



**Opening Remarks
by the Secretary General of the
International Civil Aviation Organization (ICAO)
Dr. Fang Liu
to the Airports Council International (ACI)
Conference on Investing in Airports –
Economic Oversight and Regulation**

(New Delhi, India, 03 December 2015)

*Excellences,
Ladies and Gentlemen,*

Please let me extend my thanks and appreciation to ACI's Director General, Ms. Angela Gittens, for her very kind invitation to speak to you today.

ICAO is very pleased to be able to support the Airports Council International on this important and timely conference, which is dedicated to examining airport management models and related challenges and opportunities in the realm of economic oversight and regulation. This Conference helps to underscore the strategic importance of airport development at an important stage in the history of civil aviation.

Our sector will be doubling in flight and passenger volumes globally in the next 15 years, meaning that the 33 million take offs and departures airports manage today will double to over 60 million by 2030.

It is absolutely essential that States prepare today to reap the full benefits of this growth tomorrow. This was one of the most important messages which ICAO delivered to the more than 800 participants, from 108 States, who joined us at ICAO Headquarters last week for our first-ever World Aviation Forum.

A key message we conveyed at the Forum is that coming aviation growth will carry with it a very significant degree of positive economic impact.

Consistent with ICAO's ongoing *No Country Left Behind* programme, it was also emphasized that States be duly assisted and financed in the coming years, so that the socio-economic benefits of this impact may be shared by all nations and all economies.

An important and related goal of the World Aviation Forum was to foster new discussions and partnerships, so that we can jointly and substantially increase the amount of development funding presently being earmarked for aviation.

Currently, only 2.6 per cent of annual global development financing supports aviation development objectives.

But this is simply insufficient if we wish to accommodate and manage future growth, safely and efficiently.

This is an especially important consideration where aviation infrastructure objectives are concerned – be they in the form of targets for new or modernized airports or air navigation technologies.

Financing airport infrastructure, as we are all well aware, is challenging for many States. Developing States in particular face difficulties due to borrowing cost factors which may likely worsen in the near future as interest rates begin to rise.

This further highlights the importance of establishing robust investment and donor frameworks, but we must also acknowledge that commitments from external development partners will only be realized when States themselves take the first steps.

As with any successful investment paradigm, you must have some *skin in the game*.

In the first place, this means working now, with ICAO, to ensure effective implementation in your States of our civil aviation standards and policies.

All of the travellers and businesses who arrive at your airports do so with the basic expectation of a safe, efficient and secure air transport experience, and adherence to ICAO provisions is the first and best way to ensure that.

Secondly, it requires States to establish concrete business plans for their civil aviation sectors, and to back these up with clear indications of political will. ICAO is also developing new tools and resources to aid you in these efforts.

When considering any increases to the automation, commercialization or privatization of airport facilities, I would take this opportunity to remind you that States remain ultimately responsible for the safety, efficiency and security and economic oversight of these entities.

Privatization does not in any way diminish a State's requirement to fulfil its international obligations under the *Chicago Convention* and its Annexes, or those responsibilities arising from air services agreements or ICAO's policies on charges.

This is the main reason why this Conference will deal not only with investing in and managing airports effectively, but also with their economic oversight and regulation.

The pre-Conference workshop held yesterday reviewed information on ICAO's economic policies and guidance material for Airports. I was pleased to see many of you in attendance.

Today and tomorrow, we will have several sessions where these issues will be looked at from a wide range of perspectives. Topics to be addressed include the status and evolution of the airport industry, the fundamentals of economic oversight and regulation, and new trends in regulatory frameworks.

In the course of those discussions you will also be exploring a range of regulatory experiences and best practices, as well as Public-Private Partnerships (PPPs). ICAO recently published several PPP case studies in the Economic Development area of our public website, and I would encourage everyone to review and benefit from the helpful information you will find there.

Ladies and gentlemen, ICAO is eager to participate with you at this event and to help encourage positive and beneficial policy progress and air transport investment in the years ahead.

Having had the honour of representing our sector's views at the recent *UN Summit on the Post-2015 Development Agenda*, I would also wish to highlight that the aviation industry has the ability to make substantial progress towards implementing Sustainable Development Goal 9, and particularly Target 9.1.

This calls for the development of infrastructure to support economic development and human well-being, with a focus on affordable and equitable access for all.

Our sector has made great progress and contributed significantly to global prosperity throughout its long history, always as the result of our ability to cooperate across borders and cultures, forge consensus, and achieve practical and sustainable global solutions.

I am sure that by working together, both at this event today and on everything else we aim for, that legacy will continue to serve aviation and the societies it brings so many benefits to, well into the future.

Before I hand over the floor, please let me reiterate my appreciation to Angela and ACI for inviting ICAO to jointly cooperate in this Conference, and to thank our very generous Host for providing such pleasant and welcoming facilities.

I wish everyone a very productive and fruitful. Conference.

Thank you.