



The Second ICAO Meeting on the
Sustainable Development of Air Transport in
Africa

**SESSION 4 –
STIMULATING DEMAND FOR AIR
TRANSPORT IN AFRICA**

1. How to close the wide gap between policy recommendations and implementation?

- There have been several policy recommendations in various aviation sector fora as is evident from the discussions so far. However, policies are as good as their implementation. Most policy recommendations are not carried through to implementation resulting in a wide gap between policy recommendations and implementation.
- Most airports are owned by government and operate in environments where policies are formulated by personnel at the top level of government –most times, cabinet level officials. It is important to target these officials as audience in fora where airport policies are debated and formulated. Otherwise, good policy considerations will be discussed extensively to an audience with very few decision makers, resulting in little implementation.

- Air transport is not an end in itself, but a means to an end. Air transport and aviation supports, trade, tourism and economic activities. Policy implementation in sectors outside aviation will also have an impact on aviation and air travel.
- Policy implementation will require the audience of key stakeholders in government and agencies, including those outside aviation, whose policy decisions impact on aviation, such as ministers of finance, economic & national planning, internal affairs, external affairs, tourism and aviation.
- A key area of policy intervention that will impact on the demand for air travel and aviation services within the African sub-region are policies that will increase the volume of trade and business between the member states of Africa. This is an intervention that will require key stakeholders in economic sectors that are outside aviation.

2. How to generate sufficient demand for direct air services between African sub-regions, especially between the East-West coasts?

- According to the 2015 ACI Economics survey, passenger traffic grew at a rate of 6% in 2015 with traffic in emerging economies remaining buoyant in spite of economic downturn. Future growth in air traffic demand is expected to come from emerging markets as a result of the population demographics as most of the world's population reside in emerging markets and developing economies. Africa's population is estimated at 1.2bn people which is about 16% of the world's total population. This fact suggests that there is enough market for air services in Africa. There is a growing number of middle class citizens.
- Greater demand for air services in Africa will stem from greater efficiency and ease of connection between African countries which in one word is termed "Liberalisation".

liberalisation



New Routes
Frequencies
Shorter Travel
Times
Lower Fares
Air Traffic



Air Traffic
Growth

- The agreement of a more liberal air market between South Africa and Kenya in the early 2000s led to 69% rise in passenger traffic. This is a practical experience of how liberalisation has improved the growth of air services demand.
- A study by INTERVISTAS consulting for IATA shows an analysis showing the impacts of liberalising the air market between 12 countries in the four sub regions of Africa. The results showed total traffic flows between the 12 countries were projected to increase by 81%; which represents several million passengers who can now travel by air, but who are currently unable to do so for reasons of cost, flight availability, or convenience.

3. How to optimize traffic flows through hub airports in Africa?

- Full adoption and implementation of the 1999 Yamoussoukro Decision will ensure optimisation of traffic flows. As we all know, the Decision calls for:
 - Full liberalisation of intra-African air transport services in terms of access, capacity, frequency, and tariffs;
 - Free exercise of first, second, third, fourth, and fifth freedom rights of passenger and freight air services by eligible airlines;
 - Fair competition on a non-discriminatory basis;
 - Compliance with international safety standards.

- Implementation of this decision will eliminate protectionist policies which will result in bilateral agreements which allow more flights and frequencies, improve pricing, save passengers time, improve connectivity amongst others.
- Airports should collaborate with other stakeholders in the provision of efficient air services. Air liberalisation ultimately leads to growth hence air service providers should work together to in order to accommodate the growth and offer efficient services to customers.

4. How can air carriers join forces to increase traffic (Vanilla Alliance) and take advantage of profitable market segments?

- International airlines should work with domestic airlines to ensure that the smaller airlines can survive in the market. Cooperation will improve connectivity, provide better choice of flights and more competitive fares. Cooperation amongst air carriers will increase trade, tourism and GDP growth in the region. Airlines in Africa should join forces by engaging in alliance agreements which will aim to give travellers greater access to countries in the region, save time and be more cost effective. Airline representatives should reach out to governments and decision makers in their respective countries and sensitise them on the importance of working together and the benefits that can be derived by all parties involved.