



**AFRICAN CIVIL AVIATION COMMISSION**  
**30<sup>th</sup> AFCAC PLENARY SESSION**  
(LIVINGSTONE, ZAMBIA, 4 – 5 DECEMBER 2018)

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**Agenda Item 6:                   Inputs for 2019-2021 AFCAC Triennium Activities**

**Session1:                    SUSTAINABLE DEVELOPMENT OF AIR TRANSPORT**

**Theme:                      Single African Air Transport Market – PROGRESS AND SUSTAINABILITY**

**SUSTAINABLE AIR TRANSPORT DEVELOPMENT IN AFRICA**

(Presented by the Secretariat)

**EXECUTIVE SUMMARY**

This working paper gives highlights on the status of air transport liberalization in Africa and anticipated traffic growth which calls for infrastructural and system development and upgrades to cope up with the growth.

The working paper provides information on outcomes of the various meetings and their respective Action Plans in resolving existing infrastructural constraints.

The Working Paper also addresses developments observed in economic regulation of airports and air navigation services by giving more emphasis to the challenges being faced by African Airlines from excessive taxation, the spread of interchangeability of taxes in the form of charges, which are all detrimental to the sustainable development of international air transport.

***Action required by the Plenary:*** paragraph 4 of the WP and adopt the attached draft Resolution.

**References:**

- Reports of the 14th AFCAC Air Transport Committee meeting and the 26th Extraordinary Plenary Session;(Gaborone, Botswana, 07-08 November 2016);
- AFCAC WP/150 Presented to ICAO Assembly 39 "Economics of Airports and Air Navigation Services — Policy";
- Resolution A39-15: Consolidated statement of continuing ICAO policies in the air transport field ICAO, Montréal, 27 September—6 October 2016
- Outcomes of the 2<sup>nd</sup> ICAO meeting on "Sustainable Development of Air Transport in Africa, 28-31 March 2017, Accra, Ghana;
- World Aviation Forum (IWAF/3) Declaration and Plan of Action (2017 – 2020) for Aviation Infrastructure Development in Africa, 20 to 22 November 2017 in Abuja, Nigeria;
- Report and draft Action Plan of the African Aviation Collaborative Stakeholders', African Development Bank, 6 and 7 March 2018, Abidjan;
- Joint Action Plan of the AUC on civil aviation and SAATM (2018-2019);
- Global Aviation Safety Plan (GASP) and the Global Air Navigation Plan (GANP)
- AU-Agenda 2063 and its Flag ship Projects;

## 1. INTRODUCTION

- 1.1. Air transport development in Africa has been growing with promising trends. It is expected to grow as a result of economic and social developments of member States, at Continental and Global levels. Air transport has received the highest political commitment of the Heads of State and Government of the African Union (AU) with the establishment of Continental targets on safety and security, liberalization of intra African air transport, launching of a Single African Air Transport Market (SAATM), adoption of Decisions towards free movement of people, which started with ease of visa requirements, launching of the Continental Free Trade Area, etc. as part of the Aspirational Goals of AU Agenda 2063.
- 1.2. Furthermore, the International Civil Aviation Organization (ICAO) facilitated two consecutive events in 2017 on "**Sustainable Development of Air Transport in Africa**" in Accra, Ghana and "**Infrastructure Development in Africa**" along with Declaration and Plan of Action (2017 – 2020) (IWAF/3) in Abuja, Nigeria.
- 1.3. There are several Continental and regional initiatives and plans in terms of air transport and infrastructure development in Africa, including the development of a Continental Aviation Infrastructure Master Plan spearheaded by the African Development Bank Group and at RECs level in ECOWAS, EAC, and COMESA, to mention few.

## 2. DISCUSSION

- 2.1. Various studies indicate that, economic development and more specifically, development of the Intra-African trade are key drivers for air traffic growth in Africa. African States' economies and GDPs are expected to grow above world average in the next years. Economic prospects for the African States are promising: GDP is expected to grow above world average and African population is expected to increase by more than 50% in the upcoming decades. In general terms, African economies have grown faster than the world average during the last 20 years and expectations are for continuous growth in the short - and mid-term.
- 2.2. Air transport requires safe and secure systems in place and adequate infrastructure to support its operations, both at airport and air navigation services facilities and systems. In most parts of Africa, air transport infrastructure still requires investments and developments in order to exploit the potential of air transport.
- 2.3. The AUC and AFCAC, being cognizant of challenges faced by member States in the effective implementation of ICAO-SARPs, called upon the collaborative and harmonized plan of actions with ICAO, NEPAD, AfDB and other Partners.
- 2.4. The main challenges for infrastructure development are to timely identify and overcome capacity and operational constraints, which require the development of realistic expansion or modernization plans taking into account the expected traffic growth and meeting international SARPs, Manuals and Regional Plans such as PIRGs' Recommendations.
- 2.5. However, concerns remain high since such infrastructural developments do not take into account the required consultation with users, which should be conducted with all service providers to avoid

exorbitant prices for their services including passenger service charges, which are often neither transparent nor related to the services being provided.

### **3. CONCLUSION**

- 3.1. There is a need to consider development of airport and air navigation services enhancement to cope up with the growth of global air transport in general and in Africa arising from the liberalization of air transport and the implementation of the flagship projects of the AU-Agenda 2063.
- 3.2. It is becoming more apparent that, there are compelling needs to harmonize the numerous initiatives and Plans of Actions spearheaded by the various Stakeholders and Partners in Africa.
- 3.3. Attaining Global average on effective implementation of international standards and achieving Continental Targets on Safety and Security remains a challenge in Africa.
- 3.4. Aeronautical charges in some States are imposed without considering the guidance of ICAO Policies, including the principle of consultation with stakeholders, thus posing a challenge to the growth and sustainable development of air transport in general and to African airlines in particular.

### **4. Required action**

The Plenary is invited to:

- a) Encourage the AUC and the strategic Partners to speed up the development of Continental strategies, master plan development for civil aviation Infrastructure and means to mobilize resources;
- b) Request the AUC in close collaboration with ICAO and RECs, harmonize the various initiatives and Plans of infrastructural developments and establishment of Joint ATM/CNS projects;
- c) Request the AUC and ICAO to speed up the "targeted project" to support SAATM States on enhancement of Effective Implementation (EI) of ICAO SARPs lower than 60% and expand it to cover all member States in accordance with the Abuja and Windhoek targets on safety and security respectively;
- d) Direct the Secretariat of AFCAC in close collaboration with ICAO and Partners to continue sensitizing Member States through regional seminars and workshops, on ICAO's policies on economic regulations of airport , air navigation services and on charges;
- e) Urge Member States to ensure that airport and air navigation services charges are applied towards defraying the costs of providing facilities and services for civil aviation;
- f) Urge Member States to adopt ICAO's policies on user charges, including consultation with users on planned infrastructural developments;
- g) Urge States to appreciate the adverse effect of exorbitant taxes on international air transport and the need to comply with ICAO's guidelines and policies on taxation of air transportation;
- h) Request Member States to enhance the effective implementation of SARPS and Abuja and Windhoek targets on safety and security respectively;
- i) Urge AFCAC Secretariat to review the Common African Civil Aviation Policy (AFCAP) to cater for new developments at International and Continental levels ; and
- j) Urge Member States to give due regard in their regulatory functions to the policies and guidance material developed by ICAO on economic regulation of international air transport, and domesticate the Common African Civil Aviation Policy (AFCAP) .



## ATTACHMENTS WP/03/A

### DRAFT RESOLUTION ON THE SUSTAINABLE AIR TRANSPORT DEVELOPMENT IN AFRICA

#### *The Plenary,*

**Recognizing**, the significant role air transport is playing in the economic and social development, and in the expansion of trade and international travel;

**Noting**, the status of air transport liberalization in Africa and the anticipated traffic growth which calls for infrastructural and system development and upgrades to cope up with the growth;

**Mindful of the ICAO**, "No Country Left Behind" initiative to promote safety, air navigation capacity and efficiency, security and facilitation, economic development of air transport and environmental protection;

**Recognizing**, that air transport, despite its significant role in the geographical and economic integration of the continent and the realization of AU-Agenda 2063, still receives less priority with limited funds from Governments for infrastructure and systems development of civil aviation;

**Cognizant of**, States responsibilities to comply with ICAO Standards and Recommended Practices (SARPs) and relevant Manuals in the provision of airports and air navigation facilities and services;

**Mindful of** States challenges to attain Global effective implementation of SARPs and Continental targets on Safety and Security, and their adverse impact on sustainability of international air transport;

**Noting further**, that States are expected to comply with Article 15 of the Chicago Convention and follow the provisions of ICAO's Policies on Charges for Airports and Air Navigation Services;

**Mindful that**, ICAO's Policies on Taxation in the Field of International Air Transport should be applied by States and the conceptual distinction between "charge" and "tax", and high taxes are still being imposed interchangeably in the form of charges or disguised as service charges by some member States;

**Noting**, the prevalence of monopoly of service providers, especially in the provision of fuel, ground handling, catering services, etc., in some States where there is no economic regulation and oversight;

**Concerned by**, the practice of imposing unjustified aeronautical charges arising from failure to take into consideration ICAO's policies and guidance on airports and air navigation service charges thus resulting in higher costs to airline operators and ultimately to the end users in Africa;

**Concerned that** some service providers often charge exorbitant prices for their services and Passenger service charges which are often neither transparent nor related to the services being provided are affecting air transport services and users on the Continent;

***Noting with Concern***, in some States, charges are imposed without considering the guidance of ICAO's Policies, including the principle of consultation with stakeholders, thus posing a challenge to the growth and sustainable development of air transport in general and to airlines in particular.

***Resolves, that:***

- a) The AUC and strategic Partners should speed up the development of Continental strategies on enhancement of safety and security , master plan development for civil aviation Infrastructure and means to mobilize resources among Member States, Regional Economic Communities, financial institutions and the private sector;
- b) The AUC and AFCAC to work with the Regional Economic Communities and Partners to ensure that the various initiatives in the Continent are coordinated and harmonized to avoid duplication of efforts and enhance optimization of resources;
- c) Member States should give due regard to the enhancement of effective implementation of SARPs and Continental Targets on safety and security ;
- d) Member States should comply with ICAO's Policies on Taxation in the Field of International Air Transport, and avoid double taxation;
- e) Member States should ensure that airport and air navigation services charges are applied towards defraying the costs of providing facilities and services for civil aviation;
- f) AFCAC in collaboration with the AUC, RECs, AFRAA, ICAO and Partners should accelerate the awareness of, and implementation by, Member States and their airports and air navigation services providers of ICAO Policies and Manuals on air transport user charges, Taxation, and economic oversight of international air transport; and
- g) AFCAC should expedite review of the Common African Civil Aviation Policy (AFCAP) to cater for new developments at International and Continental levels and provide awareness program.