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## CONFERENCE ON THE ECONOMICS OF AIRPORTS AND AIR NAVIGATION SERVICES

Montréal, 15 to 20 September 2008

Agenda Item 1: Issues involving interaction between States, providers and users 1.1: Economic oversight

### REGIONAL APPROACH FOR THE CIVIL AVIATION ECONOMIC OVERSIGHT

(Presented by fifty-three African States<sup>1</sup>)

### **SUMMARY**

This working paper highlights the fundamental role of the African Civil Aviation Commission (AFCAC) as the African Air Transport Executing Agency of the Yamoussoukro Decision responsible for the Economic Oversight of Africa's liberalized air transport industry.

Action by the Conference is in paragraph 5.

### 1. **INTRODUCTION**

- 1.1 In November 1999, the Conference of African Ministers in charge of Civil Aviation, held in Yamoussoukro, Côte d'Ivoire, adopted the Decision relating to the implementation of the Yamoussoukro Declaration concerning the Liberalisation of access to air transport markets in Africa
- 1.2 Article 9.4 of this Decision provides for the establishment of an African Air Transport Executing Agency to ensure its successful implementation of the Decision.

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Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cap Verde, Central African Republic, Chad, Comoros, Congo, Cote d'Ivoire, Democratic Republic of the Congo, Djibouti, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libyan Arab Jamahiriya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, Sudan, Swaziland, Togo, Tunisia, Uganda, United Republic of Tanzania, Zambia, Zimbabwe.

- 1.3 Article 9.5 of this Decision empowers the Executing Agency to formulate and enforce appropriate rules and regulations that give fair and equal opportunities to all players and promote healthy competition.
- 1.4 Article 9.6 of this Decision enables the Executing Agency to also ensure that consumer rights are protected.

### 2. AFCAC IN CHARGE OF AIR TRANSPORT ECONOMIC OVERSIGHT

- 2.1 The third African Union Conference of Ministers responsible for Air Transport held from 10 to 11 May 2007 in Addis Ababa, Ethiopia took the decision to entrust to AFCAC the functions of the Executing Agency of the Yamoussoukro Decision
- 2.2 The progressive liberalization of air transport market is supported by African States as a means to ensuring cost-efficient operations and to stimulating the growth and development of the air transport industry
- 2.3 The development of financially autonomous airports and air navigation services providers in Africa is generating a fundamental change in management of systems and consequently requires the introduction of specific economic regulation of airports and air navigation services providers or at least the improvement of existing economic regulations

# 3. AFRICA COMITMENT TO A CONTINENTAL HARMONIZED AIR TRANSPORT ECONOMIC OVERSIGHT SYSTEM

- 3.1 Air Transport Economic oversight in general and the need for fair competition and safeguards in particular are matters requiring concerted and harmonized international action. Africa remains committed through AFCAC to implement a continental air transport economic oversight system based on the Constitutive Act of the African Union and on the Abuja Treaty establishing the African Economic Community
- 3.2 The Building blocks of the African integration process being the Regional Economic Communities (RECs), Africa support a regional approach to the integration process as a strategy to a continental approach of Air Transport Economic oversight in Africa

### 4. **CONCLUSION**

- 4.1 Africa continues to provide strong support for a regional approach through the involvement of regional organizations in the field of Air Transport.
- 4.2 Air Transport Economic oversight in general and the need for fair competition and safeguards in particular are matters requiring harmonized and concerted international efforts and action.

### 5. ACTION BY THE CONFERENCE

### 5.1 The Conference is invited to:

- a) note that AFCAC has the additional responsibility of ensuring the successful implementation of economic oversight of airports and air navigation services in Africa;
- b) note that AFCAC will continue to work with ICAO and other partners, as the specialized institution of the African Union responsible for air transport issues in Africa in executing the above mentioned additional responsibilities; and
- c) urge ICAO to continue to implement Resolution A36-15: Consolidated statement of continuing ICAO policies in air transport, which reaffirms the primary role of ICAO in developing policy guidance on the regulation of international air transport and also request the Council to ensure that the policies and guidance material developed by ICAO on economic regulation are current and responsive to the requirements of Contracting States.

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