THIRD AFRICAN-INDIAN OCEAN (AFI) AVIATION SECURITY & FACILITATION SYMPOSIUM

Malabo, Equatorial Guinea, 27th – 1st July 2016

Session 3: **The Single African Air Transport Market and the Free Movement of People in Africa.**

(Presented by AUC)

SUMMARY
This paper presents the status on the implementation the AU Agenda 2063 flagship project on the establishment of the Single African Air Transport Market based on the African Union conference of African Ministers of Transport Activity Road Map and AU's initiatives towards enabling the free movement of People in Africa.

ACTION REQUIRED: **Action by the meeting is in paragraph 5.4**

Reference(s):
  a) Decision relating to the implementation of the Yamoussoukro Declaration concerning the liberalization of access to air transport markets in Africa signed at Yamoussoukro on 14 November 1999 (Yamoussoukro Decision – YD);
  b) Assembly/AU/Dec.565(XXIV): Decision on the Development of the AU Agenda 2063;
  c) Assembly/AU/Decl.1(XXIV): Declaration on the Establishment of a Single African Air Transport Market;
  d) Assembly/AU/Commitment (XXIV): Solemn Commitment by African Union Member States to the Implementation of the Yamoussoukro Decision towards the establishment of a Single African Air Transport Market by 2017;
  e) The Economic benefits of Intra-Africa Air Service Liberalization - IATA/AFCAC/AFRAA study , July 2014
  f) AU Ministerial Working Group Activity Road Map , Addis Ababa, Ethiopia, 17th April 2015; and
  g) The African Visa Openness Report – NEPAD/AfDB January 2016

Acronyms:
AUC – African Union Commission
SAATM – Single African Air Transport Market
YD- Yamoussoukro Decision

Background:

1. AU Integration agenda and establishment of the SAATM

1.1 The AU's focus is on the integration of Africa, based on the principle of Abuja declaration of 1991 and ensure policies that allow a conducive environment for the development and provision of safe, reliable and affordable air transport in Africa, necessary for the free movement of persons, goods and services in the Continent. The AU vision is: An integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the global arena.

1.2 Hence during the commemoration of the fiftieth anniversary of the OAU / AU in 2013, the African Union (AU) leadership expressed the desire to give a stronger and more ambitious impetus to the continent's socio-economic development and integration agenda. The African Union (AU) Agenda 2063 was elaborated in which some flagship projects were included on the basis of their high potential for changing the face of Africa substantively, in particular infrastructure projects that enable connectivity across the continent. Among these projects are: (i) the creation of a single African air transport market, taking into consideration the special role and importance of air transport in achieving the goals of the African Agenda 2063 on speeding up socio-economic development and integration of Africa and (b) –The Free Movement of People and the African Passport.

1.3 To that effect, during the African Union Summit in June 2014, the Executive Council adopted decision EX.CL/Dec.821 (XXV) on the African Agenda 2063, placing the implementation of the Yamoussoukro Decision on the Liberalisation of Air Transport Markets in Africa as the foundation for the establishment of the Single African Air Transport Market in the context of the African Agenda 2063.

1.4 The Assembly of Heads of States and Government at its 24th Ordinary Session held in Addis Ababa from 30-31 January 2015, adopted the Declaration on the Establishment of a Single African Air Transport Market Doc. Ex.Cl/871(Xxvi), inter alia, on ensuring the establishment of a Single African Air Transport Market (hereafter, SAATM) for African airlines by 2017 and facilitate air connectivity through implementation of the Yamoussoukro Decision.

1.5 To date, thirteen (3) Member States have signed the Solemn Commitment to be implemented among themselves immediately and other States are urged to join without undue delay. These are Benin, Cape Verde, Republic of Congo, Cote D'Ivoire, Egypt, Ethiopia, Kenya, Nigeria, Rwanda, South Africa and Zimbabwe plus Ghana and Sierra Leone.

1.6 The AU Ministerial Working Group on Establishment of a SAATM which held its first meeting in Addis Ababa, Ethiopia, on 17th April 2015 agreed on a number of actions necessary for the establishment of the single market, constituting the 2015-2017 Activity Road Map. The AUC was entrusted with the leadership role to coordinate and enhance the expeditious implementation of the Yamoussoukro Decision and also facilitate the process of operationalisation of the Single Air Transport Market in Africa as decided by the AU Assembly; and to report to the

Conference of Ministers of Transport. In that regard the AU set up a Follow-up Committee of Ambassadors to provide timely guidance and facilitate close links between the Commission and concerned Member States regarding the planned activities and the way forward.

2. Future of African aviation and Importance of liberalisation on African economies

2.1   Africa's air transport sector currently represents just over 4.5% of the global passenger aviation market and 2% of the global air freight market. In 2014, this represents over 165 million passengers and 2 million tonnes of air freight. With an average growth rate of 5%, African passenger traffic is forecasted to grow to some 600 million passengers by 2040, roughly four times the traffic levels in 2014; whilst total air freight is expected to increase to 9 million tonnes by 2040. This projection do not take into consideration the impact of full liberalisation of air transport in Africa and the impact of facilitating the free movement of People within Africa.

2.2   The AU believes that coupled with the full liberalisation of air transport in Africa and relaxation of non-physical barriers to the movement of persons and goods, the economic benefits of air transport to the continent are enormous. In 2014, the aviation sector directly accounted for 113,000 jobs and support over US$21 billion in GDP across the continent whilst a recent IATA study on behalf of AFCAC (2014), covering 12 key African countries indicated that total air traffic flow would be increase by 81%, if these countries can fully implement the Yamoussoukro Decision. This will represent an increase of some 4.9 million passengers, who would now be able to fly but who currently are unable to do so for reasons of cost, flight availability or convenience. Liberalisation of air transport between the 12 countries was estimated to generate 155,000 jobs in aviation, tourisms and the wider economy and to contribute US$1.3 billion to annual GDP for the 12 countries under the study.

3. Measures towards the Realisation of the SAATM

3.1   Some of the major challenges towards the full implementation of the Yamoussoukro Decision lack of political will of some Party states to fully liberalise their markets, use of restrictive bilateral air service agreement, non-functioning of YD institutions, State Party compliance with ICAO safety and security SARPs, lack of corporation between the eligible African airlines and the constrains of non-physical barriers to the free movement of persons and goods. As indicated in 2.1, future traffic growth will also impose infrastructure constrains related to airport capacity and air traffic management.

3.2   **The Solemn Commitment Advocacy**: The declaration of Solemn Commitment with respect to the full implementation of the Yamoussoukro Decision towards the establishment of a SAAT Market by 2017" (Doc Assembly/AU/Decl.1(XXIV), demonstrates the political will of the signatory states to open up their air transport markets immediately. As a first step, the Solemn Declaration states are required to inform each other formally that their air transport market is now liberalised and to take immediate measures to remove any restrictions in their bilateral air services agreement contrary to the YD. The AU is to also engage

in advocacy to mobilise more States to subscribe to the solemn commitment on establishment of a single Air transport market by June 2017. The objective is to get all member States to subscribe to the solemn commitment and hence join the Single Air Transport market by 2017 as decided by the AU assembly.

3.3 **AU Support to the Implementation of ICAO Safety and Security SARPs**: Article 6.9 (f) of the YD provides that an eligible airline must "be capable of demonstrating its ability to maintain Standards at least equal to those set by ICAO and to respond to any query from any State to which it provides air services". Therefore Member States ability to comply with established ICAO Standards and Recommended Practices (SARPs) and the capability of demonstrating the ability to maintain standards at least equal to those set by ICAO is crucial for the implementation of the SAATM. Under the Joint African-European Strategy, the AU is supporting the following Intra-ACP projects related to improvement of safety and security in Africa.

3.3.1 The **SIASA** project **(Support for the Improvement of Aviation Safety in Africa)** has as overall objective of assisting beneficiary African states with technical assistance and training to complying with ICAO aviation safety oversight requirements particularly the USOAP audit. Among the 13 States that have signed the solemn commitment so far, just 7 African States that have met the 62% maturity level 3 – safety compliance above the global average (ICAO safety report 2015 Edition), i.e. Cape Verde, Egypt, Ethiopia, Kenya, Nigeria, South Africa and Ghana. The following African States have also met the maturity level 3: Gambia, Morocco, Sudan, Togo and Tunisia. This leave 42 African States still non-compliant with the Abuja Aviation safety targets for Africa (Doc Ex.CL/758(Xxii)). Therefore the extension of this project is essential to the other African states[1].

3.3.2 **"Support to the Improvement of Aviation Security in Africa project – (AVSEC)"**: This project provides technical assistance and training in aviation security to ten priority countries including Cameroon, Kenya, Mali, Mauritius, Namibia, Nigeria, Rwanda, Seychelles, Tanzania and Uganda. The AU supports its extension to cover all the countries that have signed the solemn commitment to the full implementation of YD.

3.4 **AU Support to the YD Institutional Arrangement and Strengthening**: AFCAC is the entity entrusted as the Executive Agency of the YD. This role has now been extended to cover the SAATM. However under the Abuja treaty, the Regional Economic Communities (RECs) are the building blocks for Africa's integration agenda[2]. Several RECs have made progress in the implementation of YD and, in particular, have policies that enable the free movement of persons, services and goods. To ensure the full implementation of YD and realisation of the SAATM, the AU is supporting dialogue between the RECs and the

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[1] The individual states covered under the project are: Sierra Leone, Liberia, Guinea Conakry, Benin, Congo Brazzaville, and Mozambique. Sierra Leone, Benin and Congo Brazzaville have also signed the solemn commitment of the Single African Air Transport Market.

[2] RECs include: Common Markets for East and Southern Africa (COMESA), East African Community (EAC), Economic Community for Central Africa (ECCAS), Economic Community for West African State (ECOWAS), Intergovernmental Authority on Development (IGAD), Southern Africa Development Community (SADC) and Arab Maghreb Union (AMU).

Executive Agency of the YD, through the establishment of a memorandum of Cooperation on the full implementation of YD and management of the Single African Air transport Market.

3.5 **Publication and Dissemination of YD Regulatory Texts**: The implementation of YD requires the putting in place regulations on: (a) Competition rules, (b) protection of Consumers, (c) Dispute settlement Mechanism relating to the implementation of YD and (d) the Powers, Functions and Operations of the Executing Agency of the YD. The AU, its relevant departments and AFCAC are working on ensuring these regulations are ready for publication and dissemination to the Member States. The regulation on the Dispute settlement mechanism provides for the settlement of disputes within the SAATM through mediation, use of the Appeal Board of the Executing Agency and as a last resort petition to the African Aviation tribunal. The decision of the African Aviation Tribunal would be final and binding on all parties concerned in a disputes.

3.6 **Coordination the Work of the Ministerial Working Group**: The AU is also coordinating the Meeting of Ministerial Working Group on establishment of a Single African Air Transport Market and the Meeting of Foreign Ambassadors /Representatives of the member States which have declared their Solemn Commitment to the implementation of YD towards the establishment of a single African Air Transport Market. The primary role of the Ambassadors' Follow-up Committee is to closely monitor the work of the Commission in implementation of the project vis-à-vis the established/adopted plan of activities and road map, provide timely views and guidance to the Commission and also advice to the Ministerial Working Group.

3.7 **Development of a Continental Aviation Infrastructure Master Plan**: In 2013, over 36% of all of the continent's air traffic originated from or travelled to three major African Hub airports – Johannesburg, Nairobi and Addis Ababa. Projected traffic to 2040, indicate more than 12 airports with traffic over 10 million passengers per annum. In order to meet future demand, it is necessary to provide for the required capacity at the likely future hub airports, feeder airports as well as providing the necessary infrastructure for the management of air traffic with a single African sky. The AU is supporting various initial under the PIDA/IADA projects. One of the main sub-programme is that on "Facilitation and Harmonisation of the Transport Systems and Tourism in Africa, which includes the development hub airports in Central and West Africa.

4. The Facilitation for the free movement of People in Africa

4.1 **AU Aspiration on the Free Movement of People**: The AU's big aspiration on the free movement of People across the continent is set out in Agenda 2063, which calls for leaders to "introduce an African Passport issued by Member States, capitalising on the global migration towards e-passports3 and with the abolishment of visa requirements for all African Citizens in all African countries by

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[3] The recently adopted Global Goals for Sustainable Development have as target under Goal 10 to: "facilitate orderly, safe, regular and responsible migration and mobility of people including the implementation of planned and well-managed mitigation policies.

2018". It states that "Africa shall be a continent where the free movement of people, capital, goods and services will result in significant increases in trade and investments among African countries rising to unprecedented levels, and strengthening Africa's place in global trade". In fact, the Lagos Plan of Action for the Economic Development of Africa, 1980–2000; as well as the New Partnership for Africa's Development (NEPAD) strongly places free movement of persons at the centre of social, economic and political integration necessary in the realization of promotion of peace, security and stability on the continent.

4.2 **Current Situation on Visa Openness**: The African Development Bank just published its 2016 report on Africa Visa Openness. It highlights a huge problem for the AU's aspiration on African integration and the establishment of the African Single Air Transport Market. The report indicates that on average, Africans need visas to travel to 55% of other African countries and can only get visas on arrival in 25% of other countries. This means they can only travel to 20% of the countries without a visa[4]. In contrast it is easier for Europeans and Americans to travel within Africa than for many Africans themselves. In 2015, holders of a United States of America passport, for example, could travel visa-free or visa on arrival to at least 20 African countries. The obvious implication is that Africa is losing out on the growth of the tourism sector, opportunities for job creation, offering jobs to "expatriates" that could be done by highly skilled African via mobility of labour and missed economic opportunities for intra-regional trade.

4.3 **Free movement in the Regional Economic Communities** (RECs): A number of RECs do have very advanced instruments and policies on the free movement of persons from where we can learn lessons such as (a) EAC: Protocol on the Establishment of the East African Community/Common Market Protocol (CMP) of 2009. Article 104 obligates Partner States to ensure free movement of persons, labour and services as well as the right of establishment and residence of citizens and (b) in ECOWAS: its protocol on the Free Movement of Persons, Residence and Establishment (1979); article 2 allows citizens to enter, reside and establish in the territories of other Member States. The AfDB report therefore identified that these two regions have the highest score on visa openness in Africa.

4.4 **Lessons from National Policies**: Policy lessons can also be gained from countries such as Kenya, Seychelles, Mauritius, Rwanda and Ghana. Rwanda, a landlocked country, has developed a national migration policy since February 2008 whose main objectives include the facilitation tourism, investment and attraction of skilled labour; encouragement of legitimate travellers and residents whilst enhancing the national security through effective management of migration and mobility. The Rwanda migration policy entails a number of features including online Visa applications; Visa upon arrival for all Africans; waiver of work permits fees for all EAC citizens; reduction in Visa and permit fees; legalisation of multiple nationality and reduction in the number of days for issuance of travel documents, including Visas and permits. With effect from July 2016, Ghana will be allowing citizens of AU

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[4] • In terms of the regional record of visa openness, 75% of the top 20 most visa-open countries are in West or East Africa (45% in East and 30% in West Africa). Southern Africa accounts for 20% of the top 20 most visa-open countries and North Africa only 5%. There is no single country from Central Africa in the top 20 most visa-open countries (AfDB, 2016:9).

Member States to enter into their country and obtain visas on arrival with the option to stay for up to thirty days and experience what the country has to offer. This measure, with time, should stimulate air travel, trade, investment and tourism[5].

4.5   **The African Passport and the Way Forward**: Most recently, at the Executive Council Meeting of the African Union it was decided that AU Member States should review their internal and external security situations with a view to putting in place the mechanisms that would allow for the issuance of visa's on arrival for citizens of AU Member States, with the option to stay in the country for up to 30 days. The African Passport project is managed under the AU Department of Political Affairs. As a way forward, the AU is currently reviewing the establishment of a continental Protocol on Free Movement of Persons, the Right to Residence and the Right of Establishment. Drawing on the experiences of various RECs across the continent and some of its Member States such as Rwanda, the AU is now better placed to develop, adopt and implement the said protocol. The scope of the protocol would be limited to free access of African citizens to all African countries. The free movement of persons should not be prejudicial to all other applicable national, regional, and international laws, in particular those concerning establishment, access to labour market, trade, customs, and other national regulations. Thus, the protocol would only focus on putting in place a system that guarantees access of all African citizens to all African countries. (Abolition of visa/visa at arrival/no visa fee).

5   Conclusion and Recommendations

5.1   Air Transport has an important role in accelerating socio-economic development and integration of Africa, with enormous benefits in terms of job creation and contribution to the GDPs of the continent's economy. These benefits can be realised by fast-tracking full implementation of the Yamoussoukro Decision on Liberalisation of Air Transport Markets in Africa with a view to establishing a Single African Air Transport Market. The full implementation of the Yamoussoukro decision by Member States would also boost the implementation of the African Civil Aviation Policy adopted in 2014.

5.2   Maintaining high standards in safety and security and protection of the environment, are important components for the success implementation of the Yamoussoukro Decision towards the establishing a Single African Air Transport Market establishment. The AU considers it necessary to extend the SIASA project to cover all other Africa states failing to meet the Maturity level 3 compliance with ICAO SARP implementation.

5.3   Visa policies are among the most important governmental formalities influencing the free movement of People in Africa with a major negative impact intra-Africa air transport and tourism demand. Therefore it necessary that in the short term in order to improve mobility across Africa, Member States need to: (a) scaling up visa on arrival programs learning from the experiences of Rwanda; (b) simplifying the visa application process (offering e-visas); (c) offering long-dated visas (e.g. 10

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[5] Nigeria also recently announced plans to establish visa free countries with eight other African countries but no details have been given.

years); (d) ensuring positive reciprocity between countries; and (e) encouraging more visa-free regional blocks as exemplified by EAC and ECOWAS.

Action Requested by this meeting:

5.4   **The meeting is invited to:**

a) Note the information in this paper.

b) Member States that have not signed the Solemn Commitment, are urged to do so as soon as possible;

c) Compliance with ICAO safety and security SARPs is crucial to the success of the realisation of the Single African Aviation Market. The AU will support Member states that need further support in order to meet the ICAO SARPs in safety and security. To this effect a dash board of State compliance is recommended; and

d) Member States are urged to support the AU's effort to establish a continental Protocol on Free Movement of Persons and take necessary measures to allow as a starting point at least visa on arrival.