THE

YAMOUSSOUKRO DECISION:

AN OPTION OR A NECESSITY

BY

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INTRODUCTION

QUESTIONS TO ANSWER

- WHY SHOULD STATES EMBRACE YD?
- IS YD STILL RELEVANT?
- WHY IS YD TAKING TOO LONG TO IMPLEMENT?
- IS YD THE SOLUTION TO HARMONISING THE CIVIL AVIATION REGULATORY AND ECONOMIC ENVIRONMENT IN AFRICA?
INTRODUCTION

- Air transport in African over the past decade has increased by 6.6%, making it the most rapid growth region after the Middle East.

- Africa accounts for only 3% of world traffic despite a population of over one (1) billion people and a land mass of 11,608,157 area miles\(^2\).

- Africa is a large continent with poorly developed and grossly inadequately, road, water & rail transportation.
THE CONTINENT OF AFRICA

USA FITS

Area Miles$^2$

USA: 3,615,214

Area Miles$^2$

Africa: 11,608,157

Source: DOT
Area Miles$^2$
USA: 3,615,214
Europe: 1,572,493
Africa: 11,608,157
Source: DOT
THE CONTINENT OF AFRICA

EUROPE + USA + AUSTRALIA FIT

Area Miles\(^2\)
USA:  3,615,214
Europe:  1,572,493
Australia:  2,970,77

Source: DOT
THE CONTINENT OF AFRICA
EUROPE + USA + AUSTRALIA + JAPAN + SCANDINAVIA + S.E, ASIA + INDIA + NEW ZEALAND + MEXICO FIT

<table>
<thead>
<tr>
<th>Country</th>
<th>Miles²</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>3,615,214</td>
</tr>
<tr>
<td>Europe</td>
<td>1,572,493</td>
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<tr>
<td>Australia</td>
<td>2,970,774</td>
</tr>
<tr>
<td>Japan</td>
<td>143,138</td>
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<tr>
<td>Scandinavia</td>
<td>445,932</td>
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<tr>
<td>S.E. Asia</td>
<td>284,051</td>
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<td>India</td>
<td>1,217,383</td>
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<td>New Zealand</td>
<td>103,172</td>
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<tr>
<td>Mexico</td>
<td>761,606</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>11,113,762</strong></td>
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</tbody>
</table>

Source: DOT

Area Miles²
Africa: 11,608,157
AIR TRANSPORTATION IN AFRICA

- Air transport holds great potential as a lever for economic growth and development.

- Air transport in Africa is still characterized by: poor connectivity; high cost of air travel; high operating cost; lack of cooperation among African carriers; poorly run airport systems; lack of harmonized regulations; lack of adequate safety and security oversight; inadequate and ageing infrastructure; etc.

- Connections between many African countries are sometimes only possible via Europe.
AVIATION IN AFRICA

 THE SITUATION OBVIOUSLY REQUIRES URGENT CHANGE!

 THE FUTURE OF AVIATION IN AFRICA IS POSITIVE AND BRIGHT.

 AVIATION IN AFRICA HOLDS GREAT INVESTMENT OPPORTUNITIES FOR INVESTORS.
THE YAMOUSSOUKRO DECISION


- THE YAMOUSSOUKRO DECISION OF NOVEMBER 1999 LIBERALIZED INTRA AFRICA AIR TRANSPORT MARKETS WITH MINIMUM GOVERNMENT INTERVENTION.
FRAMEWORK OF YAMOUSSOUKRO DECISION

- The Yamoussoukro decision which aimed for full liberalization initially by 2002 and later to 2006, removed all restrictions on:
  - Traffic rights including Fifth Freedom traffic;
  - Capacity between city pairs;
  - Non-regulation of tariffs by government;
  - Multiple designation and frequencies; amongst others.

- Strengthen safety and security oversight in the continent.

- Create the emergence of strong regional airlines.
FRAMEWORK OF YAMOUSSOUKRO DECISION

- PROMOTE A CLIMATE OF COOPERATION THROUGH PARTNERSHIPS, MERGERS AND CONSORTIA.

- THE DEVELOPMENT OF COMPETITION REGULATIONS & DISPUTE SETTLEMENT MECHANISM.

- THE ESTABLISHMENT OF AN EXECUTING AGENCY.
FRAMEWORK OF YAMOUSSOUKRO DECISION

- THE IMPLEMENTATION TARGET OF 2006 FOR THE FULL LIBERALIZATION OF AIR TRANSPORT IN AFRICA UNDER THE YAMOUSSOUKRO DECISION IS STILL FAR FROM BEING ATTAINED.
CHALLENGES TO THE FULL IMPLEMENTATION OF YD

- DIFFERENCES IN MACRO-ECONOMIC POLICIES AND STRATEGIES AMONGST STATES.
- DIFFERENT LEVELS OF AVIATION DEVELOPMENT.
- DEEP CONCERNS OF INDIVIDUAL STATES’ INTERESTS.
- LACK OF THE DEVELOPMENT OF HARMONISED DOCUMENTS SUCH AS THE COMPETITION RULES, DISPUTE SETTLEMENT MECHANISMS, CONSUMER PROTECTION REGULATIONS, ETC.
CHALLENGES TO FULL IMPLEMENTATION OF YD

- **Lack of level playing field for airlines.**

- **Challenges in terms of safety, security, the environment and consumer protection especially from the regulatory point of view.**

- **Continuous existence of bilateral air services agreements (BASA) among member states, despite the existence of the YD.**
SUCCESES SO FAR ACHIEVED ON YD

THE REMOVAL OF RESTRICTIONS UNDER THE YD ESPECIALLY THE 5TH FREEDOM TRAFFIC RIGHT HAVE:

✓ INCREASED INTRA AFRICA CITY PAIRING AND PASSENGER TRAFFIC IN THE REGION.

✓ CAPITAL AND MAJOR CITIES ARE BEING CONNECTED BY DIRECT FLIGHTS.

✓ INCREASED COOPERATION IN AIRLINE OPERATIONS:- CODE-SHARING AND CROSS-BORDER INVESTMENTS.

✓ INCREASED UTILISATION OF SOME OF OUR AIRPORTS

✓ LED TO BETTER EQUIPPED AIRLINES TO FACE COMPETITION FROM STRONGER STATES OR BLOCK OF STATES.
SUCCESES SO FAR ACHIEVED ON YD

- The YD has led to the emergence of strong sub-regional groupings namely: BAG, CEMAC, COMESA, SADC etc.

- There has been improved liberalization in these sub-regional initiatives and arrangements.

- The development of competition rules and dispute mechanism by most of the sub-regional groups.

- Existence of the monitoring body established in accordance with Article 9.2 of the YD;
SUCCESES SO FAR ACHIEVED ON YD

- The sub-regional groups have created platforms for the implementation of safety initiatives like the COSCAPS and regional safety oversight organizations;

- The emergence of AFCAC as the executing agency of the YD;

- The development of a common African civil aviation policy by the African Union;

- Indirectly, the YD has created increased regional consultation and decision-making fora on matters of air transport;
YAMOSSOUKRO DECISION: THE QUESTIONS ANSWERED

 WHY SHOULD STATES EMBRACE YD?
 IT IS THE KEY TO RAPID DEVELOPMENT OF AVIATION IN AFRICA, WITH NUMEROUS BENEFITS TO:
 - PASSENGERS; AIR CARRIERS; AIRPORTS & AIR NAV SER PROVIDERS; ALLIED SERVICE PROVIDERS; GOVT, TRADE & TOURISM, ETC

 IS YD STILL RELEVANT?
 YES, YD IS STILL VERY RELEVANT.
YAMOUSSOUKRO DECISION: THE QUESTIONS ANSWERED

◊ WHY IS YD TAKING TOO LONG TO IMPLEMENT?

THERE ARE NUMEROUS CHALLENGES INCLUDING:
- LACK OF POLITICAL WILL ON THE PART OF STATES;
- LACK EFFECTIVENESS ON THE PART OF AFCAC AS AN EXECUTING AGENCY

◊ IS YD THE SOLUTION TO HARMONISING THE CIVIL AVIATION REGULATORY AND ECONOMIC ENVIRONMENT IN AFRICA? YES.

◊ THE YD HAS LED TO THE EMERGENCE OF STRONG SUB-REGIONAL GROUPINGS NAMELY: BAG, CEMAC, COMESA, SADC ETC. SOME HAVE DEVELOPED COMPETITION RULES AND DISPUTE SETTLEMENT MECHANISM.
CONCLUSION

The full implementation of YD will guarantee the following for the future of air transport in Africa:

- Creation of larger market for carriers.
- Optimal use of existing capacities.
- Improved access to capital.
- Job creation and development of Trade and Tourism.
- Forum for development of Harmonised Regulatory documents.
- Better equipped airlines to face competition from stronger States or block of States.
CONCLUSION

YAMOUSSOUKRO DECISION IS NOT AN OPTION, BUT A NECESSITY FOR THE DEVELOPMENT OF AVIATION IN AFRICA.
THANK YOU!