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**REPORT OF THE CHAIRPERSON OF THE COMMISSION ON
IMPLEMENTATION OF THE ASSEMBLY DECLARATION
ASSEMBLY/AU/DECL.1(XXIV) AND THE SOLEMN COMMITMENT
[(ASSEMBLY/AU/COMMITMENT(XXIV)] ON THE SINGLE AFRICAN
AIR TRANSPORT MARKET (SAATM)**

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OF THE ASSEMBLY DECLARATION ASSEMBLY/AU/DECL.1(XXIV) AND THE
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AFRICAN AIR TRANSPORT MARKET (SAATM)**

A. Background

1. During the commemoration of the fiftieth anniversary of the OAU / AU held in 2013 in Addis Ababa, Ethiopia, 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. During this occasion, the African Union (AU) Agenda 2063 was elaborated in which some flagship projects were included based on their high potential for changing the face of Africa substantively in that duration. Among these projects is the creation of a single African air transport market **[Ex.CI/Dec.821 (XXV)]**, placing the implementation of the 1999 Yamoussoukro Decision on the liberalisation of air transport market in Africa (YD) in the context of the AU Agenda 2063.

2. During the 24th Ordinary Session of the AU Assembly held on 30th – 31st January 2015 in Addis Ababa, Ethiopia, the Heads of States and Government (HoSG) adopted a Declaration on the Establishment of a Single African Air Transport Market **[Assembly/AU/Decl.1(XXIV)]**. The Declaration calls, inter alia, for the establishment of a Single African Air Transport Market by 2017. The HoSG, henceforth, adopted a Solemn Commitment for the implementation of the Yamoussoukro Decision towards the establishment of a Single Air Transport Market by 2017 **[Assembly /AUC/Commitment/XXIV)]** and encouraged Member States that were willing and ready to thereby declare their Solemn Commitment to the undertaking.

3. Eleven (11) Champion Member States namely: Benin, Cape Verde, Congo, Cote d'Ivoire, Egypt, Ethiopia, Kenya, Nigeria, Rwanda, South Africa and Zimbabwe declared their solemn commitment to immediate and full implementation of the Yamoussoukro Decision towards the establishment of a Single African Air Transport Market by 2017. These Member States were constituted into a working group at Ministerial Level in order to oversee the expeditious accomplishment of its ultimate goal. The group was left open for those States intending to join later. The African Civil Aviation Commission (AFCAC) which is already the designated Executing Agency of the Yamoussoukro Decision had the same role extended to include establishment of Single African Air Transport Market.

4. The Ministerial Working Group held its first meeting on 17 April 2015, where it elected its bureau with the Republic of South Africa as Chairperson, Congo as First Vice-Chairperson, Egypt as Second Vice-Chairperson and Rwanda as Rapporteur. Also, the working group adopted its key functions as follows: (i) following up implementation progress of its Road Map activities, (ii) providing guidance to the AUC, RECs and other actors facilitating implementation of the Road Map, and (iii)

spearheading the advocacy campaign to urge the rest of the Member States to join the single market.

5. The Work of the Ministerial Working Group is supported by air transport sector experts from the countries subscribed to the Solemn Commitment. Also, a Monitoring Committee of Ambassadors and Permanent Representatives of the Member States to the African Union was formally established to ensure close monitoring and facilitation of the process and act as an effective link between the Commission and the concerned Member States.

6. The Ministerial Working Group has since 2015, adopted its Rules of Procedure and developed a Roadmap of specific activities for implementation of both the YD and the realisation of the single market with clear timelines. This report gives the progress made in the implementation of actions therein in the Assembly Declaration [Assembly/AU/Decl.1(XXIV)], the Activity Road Map and measures taken towards launching of the single market during this Summit session (January 2018).

B. Meetings of the Ministerial Working Group and Advocacy for the Single African Air Transport Market (SAATM):

7. The Ministerial Working Group held three ordinary meetings at the Headquarters of the African Union in Addis Ababa, Ethiopia and a side meeting in Lomé, Togo alongside the First Meeting of the Specialised Technical Committee on Transport, Transcontinental and Interregional Infrastructure, Energy and Tourism (STC-TTIIET). These meetings focused on reviewing progress made in the implementation of the activity road map of the Working Group. The Regional Economic Communities (RECs) and the following specialised institutions and partners were invited and attended the Ministerial Working Group meetings: the African Civil Aviation Commission (AFCAC), African Airlines Association (AFRAA), United Nation's Economic Commission for Africa (UNECA), African Development Bank (AfDB), International Civil Aviation Organisation (ICAO), International Air Transport Association (IATA) and the European Union.

8. The Ministerial Working Group, the Commission and the Specialised Institutions have each collectively and/or separately undertaken advocacy activities for the Single African Air Transport Market (SAATM) to encourage more Member States to subscribe to the solemn commitment. In that regard, in February 2015, the Chairperson of the Commission wrote letters to all Heads of States and Government, informing them of the Assembly Declaration and Solemn Commitment to the full implementation of the Yamoussoukro Decision towards establishment of a Single African Air Transport Market and urging them to bring their countries join the market. Also, the Ministers attending the first meeting of the STC-TTIIET in Lomé, Togo urged all Member States to join the single market.

9. Despite the vast number of countries that signed the Yamoussoukro Decision in 1999, (forty-four), only twenty-three (23) Member States have so far subscribed to the

solemn commitment; namely: Benin, Burkina Faso, Botswana, Cape Verde, Congo, Côte d'Ivoire, Egypt, Ethiopia, Gabon, Ghana, Guinea, Kenya, Liberia, Mali, Mozambique, Niger, Nigeria, Rwanda, Sierra Leone, South Africa, Swaziland, Togo and Zimbabwe.

C. Essential Measures to Operationalise the SAATM

10. In order to make good the Solemn Commitment declared by the concerned States, the Commission communicated to each State, specific measures that have to be implemented to operationalise the single air transport market. Among the measures, each State is required to officially inform the other States and publish a notification in the government gazette or other recognised channel, that they are committed to the immediate implementation of the Yamoussoukro Decision under the terms of the Declaration of Solemn Commitment. As more States are joining, the process is ongoing.

11. In the same vein, the States are required to abolish any provisions in their Bilateral Air Services Agreement (BASAs) for intra-African air services that are contrary to the provisions of the Yamoussoukro Decision. As the market goes into operation, Member States and the industry expect that the intra-African market will operate without the need for bilateral air service agreements between member States. To enhance the objectives of the AU agenda 2063 towards Boosting Intra-Africa Trade (BIAT) and fast tracking of the Continental Free Trade Area (CFTA) in relation to the air transport, Member States are encouraged to go beyond the market access provisions of the Yamoussoukro Decision in order to accelerate the attainment of the objectives of the SAATM.

12. The only requirement for an airline to operate in a Single African Air Transport Market is for the airline to meet the airline eligibility criteria provided for in the Yamoussoukro Decision. In that regard, the States need to harmonise their regulations on licensing and authorisation of airlines in order to ensure the same level of safety and security oversight for the authorised airlines.

13. The Ministerial Working Group elaborated an activity road map based on the Summit Declaration of 2015. The road map has twenty-one activities. At the eve of the launch of the Single Africa Air Transport Market, we note some of these activities are ongoing, such as validation of a guideline for the negotiation of air services agreement with third countries. In addition, as new States join, the latter have to start the process of implementing the immediate measures. It is therefore recognised that implementation of some activities on the Activity Road Map would have to continue after the launch of the Market. The launching of the market was noted as just the momentous beginning of the operationalisation of SAATM.

D. Strengthening of the Executing Agency and Continental Cooperation in the Air Transport Sub-Sector

14. Regulatory and Institutional Texts of the Yamoussoukro Decision: Based on the recommendation of the African Union Commission, the regulatory and institutional Texts of the Yamoussoukro Decision were re-considered by the sector Ministers at the first meeting of the STC-TTIIET held in March 2017 in Lomé, Togo and cleared by the STC on Justice and Legal Affairs (STC-JTA) at its meeting of November 2017. The specific texts are: (i) **Competition Regulations**, (ii) **Consumer Protection Regulations** and (iii) **Regulatory and Enforcement Powers of the Executing Agency**. These Texts are submitted to the AU Assembly for endorsement during its current Ordinary Session. The remaining text on the **Dispute Settlement Mechanism** is still to be finalised through appropriate AU procedures.

15. In view of the functions attributed to the Executing Agency under the YD Institutional Text: **Regulatory and Enforcement Powers of the Executing Agency**, the Ministerial Working approved for the functions of the Monitoring Body of the Yamoussoukro Decision defined in Annex 2 of the Decision to be revised. The revision is justified based on the current functions of the Executing Agency of the YD. The aim of the revision was to ensure the Monitoring Body be assigned oversight and advisory functions whilst the Executing Agency retains any operation function, avoid duplication in responsibilities and define clearly the role of the secretariat of the Monitoring Body. Members of the Monitoring Body of the YD undertook this revision and the revised functions were submitted to the STC-TTIIET in Lomé, Togo, March 2017. The Lomé STC adopted the proposed new functions of the Monitoring Body and this decision was endorsed by the 29th AU Summit in July 2017.

16. Mobilisation of human and financial resource for the Executing Agency: The success of the full implementation of the YD and the establishment of the SAATM depends on the active operation and performance of the Executing Agency which is assigned the role of managing and supervising the liberalised African air transport market. AFCAC as the Executing Agency prepared and submitted to the AUC, its detailed work plan and budget for 2016-2018. It is important that AFCAC be provided with the necessary resources such that it can adequately carry out its activities as the Executive Agency of the Yamoussoukro Decision. As requested by the Executive Council Decision [EX.CL/871 (XXVI)], the AUC has initiated actions to mobilise funds for the Executing Agency from the AU partner, the African Development Bank Group.

17. Continental cooperation in the air transport sub-sector: The Regional Economic Community, as the building blocks for the integration of Africa, have been instrumental in the implementation of the Yamoussoukro Decision. In that regard, the Ministerial Working Group recommended the establishment of a Memorandum of Cooperation (MOC) between AFCAC as the Executing Agency and the Regional Economic Communities, in order to facilitate administration, management and capacity building in the implementation of YD and the SAATM across the continent. The parties have undertaken consultations and a draft memorandum of cooperation is now ready for signature by the Parties.

18. Cooperation with the International Civil Aviation Organisation (ICAO): The Commission and Member States have maintained collaboration with the International Civil Aviation Organisation (ICAO). To that end, the AUC and ICAO have adopted a dynamic joint action plan for the implementation of the Memorandum of Cooperation (MOC) entered into by the two parties on 27th September 2010. The current action plan (2017-2019) was formulated and adopted in February 2017. Its focus is on ensuring successful accomplishment of objectives on aviation safety, security, environment and economic development as outlined in the AU Agenda 2063 and ICAO's No Country Left Behind (NCLB) initiative. AFCAC, as the AU Specialised Agency on aviation is involved in the implementation of the joint AUC/ICAO MOC and its evolving action plan.

19. The African Airlines Association in collaboration with the African Civil Aviation Commission and the International Air Transport Association organised a forum to celebrate the Yamoussoukro Day on the 14th November 2017. The forum also deliberated on the challenges currently facing the industry and likely challenges in the next 5 years. The industry reached consensus on the need to address the high cost of air transport in Africa and the inconsistencies in aviation related taxes and charges, in most case noncompliance with ICAO policy on aviation charges. The forum recommended the need to lobby African Member States and their governments on the benefits of making air transport affordable.

20. Furthermore, in November 2017, the parties organised a high-level forum in Abuja, Nigeria on financing the development of aviation infrastructure in Africa. The outcome of the forum is a declaration and framework action plan that would be submitted for consideration by the relevant organs of the African Union. The aim is to elaborate a master plan for the development of regional and continental aviation infrastructure and services in Africa through the Programme for Infrastructure Development in Africa (PIDA). The framework action plan from the forum includes measures for ensuring sustainable financing and appropriate management of the air transport sub-sector and recommendations on creation of appropriate conditions for attracting national and foreign investments in the air transport sub-sector.

21. The establishment of the single market will stimulate a predictable growth in traffic volumes, with an expected doubling of traffic in the next ten years. This will place a major challenge on airport and airspace infrastructure capacity, with some 24 major airports expected to be saturated by 2020. The continent still has a fragmented airspace with obsolete ground based equipment. There is therefore a need for substantial investments over the medium to long terms in the development and modernisation of quality aviation infrastructure commensurate with the level of predicted traffic growth and to afford the continent an efficient, safe and seamless airspace. We need to harmonise the fragmented African sky by ensuring the interoperability of air traffic management and communication and surveillance systems (ATM/CNS systems) and the training of the next generation of experts to implement and manage these systems. In this regard, the Economic communities of EAC, SADC and COMESA have initiated projects for the unification of their respective upper airspace, similar to the ASECNA

block space. Therefore, as we operationalise the single African air transport market, it is also timely to engage the establishment of the seamless single African sky.

22. Cooperation with the European Union: Ensuring that Member States meet ICAO standards in safety and security is also crucial to the full implementation of the Yamoussoukro Decision and operation of the Single African Air Transport Market. In this regard, the African Union Commission and the African Civil Aviation Commission have collaborated with the European Union on several civil aviation safety and security capacity building programs. These programs aim at assisting African States in the implementation of ICAO SARPS under the Joint African-EU Strategy Framework Programme. The European Union has also assisted the Commission with seconded technical assistance in the field of air transport.

E. Ratification of the AFCAC Constitution and other key international instruments

23. Ratification of the AFCAC Constitution and the Montreal Convention (MC99): The new AFCAC Constitution of 2009 is open for ratification at the African Union Commission. Unfortunately, so far, only nine Member States have ratified the Constitution. It requires fifteen (15) Member States to ratify this instrument to enter into force. We also note a slow pace of ratification of several other convention essential for the success of operating the Single African Air Transport Market, such as (a) the Convention on international interests in Mobile Equipment also known as the Cape Town Convention (2001) and (b) the 1999 Montreal Convention (formally, the Convention for the Unification of Certain Rules for International Carriage by Air). These instruments, among others, are crucial to the development of the aviation industry in Africa in general and for the successful operation of the Single African Air Transport Market. Hence, Member States are urged to take expeditious action to ratify them.

F. Ensuring Smooth Operation of the Single African Air Transport Market

24. Binding guidelines for the negotiation of air service agreements between African States and Third Parties: The African Union Commission has drafted guidelines for negotiation of air services agreement between African States and Third Parties. The next step will involve submitting the draft guidelines to the sub-sector experts for validation and subsequently to the appropriate organs of the AU for adoption.

25. Harmonised legislation, promotion of free movement, removal of barriers and improvement of safety and security in air transport operations: Since the declaration on the establishment of the SAATM was made in 2015, a number of Member States have implemented policies for the removal of visa restrictions for Africans, namely: Benin, Ghana, Rwanda and recently Kenya. The Africa Union Commission Department of Political Affairs is working with various stakeholders to establish a protocol for the free movement of persons and goods in Africa. This draft

protocol is critical to the success of the Single African Air Transport Market, the Tourism Industry and the operation of the continental free trade area.

26. Encourage the establishment of regional safety and security oversight, strengthen search and rescue as well as accident investigation organisations:

The Global Forum on Regional Safety Oversight Organizations (RSOOs) and the Ministerial Conference held in Ezulwini, Swaziland from 22 – 25 March, 2017 recommended the acceleration of the establishment and strengthening of RSOOs that can effectively support regulatory oversight for aviation safety and security. The Ministers adopted a ministerial Declaration aimed at supporting and strengthening the RSOOs in the AFI Region including an Action Plan.

27. The High-Level Conference on the Improvement of Search and Rescue (SAR) Services in Africa organized by the African Civil Aviation Commission (AFCAC) under the aegis of the African Union Commission (AUC) and in cooperation with the International Civil Aviation Organization (ICAO) in Lomé, Togo from 10-12 April 2017 reviewed the status of the implementation of SAR services in Africa.

28. In this regard, the Ministers adopted the Lomé Declaration and an Action Plan, for the improvement of the provision of SAR Services in Africa. AFCAC was requested to develop a SAR Support Project to assist the African States to implement efficient SAR services and conclude bilateral and multilateral SAR agreements. The Regional Economic Communities (RECs) were identified as key stakeholders that have critical roles for the sustainability and the strengthening of Aviation Regional Safety and Aviation Security Oversight Organizations as well as the regional accident investigation organizations and the conduct of regional SAR exercises.

29. The Ministers in charge of aviation also elaborated the Windhoek declaration on aviation security and facilitation and targets in 2016 in Namibia. The declaration was also approved by the STC-TTIIET in Lomé and the adopted by the July 2017 AU Summit.

30. Pursue the creation of a Human Resources Development Fund (HRDF) for the civil aviation sector in Africa on the basis of the joint endeavour between AFCAC and ICAO: Taking into account the priority technical areas identified by AFCAC for which African States require assistance for the effective implementation of ICAO Standards and Recommended Practices, a secondment programme with ICAO was established in June 2016 under the HRDF mechanism.

31. The secondments with ICAO have enabled selected African civil aviation professionals to upgrade their skills and knowledge through participation in the work programme of ICAO in technical areas. Upon their return to their national civil service, these professionals will contribute to the enhancement of the overall skills capabilities of their civil aviation administration for the sustainable economic development of States in the entire region.

32. The success, continuity and sustainability of the HRDF is dependent on the receipt of voluntary contributions especially from African States. This is why African States, international organizations, public and private entities, and all other interested donors, are continually urged to make voluntary contributions to the HRDF and to participate in the strengthening of human capacity in the African civil aviation sector.

G. Conclusions

33. The twenty-three countries that have declare their solemn commitment to the immediate implementation of the Yamoussoukro Decision towards the establishment of a Single African Air Transport Market by 2017 are to be commended.

34. The YD Institutional and Regulatory Texts by the STC-TTIET should be endorsed by the Assembly during the January 2018 Summit to facilitate effective operation of the air transport subsector in Africa and particularly the SAATM.

35. The solemn declaration started with eleven champion states, and at eve of the launch, we now have twenty-three Members. We do expect that the other thirty-two AU Member States will join the market. It is also important that States that have declared their solemn commitment concretise that commitment by implementing and notifying AUC and AFCAC of the immediate measures.

36. As new Member States join the Market, they have to also concretise their solemn commitment. It is therefore recognised that implementation of some activities on the Activity Road Map would have to continue after the launch of the Market. The launching of the market is noted a momentous beginning of the operationalisation of SAATM.

37. The Commission and the industry should speed up resource mobilisation for the Executing Agency for its operationalisation and to adequately perform its duties.

38. The high cost of air transport in Africa is partly due to the non-rational charges and taxes impose on the industry. Such high cost may affect the expected benefits of establishing the single African air transport market. Therefore, the Commission in collaboration with AFCAC need to carry out further investigations to establish the causes of such high cost and to propose policy guidelines to ensure airfares in Africa become affordable.

39. Whilst the sub-sector makes progress in the establishment of a single African air transport market, the African aviation sky is fragmented with different levels of navigation infrastructure. As the continent moves towards a single market, renewed efforts need to be directed at harmonisation of African skies in order to achieve a truly single sky by 2023.

H. Recommendations

40. The following recommendations are put forward for the consideration and adoption by the Union Assembly:

- i) The Single Africa Air Transport Market should be established with the following twenty-three (23) Champion Members States: Benin, Burkina Faso, Botswana, Capo Verde, Republic of Congo, Côte d'Ivoire, Egypt, Ethiopia, Gabon, Ghana, Guinea Conakry, Kenya, Liberia, Mali, Mozambique, Niger, Nigeria, Rwanda, Sierra Leone, South Africa, Swaziland, Togo and Zimbabwe;
- ii) The market is still open for other Member States to join. In this regarding, the Commission in collaboration with its aviation partners is requested to initiate a communication campaign across the continent on full benefits of establishing the single African air transport market and to continue the ongoing advocacy for more States to join;
- iii) The Commission should expedite completion of the activities on the SAATM Road Map. In particular, the African Union Commission and Executing Agency should ensure awareness and dissemination of the Yamoussoukro Decision Regulatory and Institutional Texts, the African Civil Aviation Policy Document and capacity building of Member States and regional communities, on their application and domestication;
- iv) Call on the African Development Bank and other funding partners to expedite the mobilisation of resources the operationalisation of the Executing Agency, to enable it adequately carry out its functions in the supervision of the established single African air transport market;
- v) The Commission is requested to work on a framework of establishing the Single Africa sky architecture by 2023.

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