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# **AVIATION BENEFITS AND ICAO'S ROLE IN ECONOMIC DEVELOPMENT OF AIR TRANSPORT**

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# AVIATION BENEFITS





## THE BENEFITS OF AVIATION

**The Air Transport Industry has become:**

**A catalyst for economic development**

**A vital engine of global socio-economic growth**

**One of the greatest contributors to the advancement of modern Society**

**Place Aviation at the centre of their National Development**



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## THE ROLE OF THE AIR TRANSPORT INDUSTRY:

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- 1** • Creates direct and indirect employment
- 2** • Supports tourism and local businesses
- 3** • Stimulates foreign investment and international trade



## THE ROLE OF THE AIR TRANSPORT INDUSTRY:

- 4 • **Contributes to sustainable development**
- 5 • **Helps improve living Standards and alleviate poverty**
- 6 • **Supports small and remote communities**
- 7 • **Facilitates the delivery of emergency and humanitarian aid relief**



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## Aviation creates access to global market and remote areas



Aviation creates cost-effective access to global markets worldwide and destinations to small and rural communities



Aviation currently moves over 80 per cent of tourists to Small Island Development States (SIDs)



70% of firms consider air services to be critical for business travel (Source: ATAG, "The Economic & Social benefits of air transport " 2014)



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## Air Transport Supports the UN Sustainable Development Goals (SDGs)





## Air Transport Supports the UN Sustainable Development Goals (SDGs)

**SDG GOAL 8**

**8** DECENT WORK AND ECONOMIC GROWTH



**Target 8.9** - *Devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products*

**SDG GOAL 9**

**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE



**Target 9.1** - *Develop quality, reliable, sustainable and resilient infrastructure with a focus on affordable and equitable access for all*





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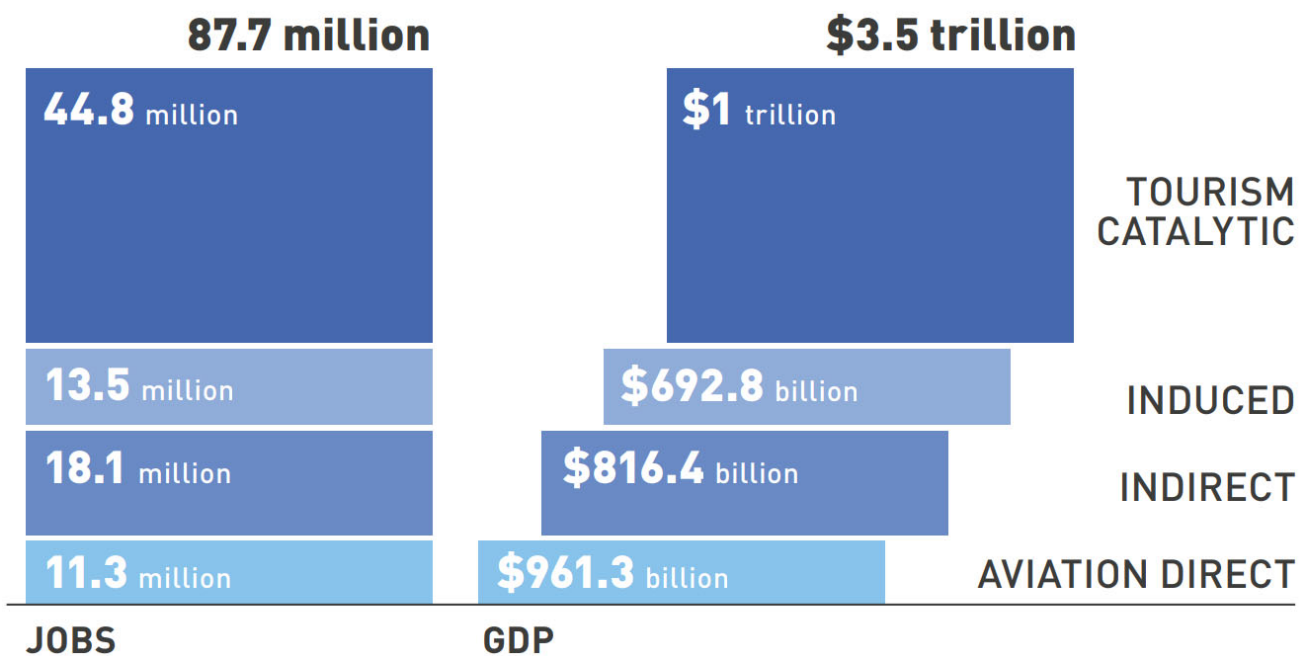


## ECONOMIC BENEFITS - OVERVIEW





## Aviation's global employment and GDP impact

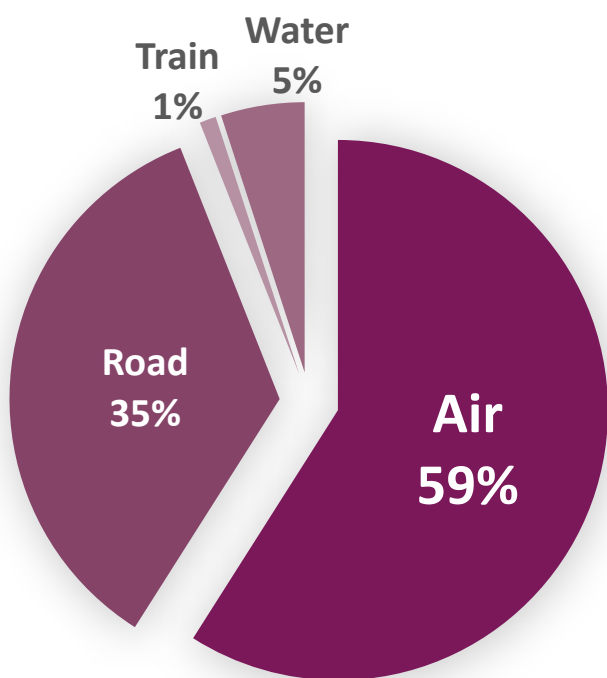


\*Based on the simulation that the "normal world: pre-pandemic" situation will return.

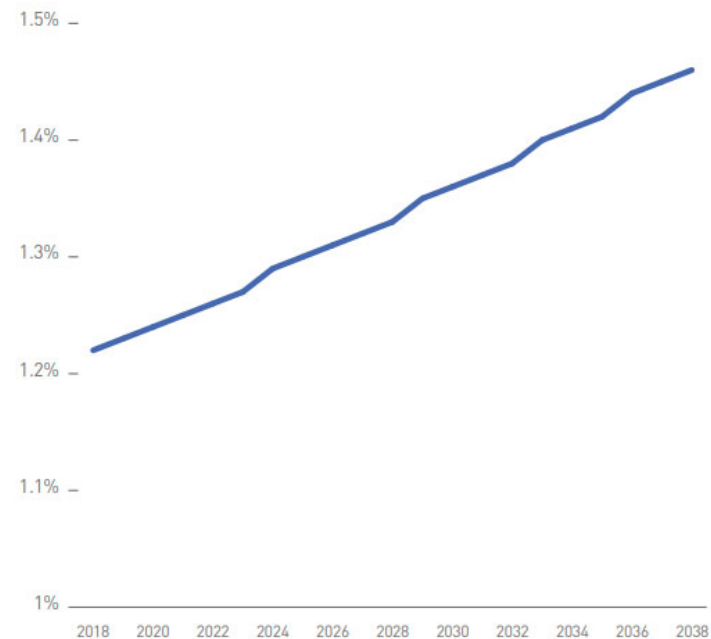


## Aviation supports tourism

**Inbound tourism by mode of transport**



**Projected growth in tourism facilitated by aviation, contribution to global GDP, 2018-2038**



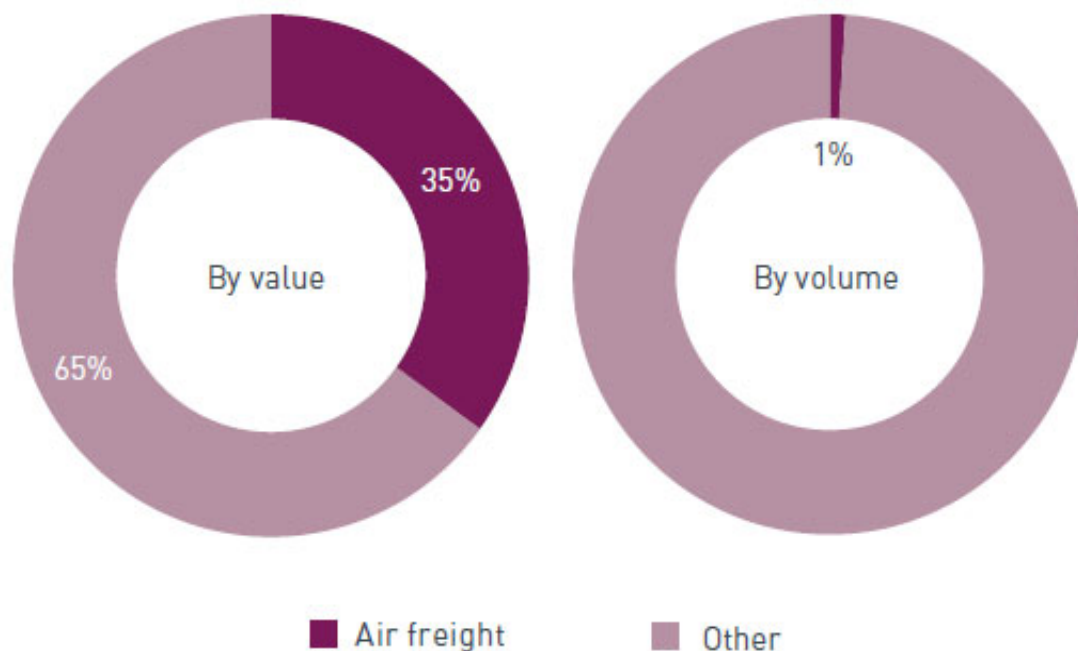
**This has been impacted by the COVID-19**

**More than half of the international inbound tourists arrived by air**

Source: Inbound tourism by mode of transport, 2019, UNWTO / Aviation Benefits Beyond Borders, 2020, ATAG



## Driver of Trade and E-commerce



**\$6.5 TRILLION**  
worth of cargo handled  
by air in 2019

**59 MILLION**  
tonnes of freight handled  
by air in 2019



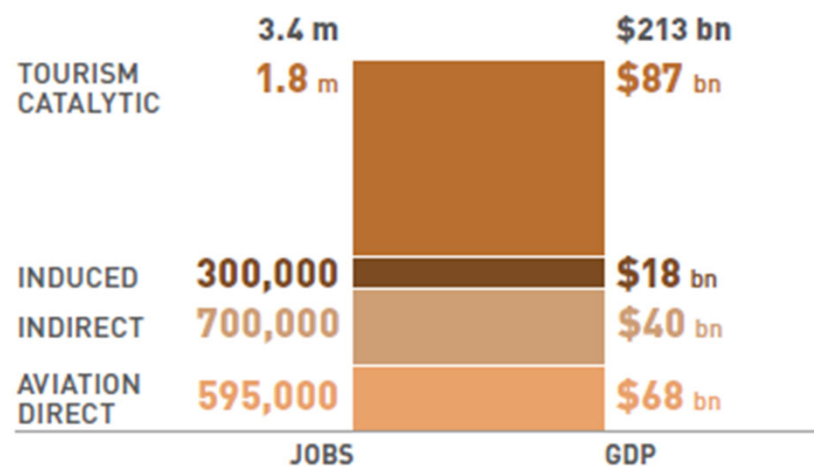
## Economic Impact of Aviation in Middle East

### Middle East

#### Air transport supports:

- ❖ 3.4 million jobs
- ❖ \$213 billion in GDP

Total jobs and GDP generated by air transport in the Middle East, 2018.





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# THE ROLE OF ICAO



# THE CHICAGO CONVENTION



Doc 7300/9



**Convention on  
International Civil Aviation**

**Convention relative à  
l'aviation civile internationale**

**Convenio sobre  
Aviación Civil Internacional**

**Конвенция о международной  
гражданской авиации**

This document supersedes Doc 7300/8.  
Le présent document annule et remplace le Doc 7300/8.  
Este documento reemplaza el Doc 7300/8.  
Настоящий документ заменяет Doc 7300/8.

Ninth Edition - Neuvième édition - Novena edición - Издание девятое — 2006

International Civil Aviation Organization  
Organisation de l'aviation civile internationale  
Organización de Aviación Civil Internacional  
Международная организация гражданской авиации

## Preamble

**THEREFORE, the undersigned governments having agreed on certain principles and arrangements in order that international civil aviation may be developed in a safe and orderly manner and that international air transport services may be establish on the basis of equality of opportunity and operated soundly and economically**

## Article 44

**d) Meet the needs of the peoples of the world for safe, regular, efficient and economical air transport.**



## ICAO's Responsibilities



**Develops policies, Standards and Recommended Practices (SARPs), and guidance**



**Produces global plans to coordinate multilateral strategic progress**

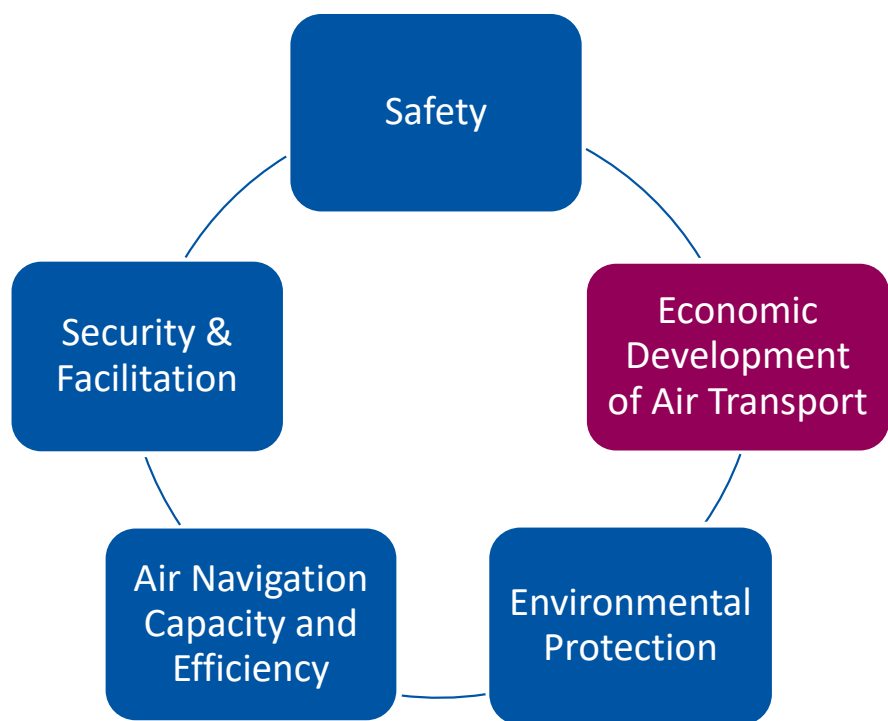


**Coordinates assistance and capacity building for States**



**Audits States' civil aviation oversight capabilities**





## ICAO's Strategic Objective *Economic Development of Air Transport*

**Foster the development of a sound and economically-viable civil aviation system and enhance its economic efficiency and transparency**



## The Role of ICAO in the Economic Development of Air Transport

Providing the required Leadership





## The Role of ICAO in the Economic Development of Air Transport

Harmonized global vision for regulatory framework



**ICAO Long-Term Vision  
for International Air  
Transport Liberalization**

*“We, the Member States of the International Civil Aviation Organization, resolve to actively pursue the continuous liberalization of international air transport to the benefit of all stakeholders and the economy at large”*



## The Role of ICAO in the Economic Development of Air Transport

Harmonizing global regulatory framework by developing policies and guidance materials

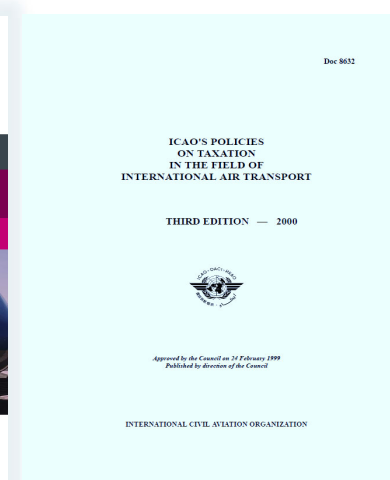
Policies and guidance  
on economic regulation  
of air transport and  
taxation



Doc 9587



Doc 9626



Doc 8632



## The Role of ICAO in the Economic Development of Air Transport

Harmonizing global regulatory framework by developing policies and guidance materials

Policies on user charges and guidance on airport and air navigation services economics



Doc 9082



Doc 9562

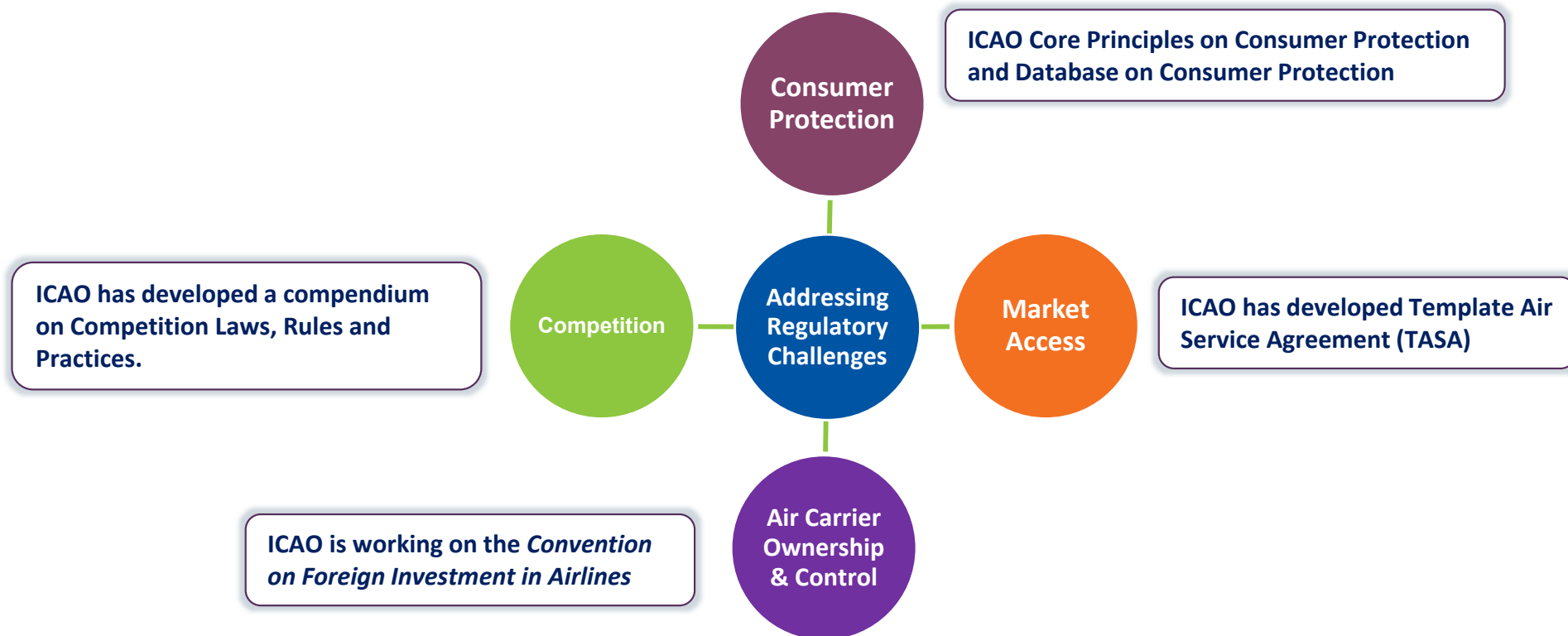


Doc 9161



## The Role of ICAO in Economic Development of Air Transport

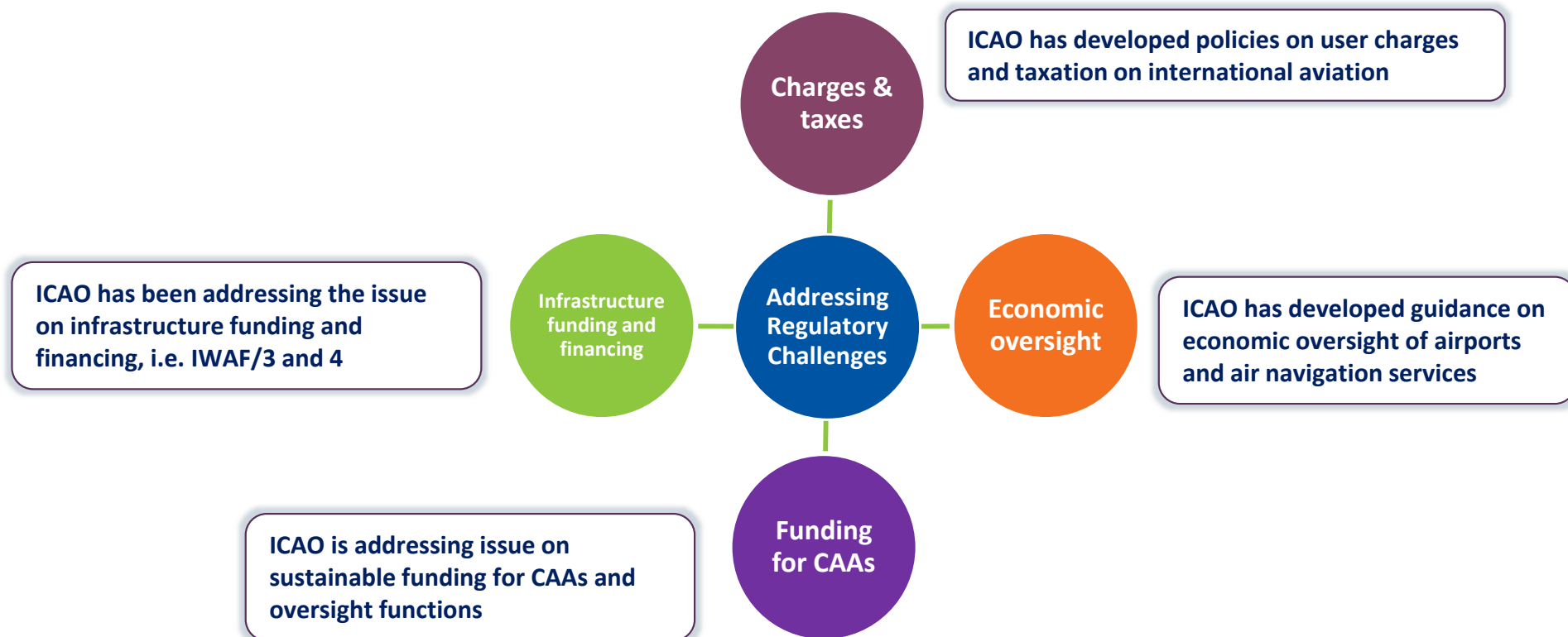
### Assisting States in Addressing Regulatory Challenges





## The Role of ICAO in Economic Development of Air Transport

### Assisting States in Addressing Regulatory and Infrastructure Challenges



## The Role of ICAO in Economic Development of Air Transport

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Enhancing transparency of States' regulatory practices through dissemination and exchange of information

WASA

Compendia  
on  
Competition,  
Consumer  
Protection,  
etc

Case studies  
on  
privatization  
and  
economic  
oversight

Tariffs on  
airports and  
air  
navigation  
services

Surveys and  
Data Sharing





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## CONCLUSION





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## ICAO's Role in Economic Development of Air Transport

### ICAO's Role

- Maximize the benefits of aviation for socio-economic development
- Harmonize global regulatory framework
- Support liberalization of international air transport
- Sustainable funding and financing for aviation infrastructure
- Sharing information and best practices
- Collaboration with States and all aviation stakeholders



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## Questions

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**THANK YOU**