



International Civil Aviation Organization

**WORKING PAPER**

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**ASSEMBLY — 39TH SESSION**

**ECONOMIC COMMISSION**

**Agenda Item 39: Economic Regulation of International Air Transport — Policy**

**AIR TRANSPORT LIBERALIZATION IN AFRICA**

(Presented by 54 Contracting States<sup>2</sup>, Members of the African Civil Aviation Commission (AFCAC))

**REVISION NO. 1**

**EXECUTIVE SUMMARY**

This Working Paper presents the efforts being made on the liberalization of air transport in Africa through the Yamoussoukro Decision (YD) towards the establishment of a Single African Air Transport Market by 2017 and seeks support and collaboration for the full implementation of the YD in the spirit of “*No Country Left Behind initiative*” of ICAO.

**Action:** The Assembly is invited to:

- a) note the efforts on the liberalization of air transport in Africa;
- b) to request the Council to continue its collaboration in facilitating Regional Workshops; and
- c) to seek the collaboration of partners and financial institutions under the ICAO No Country Left Behind initiative in capacity building to meet the needs of a liberalized single air transport market in Africa.

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| <i>Strategic Objectives:</i>   | This working paper relates to Strategic Objective D — <i>Economic development of air transport</i>   |
| <i>Financial implications:</i> | The activities referred herein will be undertaken through the resources available in 2017–2020 Regular Programme budget and /or from extra budgetary contributions.  |
| <i>References:</i>             | Constitution of the African Civil Aviation Commission<br>Assembly Resolution A38-14, Appendix D<br>Report of the Conference of AU Heads of State and Government, Accra, Ghana, 29 June 2007.<br>AU Declaration on the establishment of a single Air Transport Market in Africa DOC.EXCI/871(Xxvi). |

<sup>1</sup> English and French versions provided by AFCAC.

<sup>2</sup> Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Ivory Coast, Democratic Republic of the Congo, Djibouti, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, South Sudan, Sudan, Swaziland, Togo, Tunisia, Uganda, United Republic of Tanzania, Zambia and Zimbabwe.



## 1. INTRODUCTION

1.1 Air transport has become a catalyst for economic development and a vital engine of global socio-economic growth. Air transport opens and connects markets, facilitates trade, enables industries to link into global supply chains. It plays a pivotal role in just-in-time global manufacturing production as well as in speeding the transportation of perishable produce from agricultural communities to global markets.

1.2 Air connectivity has become an important value chain that stimulates air transport and economic development. Enhanced air connectivity therefore helps to raise productivity, encourages investment and innovation; improves business operations and efficiency. Air connectivity and infrastructural development have been identified by the International Civil Aviation Organization (ICAO) as means of contributing to the achievement of the United Nation Sustainable Development Goals 8 and 9 of providing employment and promoting economic growth.

1.3 Air transport has actually become the most preferred mode of transport for international tourism as convenient air service facilitates tourism in a region or country.

1.4 Achieving sustainable economic development in Africa is highly dependent on the development of air transport and enhancement of air connectivity with the continent. While many air transport markets between Africa and outside of Africa have been liberalized to a significant extent, most intra-African air transport markets remain largely closed due to restrictive Bilateral Air Services Agreements (BASAs). This has affected air connectivity within Africa and has limited the potential of air transport as an engine of economic growth and development.

1.5 Recognizing that these restrictive BASAs were limiting growth and air connectivity in the region, African States adopted the Yamoussoukro Decision (YD) in 1999 with the aim of promoting the liberalization of access to air transport markets within Africa.

## 2. DISCUSSION

2.1 The process of liberalization of air transport in Africa through the effective implementation of the YD has in the past been slow due to lack of effective legal, economic and institutional framework for the YD, lack of political will from States resulting among other things in the protection of national airlines, restrictive visa regimes, customs and excise regimes, and excessive taxes among other factors.

2.2 In an effort to surmount these challenges and actualize a liberalized air transport market in Africa, the African Civil Aviation Commission (AFCAC) was entrusted with the responsibility of the Executing Agency of the YD.

2.3 Currently all the Regulatory Instruments required for the full realization of the YD including Competition Rules, Consumer Protection, Dispute Settlement Mechanism are in place. The long awaited Institutional Framework of the Executing Agency has been legalized and has the full backing of African Heads of State.

2.4 In order to advance the concrete implementation of the flag ship project of the African Union (AU) Agenda 2063 on the creation of a Single African Air Transport Market (SAATM) through

the YD by 2017, 14 African States have committed themselves to the expeditious implementation of the Single African Air Transport Market and more States are in the process of filing their Solemn Commitments with the African Union Commission (AUC).

2.5 Collaboration and cooperation with all the stakeholders are being reinforced in all areas especially with respect to the promotion of the YD, creation of awareness programs on the elimination of restrictive non-physical barriers to movement of people and goods (including visa restrictions and customs and excise regimes), poor airport infrastructure, inadequate transit facilities, high operating costs, safety and security.

2.6 Allied to the SAATM is the need to facilitate the movement of people and goods on the Continent. The AU aspiration on the Free Movement of people across the continent as set out in the Agenda 2063, calls for leaders to introduce an African Passport and the abolishment of visa requirements for all African Citizens in all African countries by 2018. Currently, the majority of Regional Economic Communities (RECs) have started to allow free movement of people within their regions and some RECs now issue a Uni-Visa for any visitor to that region. A number of African States issue visa at port of arrival to African citizens.

2.7 In its collaborative efforts to support air transport development in Africa, ICAO organized two regional conferences in the region: (i) the meeting on Air Cargo Development in Africa, held in Lomé, Togo, in August 2014; and (ii) the meeting on Sustainable Development of Air Transport in Africa, held in Antananarivo, Madagascar, in March 2015. The two meetings came up with recommendations to facilitate the growth of air transport, including the air cargo business, as well as support the implementation of the YD.

2.8 All African States are being continually urged to harmonize their Policies and Regulations with the Common African Civil Aviation Policy (AFCAP) to ensure complementarity and uniformity on issues pertaining not only to Safety and Security, but also to the Sustainable Development of Air Transport in Africa.

2.9 AFCAC has prepared a capacity building program for African experts required for the operationalization of the Single African Air Transport Market through the effective implementation of the YD both at the Regional Economic Communities and Executing Agency levels.

2.10 The objective of this program is to seek collaboration to meet the needs of a liberalized single aviation market in Africa in the sphere of economic regulation and the application of consumer and competition regulations and dispute settlement mechanism.

2.11 Further collaboration will also be required in the facilitation of more Regional Workshops and Seminars on air transport liberalization in accordance with ICAO Resolution A38-14.

### **3. CONCLUSION**

3.1 An effective air transport system is a major catalyst for sustainable economic growth and development. It is an essential component for regional integration in addition to ensuring the active and viable participation of States in international air transport.

3.2 In this regard, the full liberalization of air transport in Africa requires the support, commitment and collaboration of all industry stakeholders.

#### 4. **ACTION**

4.1 Thus, the Assembly is invited to note the efforts on the liberalization of air transport markets in Africa and to consider the recommendations made in the Executive Summary of this Working Paper.

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