



Keynote Address by
H.E. Dr. Amani Abou-Zeid,
Commissioner for Infrastructure and Energy

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Association (AFRAA)
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Honourable Minister of Transport of Angola

President of AFRAA

Secretary General of AFRAA

Director General and CEO of IATA;

Regional Director of ICAO

Secretary General of AFCAC

CEOs of African Airlines;

All Protocol observed

First of all I wish to thank you for inviting AUC to deliver a keynote address during this 52nd AFRAA Annual General Assembly whose theme is “ Redefining Air Transport for a New Era.”. On behalf of the Chairperson of African Union Commission (AUC) and my own behalf, I wish to congratulate and thank AFRAA Secretariat and the Government of Angola for successfully organizing this General Assembly.

Distinguished participants, in 2015, the Assembly of Heads of State and Government of the AU adopted the Declaration (Assembly Doc./Au/Decl.1 (XXIV)) on the creation of a Single African Air Transport Market and launched it later on 29 January, 2018. SAATM is among the 12 flagship projects of the African Union (AU) Agenda

2063. Its main objective is to create one single air transport market in Africa, liberalize air transport services and drive economic integration. As a flagship project of AU Agenda 2063, the SAATM strongly supports the Continental Free Trade Agreement and Free Movement of Persons.

Currently, 34 States with a total population of more than 800 million people, accounting for 61% of the population on the African continent and 89% of intra-African air transport market, are Solemnly Committed and have opened up their markets to each other unconditionally and the potentials are even higher to capture additional millions of passengers within the SAATM group of States.

A prioritised Action Plan for operationalization of SAATM was adopted in Abidjan, Cote d'Ivoire on the 7th March 2018 and is updated each year by all our key partners including AFRAA, IATA, ICAO, with overall coordination by our SAATM Executing Agency, AFCAC. The main pillars of the Action Plan include Advocacy for all Member States to join the market, harmonisation of air services agreement between States, resources mobilisation and strengthening of the Executing Agency (AFCAC), finalisation of the Regulatory Instruments of the SAATM, Aviation infrastructure, Safety & Security and Aviation financing.

As you all now, the COVID-19 pandemic has had a detrimental effect to the African Civil Aviation industry and has particularly delayed our continental efforts to develop the sector including the operationalization of the SAATM. It is projected that African airports will experience revenue loss of 51% for the year 2020 due to restrictions introduced on aviation activities, with the loss estimated at USD 2.2 billion as per analysis released by Airports Council International. Revenue losses are currently estimated to be over USD \$8 billion for African airlines according to ICAO Economic Impact Analysis report. Furthermore, cash liquidity challenges and fluctuations in foreign currencies have resulted in job losses to African Airlines, Airports and other strategic institutions and pillars that drive air transport's contributions to the African economy.

The Department of Infrastructure and Energy through its organs and Specialized Agency, African Civil Aviation Commission (AFCAC), has taken initiatives and interventions in collaboration with other stakeholders such as ICAO, WHO and other entities to prevent the spread of COVID-19 and position the aviation sector on a new path to restart, recovery and sustainability. In this regard the High-Level Task Force (HLTF) under the coordination of the African Civil Aviation Commission (AFCAC) has developed recommendations

and measures which are aligned to the ICAO Council Aviation Recovery Task Force (CART) report and its guidance towards a seamless restart and recovery of aviation in Africa. The restart and recovery strategies have been shared to all Member States and are now being implemented with coordination by AFCAC and African Directors of Civil Aviation Authorities.

The role of the African Airlines and AFRAA in the important stages of operationalization of SAATM cannot be over emphasized. It is important that all African Member States join the SAATM and remove the restrictions in terms of capacity, frequency and granting of traffic rights. However, this will not be possible without the involvement of the African Airlines especially with regard to improving connectivity and creating a safe, secure and affordable air transport industry in Africa.

The African Union Commission will continue to mobilize all the required resources to undertake its important role of advocacy for more member States to join and enjoy the benefits of SAATM. The operationalization of SAATM remains our priority in the post COVID-19 recovery. AUC has currently initiated a continental study on the benefits of full liberalization of air transport services through the implementation of SAATM and this will be an important tool to

convince more Member States to join and also to formulate policy recommendations that can be submitted to our Member States for further adoption by the AU Summit.

AUC is as well committed to coordinate on-going efforts by AFCAC, AFRAA and IATA to standardize the taxes, fees, and charges levied on airline operations by establishing continental experts working groups that will come up with recommendations for consideration and adoption by our Member States.

Distinguished participants, this 51st Annual General Assembly should provide an opportunity to clearly identify all the challenges faced by African Airlines not only to re-open operations and recover from COVID-19 pandemic but to also reposition the African aviation industry on a new path towards sustainability. For example it is high time that the Airlines cooperation in its various forms be given priority in AFRAA's priorities for 2021 and onward, in order to establish stronger and more efficient Airlines with business models that will allow them compete internationally and improve Africa's air traffic market share which is currently very low at less than 3%. I wish to reiterate AUC commitment to support your proposals in this

regard and to undertake the necessary advocacy to AU Policy Organs and the African Governments.

You are all aware that the forecast for growth in air transport in Africa has been among the top worldwide (5% annual traffic growth) as per the situation before COVI-19 Pandemic. This has tremendous potential for growth and socio-economic development. The full operationalization of the Single African Air Transport Market, supported by appropriate infrastructure and regulatory framework will offer a great opportunity for African airlines to improve connectivity between African countries, increase routes and flights between the various capital cities of Africa and also reduce the cost of air travel.

I wish to end by once again thanking AFRAA for successfully organizing this General Assembly. I wish to reiterate our commitment to establish important dialogue between African Airlines and the African Member States in order to implement the recommendations that will result from your discussions.

I wish you fruitful deliberations

Thank you