



# **YAMOUSSOUKRO DECISION IMPLEMENTATION CHALLENGES**

**By**

**Dr. Elijah Chingosho**  
**Secretary General**  
**AFRICAN AIRLINES ASSOCIATION**

19 APRIL 2012  
Montreal, Canada



# BACKGROUND



- In Africa, poor roads, ports and railway infrastructure
- Air transport holds potential for growth & role for the economic development of the continent by fostering trade and foreign investments.
- After independence, most African States set-up their own flag carriers, which primarily served few intercontinental routes, while domestic & regional markets underserved.



- To address these shortcomings, in Nov 1999, the Yamoussoukro Decision on the liberalization of access to air transport markets in Africa was adopted.
- Up to now, full implementation of the Decision has not been achieved.
- However, in certain regions & various bilateral relationships, liberalization of African air services has seen significant progress, and several operators do benefit from it.





# PROGRESSIVE POLICY



- The YD remains the single most important air transport reform policy initiative by African Governments to date
- Adopted out of the recognition that the restrictive and protectionist intra-African regulatory regime based primarily on BASAs hampered the expansion and improvement of air transport on the continent
- Was also viewed as a means to develop air services in Africa and stimulate the flow of private capital in the industry.
- The Yamoussoukro Decision entered into force in 2000
- Imperative to ensure full implementation of the Decision for the African airline industry to realise its full potential



# LACK OF COMPLETE IMPLEMENTATION



- The lack of full implementation of the YD is partly driven by the governments of a number of African countries who aim at protecting their weak or failing national carriers.
- Hindered full liberalization of the continent's air transport sector and effectively prevented African airlines from taking full advantage of the positive economic impacts of air transportation.
- Some countries still insist that airlines pay royalties for plying their skies whilst others strictly adhere to the restrictive bilaterals or forbid airlines to fly over their sky altogether.



# PROGRESS MADE



- At the operational level significant progress has been achieved.
- Ethiopian Airlines and Kenya Airways represent positive examples of the benefits to be derived from liberalization.
- There are many negative cases of protected state-owned carriers which must be eliminated as they hinder the development of air services and often drain scarce public funds especially in poor countries.





- Policy implementation remains incomplete or stagnant in many regions of the continent, hindering the full deployment of the economic potential of Africa.
- A significant step forward was the legal framework for the empowerment of AFCAC as an Executing Agency of the YD and this should facilitate the full implementation of the Decision.
- The Regional Economic Communities (RECs) in West and Central Africa and the East and Southern Africa have taken measures to harmonize Economic Regulations.





# ACCELERATING YD IMPLEMENTATION



- Certain conditions critical in accelerating implementation of the YD namely:
  - Integrated African air transport policy
  - Avoid Non Competitive and Predatory Practices
  - Eliminate or Reduce non-physical Barriers
  - African Union leadership



# Integrated African air transport policy



- Africa needs an integrated Air Transport policy along the lines of the EU.
- Efforts in this regard are underway and this needs to be accelerated
- Covering issues such as: Safety and security, the environment, competition regulation, consumer protection issues, provision of infrastructure, liberalisation, relationship with third parties, airport fees & charges as well as rules with respect to foreign ownership.





# Avoid Non Competitive and Predatory Practices



- There is need for a level playing field in air transport services.
- Often one finds that non-African carriers are given favourable traffic rights whilst the same is denied to African operators.
- We also see the EU banned list of airlines being applied in a non-transparent manner and being used to constrain the development of African aviation.
- Need for the AU and African Governments to intervene to create a level playing field.





# Eliminate or Reduce non-physical Barriers



- There is need to maximize the use of limited resources in Africa.
- Need to reduce or eliminate non-infrastructural bottlenecks to traffic flow.
- These range from macro-economic constraints e.g. non-availability or acute shortage of foreign exchange to slow, cumbersome documentation procedures.
- The other non-physical barriers include visa requirements which are cumbersome and often take long.
- In South Africa, some African nationals are required to have a transit visas for travelling to other countries in Southern African.





# WAY FORWARD

- African carriers advised that rather than complain about the non-implementation of the YD, they should find ways of cooperating more amongst themselves to overcome limitations of market access.
- Non implementation of the YD does not prevent airlines from entering into code share arrangements, commercial and other cooperative arrangements.
- Infrastructure challenges remains in Africa. Airlines can assist the airports especially in small poor countries Otherwise we will wait forever to be able to fly into such destinations.





# Way Forward



- Also those States or regional economic communities that are ready for the full implementation of YD should not wait for the rest to be on board.
- They should just go ahead and allow the rest to follow later.
- Decision makers should not continue to drag the application of the liberalization process by insisting, e.g. that certain elements of the Decision (such as competition regulations) are missing, and therefore the remainder of the principles of the Decision cannot be applied.
- Currently, this attitude, coupled with attempts by some States to protect weak national carriers, is the biggest obstacles stalling the implementation of the Decision in certain countries.





**THANK YOU FOR YOUR KIND  
ATTENTION!**

