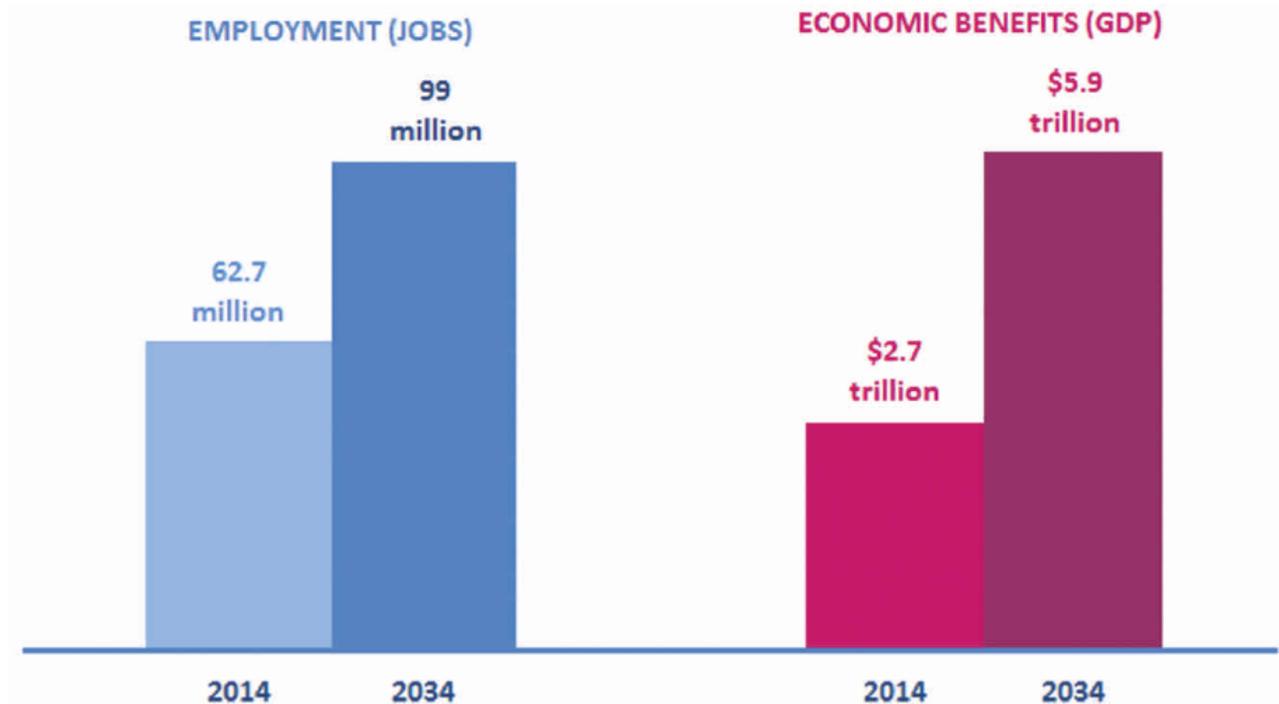


Forecasted Freight Traffic in 2034





Estimated economic benefits growth

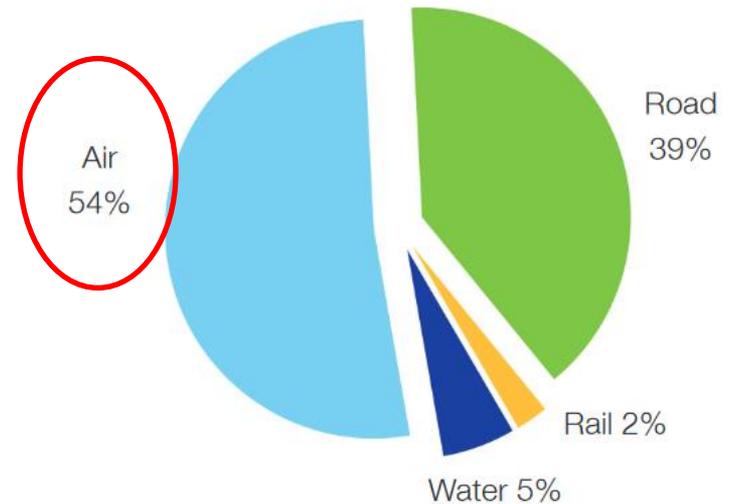


Aviation Supports Tourism

International tourists arrival - 2016



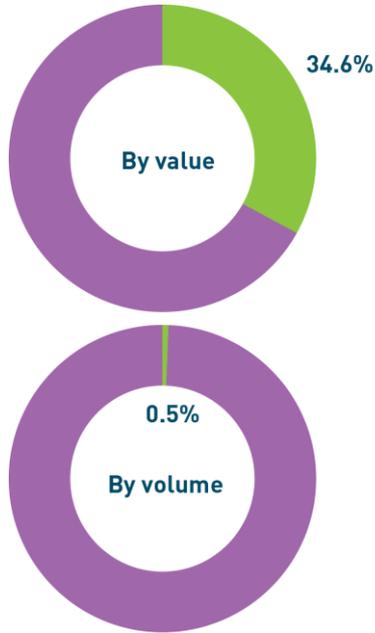
Inbound tourism by mode of transport in 2016



Tourism expansion relies heavily on air transport, providing substantial economic benefits for anyone involved in the value chain of tourism



Driver of global trade and e-commerce



\$6.4 TRILLION
worth of cargo handled
by air in 2014.

50.4 MILLION
tonnes of freight
handled by air in 2014.

Air freight, as a
proportion of global
trade, by volume and by
value, 2014

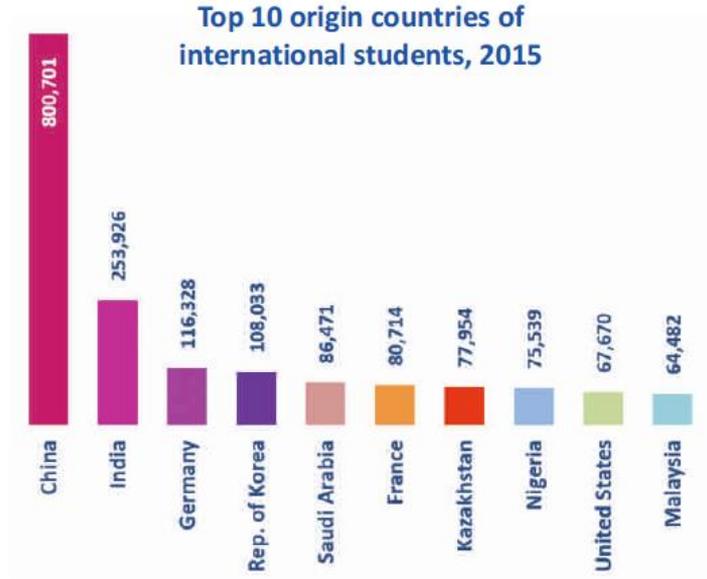
Value of aviation: Social benefits

SAFELY
CONNECTING
PEOPLE AND
BUSINESS

HEALTH AND
HUMANITARIAN
AID

EDUCATIONAL
OPPORTUNITIES

IMPROVING
QUALITY
OF LIFE



Source: UNESCO Institute for Statistics



Maximizing aviation benefits: Check list

The check list below provides a guide for maximizing aviation benefits in a sustainable manner. The implementation of this check list will require leadership and concerted, coordinated actions from public authorities at all levels, together with aviation stakeholders, financial sectors, and international and regional organizations.

Economic Development Planning – Mainstream the priorities of the aviation sector in States' economic development planning so that aviation can be used as an economic development driver.

Air Transport Regulatory Framework – Establish and apply good governance for air transport, i.e. the institutional, regulatory, and policy frameworks, in which air transport is designed, implemented and managed.

Aviation Infrastructure – Develop quality aviation infrastructure (including air navigation systems and airports) commensurate with the level of predicted traffic growth and based on ICAO's global plans.

Resource Mobilization – Promote diversified funding and financing sources in partnership with States, international and regional organizations, the industry, as well as multi-lateral development banks and other financial institutions.

Safety and Security – Comply with ICAO's global standards and policies, as well as the industry standards to continue enhancing civil aviation safety and security.

Environmental Protection – Reinforce efforts toward minimizing the environmental effects from civil aviation activities, especially the achievement of the aspirational goals of carbon neutral growth from 2020.

Public Engagement – Foster an informed and engaged public as a crucial partner to advance sustainable air transport solutions.

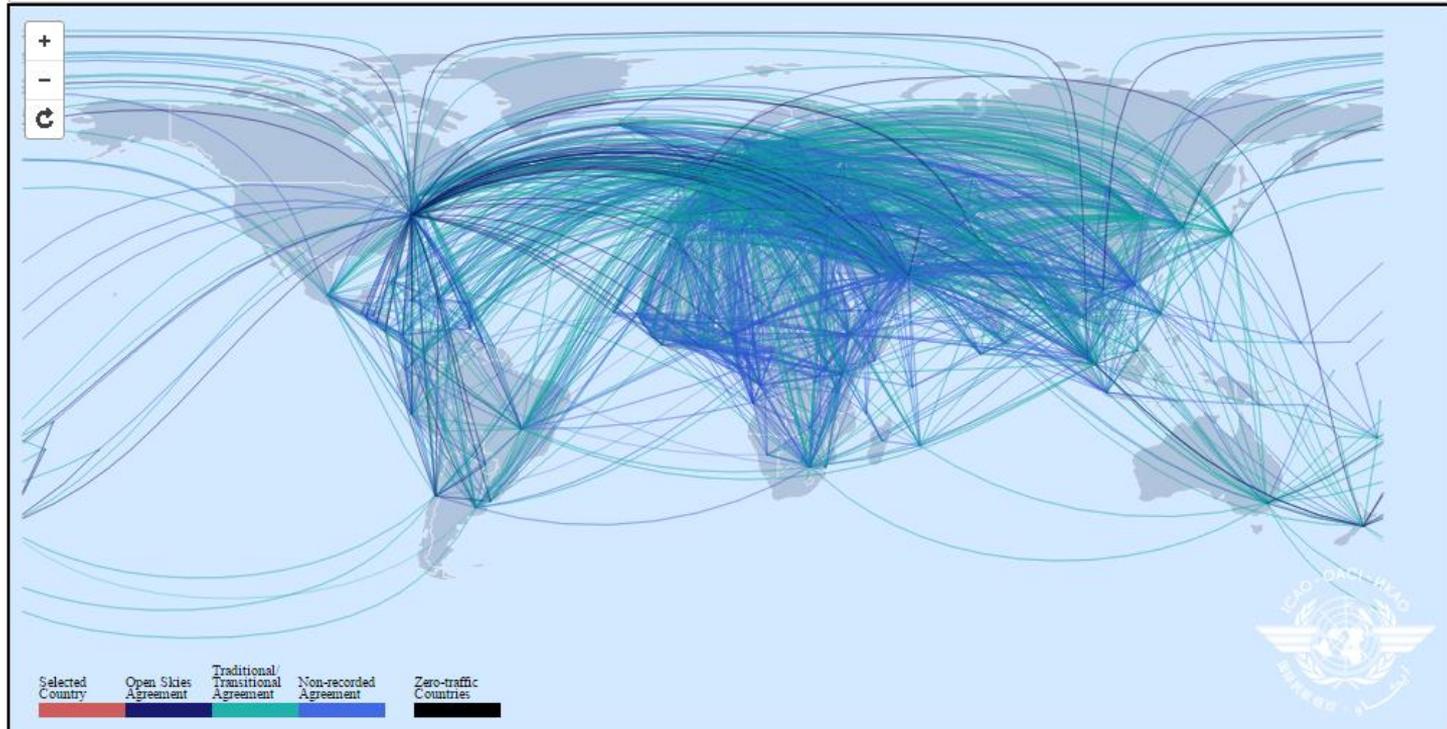


REGULATORY DEVELOPMENT

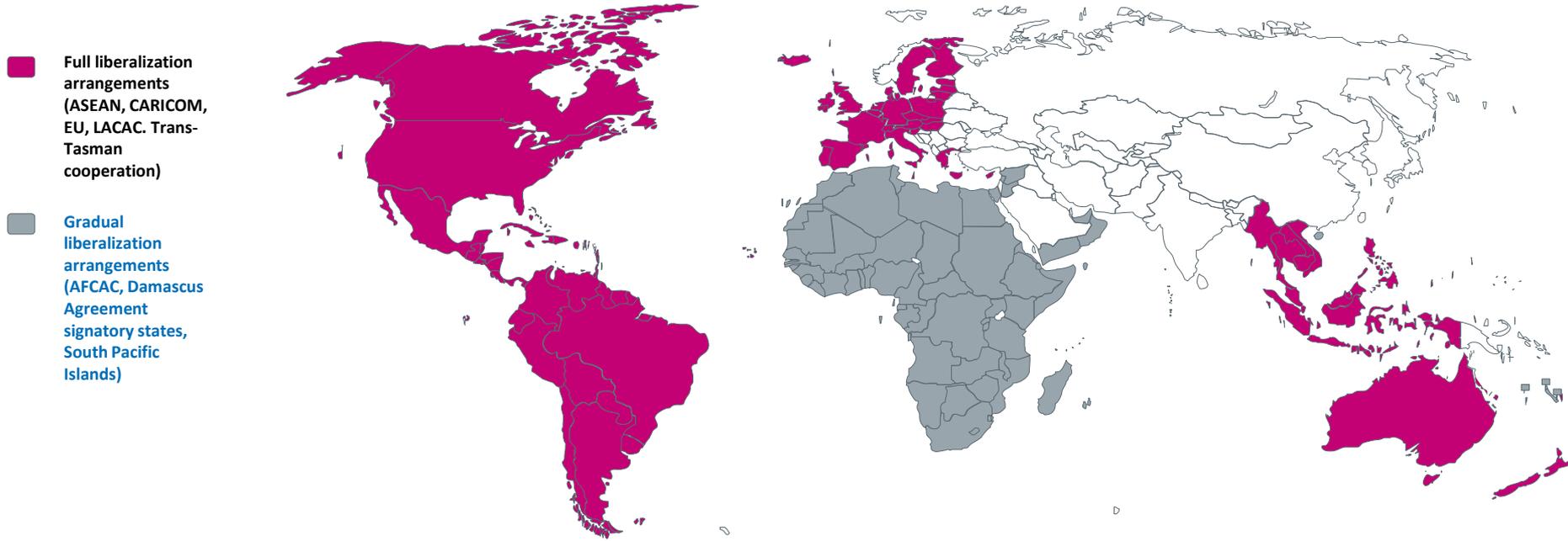


Market Access is becoming more open

Web of Bilateral Air Services Agreements.



Regional Liberalization: Most world regions have liberalization programs





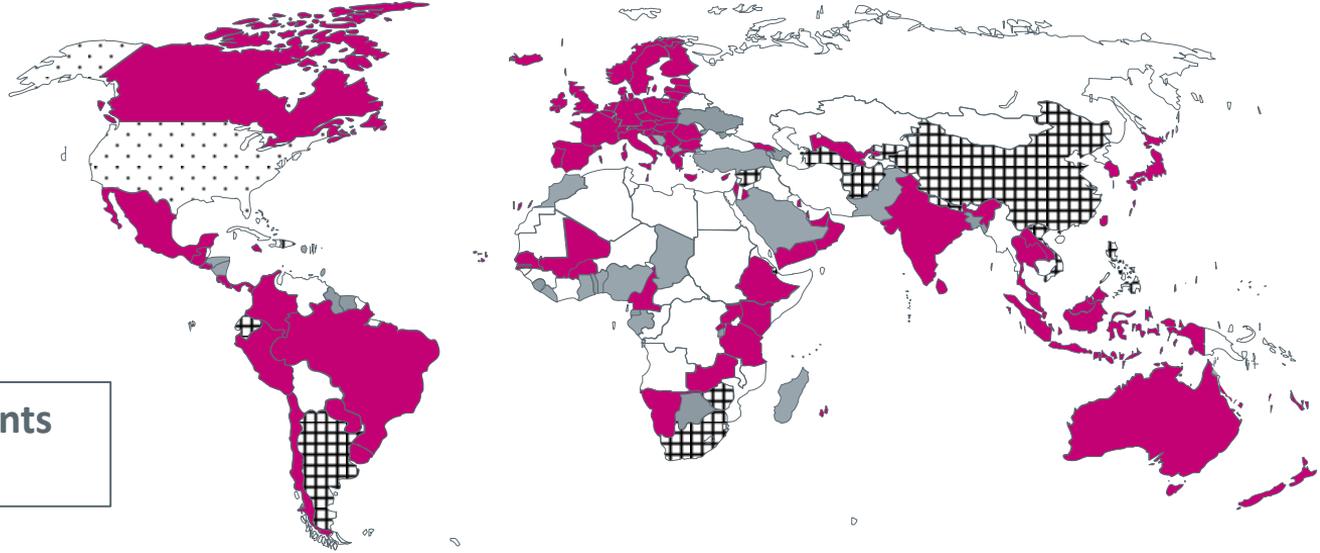
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Bilateral Open Skies (by September 2016)

-  States which signed open skies agreements with both the US and third countries
-  States which signed open skies agreements with the US only
-  States which signed open skies agreements with the third countries only

~300+ Open Skies Agreements
involving 158 States





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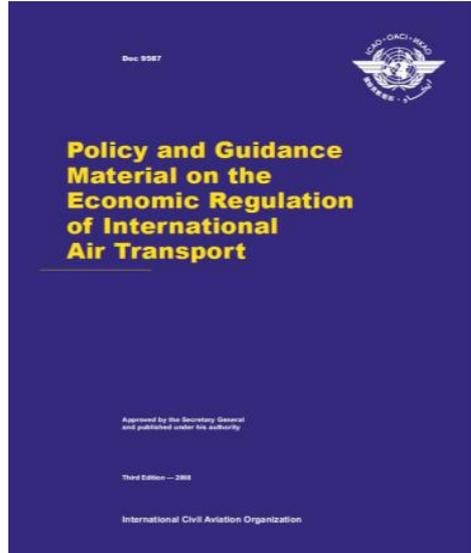
UNITING AVIATION

ROLE OF ICAO IN THE SUSTAINABLE DEVELOPMENT OF AIR TRANSPORT

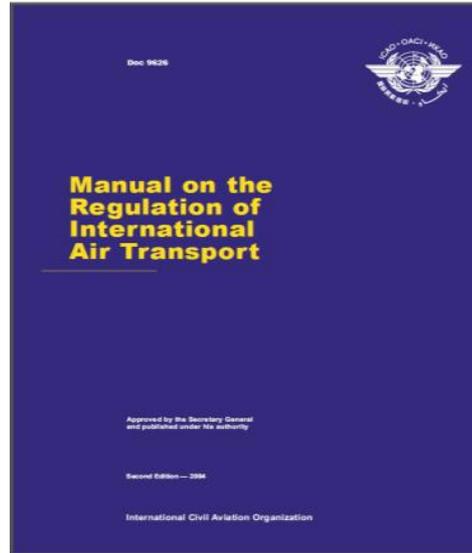




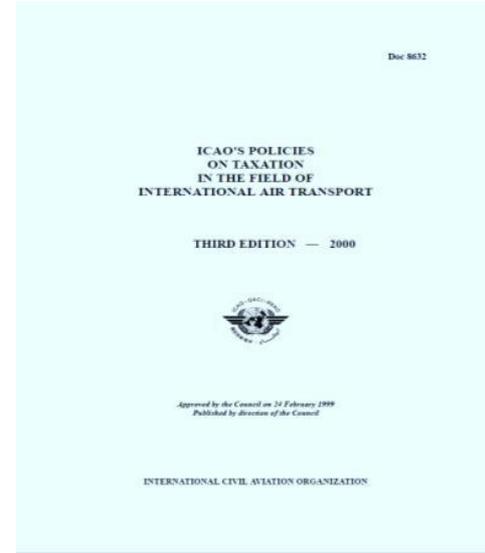
Harmonizing global regulatory framework by developing policies and guidance materials



Doc 9587



Doc 9626



Doc 8632

Assisting States in Addressing Regulatory Challenges





Enhancing transparency of States' regulatory practices through dissemination and exchange of information

WASA

**Compendium
on
Competition**

**Surveys and
Data Sharing**

Facilitating States' air services negotiations and business to business networking through the ICAO Air Services Negotiation (ICAN) Events





THANK YOU!