

Operationalisation of the Single African Air Transport Market (SAATM)- Support to the African Civil Aviation Commission (AFCAC) Project

Preparatory report for the 2nd Project Steering Committee

European Union Aviation Safety Agency
Strategy & Safety Management Directorate
International Cooperation Department

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This document is structured as follows:

- **Introduction on the project with key background information**
- **Updated work plan with list of activities**

Contents

1	Summary and context of the Project	3
1.1	Introduction- key facts about the Project.....	3
1.2	Project Results chain - Diagram	4
1.3	Mapping of the project stakeholders.....	5
1.4	Background	5
2	Coordination with the other projects implemented by the EU or other Institutions in Africa.....	9
3	Proposed activities per result - Work plan.....	11
4	Progress towards achieving objectives	12
4.1	The Brussels Event, 22 November-25 November 2022	12
4.2	The PSC.....	12
4.3	Workshop on aviation market integration. Perspectives EU/Africa/South-East Asia models.....	12
4.4	Environment related activities.....	13
4.5	Satellite Based Augmentation System (SBAS).....	15
4.6	Dispute Settlement Mechanism (DSM)	15
4.7	African Program on Aviation Data (APAD).....	16
4.8	Aviation Fees and charges.....	17
4.9	Support to the YD Celebration and Support to the SAATM Pilot Implementation Program (PIP)...	18
5	Future set of activities – to be discussed among the PSC members.....	19

1 Summary and context of the Project

1.1 Introduction- key facts about the Project

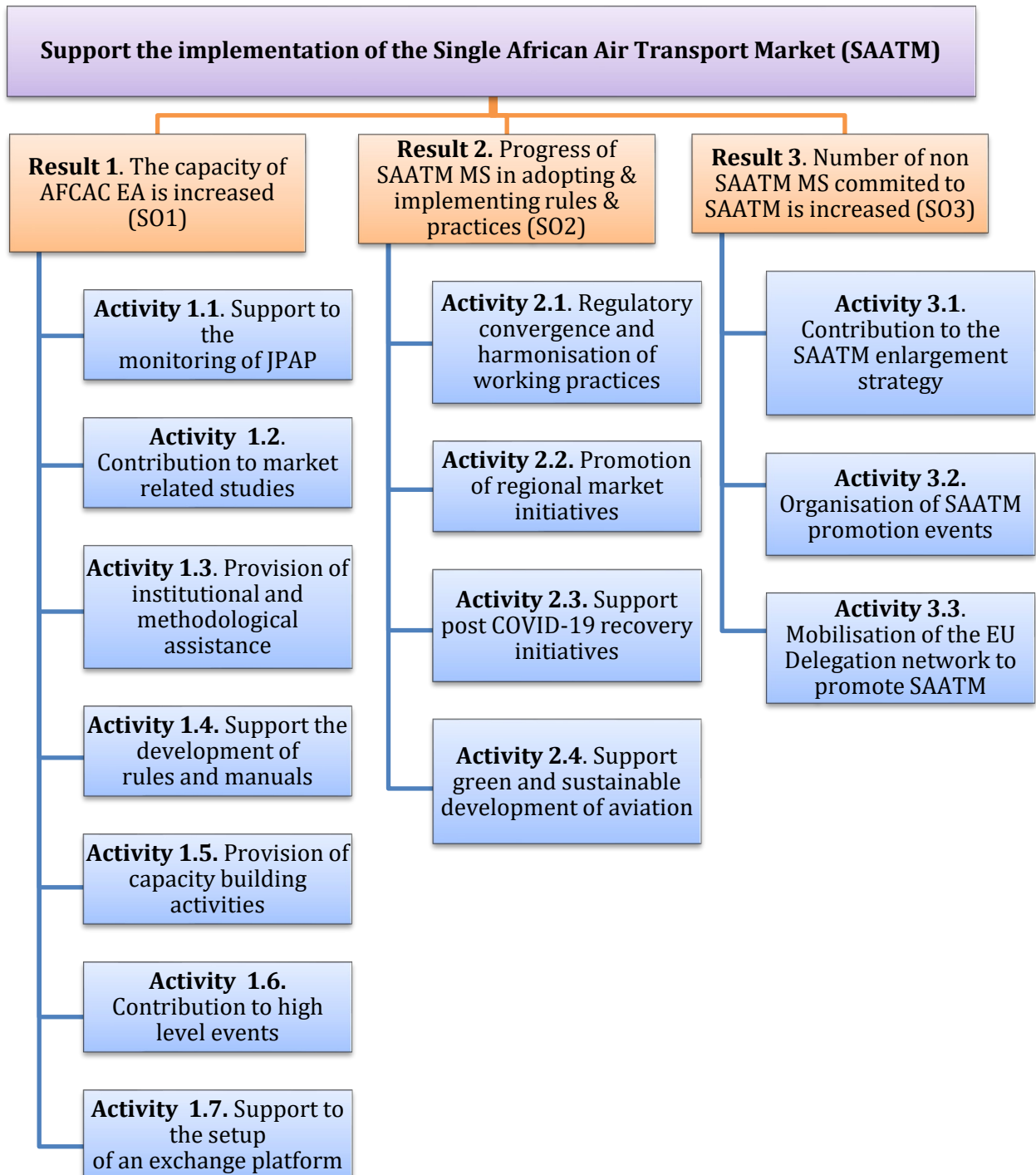
Project name	Operationalisation of the Single African Air Transport Market (SAATM) – Support to the African Civil Aviation Commission (AFCAC)
Overall objective	The overall objective is to support the implementation of the Single African Air Transport Market (SAATM) to strengthen aviation in Africa in view of Africa’s inclusive and sustainable economic and social development.
Specific objective	<ol style="list-style-type: none"> 1. To assist AFCAC in its role of implementing agency for SAATM ; 2. To assist those African states that have committed themselves to SAATM in its concrete implementation, and in particular in the removal of obstacles to the effective functioning of a single aviation market ; 3. To help convince African states that have not yet committed to SAATM to do so.
Partners	AFCAC, African States (Pan African)
Implemented by	European Union Aviation Safety Agency (EASA)
Implementation period	1 st September 2021– 31 August 2025
Budget	5,000,000.00 EUR
Website	https://easa-afcac.com/ https://www.easa.europa.eu/en/domains/international-cooperation/technical-cooperation-projects/operationalisation-single-african

In line with the above-mentioned Overall objective, the EU funded project “Operationalisation of the Single African Air Transport Market (SAATM) – Support to the African Civil Aviation Commission (AFCAC) – hereinafter “the project” - expects to achieve the following results:

- **Result 1:** The capacity of AFCAC to being an effective implementing agency for SAATM and YD is increased
- **Result 2:** Concrete progress of SAATM Member States in adopting and implementing the necessary rules and practices which underpin a single aviation market is achieved
- **Result 3:** The number of countries which commit themselves to SAATM is increased

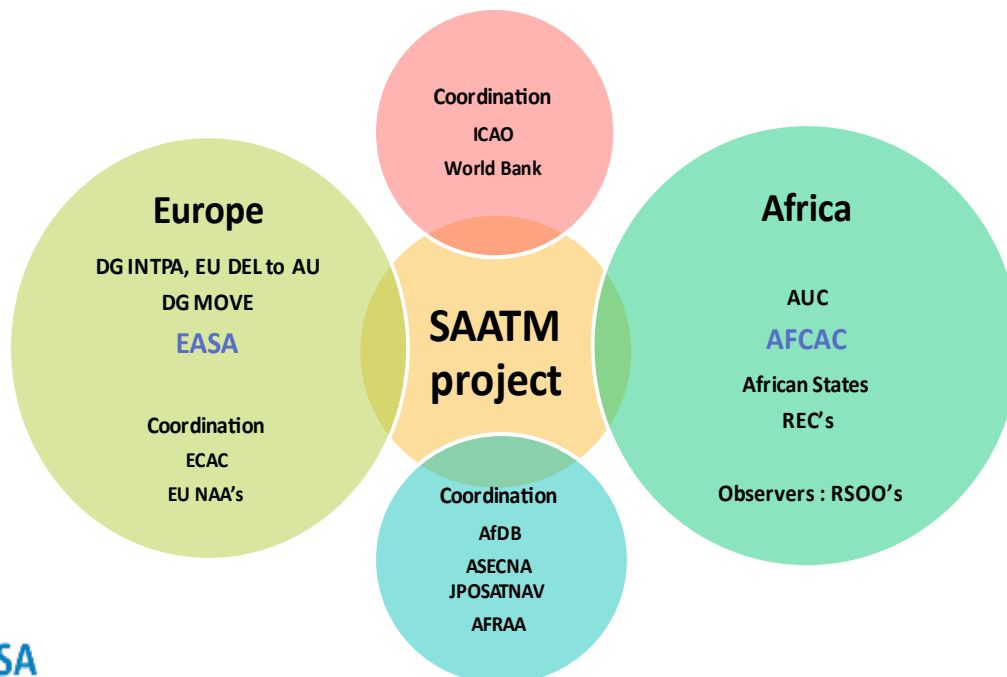
1.2 Project Results chain - Diagram

Several types of activities are defined under each Result. Each of the activities set has been assigned a code according to the results chain below:



1.3 Mapping of the project stakeholders

Mapping of partners SAATM project



1.4 Background

1.4.1. The Single African Air Transport Market (SAATM) is a flagship project of the African Union (AU) Agenda 2063, with an important mission to create a single unified air transport market in Africa, liberalise civil aviation in Africa and provide an impetus to the continent's economic integration agenda.

Likewise, AFCAC is a key partner, not only for the project itself as the nominated Executing Agency for the SAATM, but as an intracontinental agency in charge of aviation matters in Africa as well.

1.4.2. The benefit of liberalising air traffic, particularly the fifth freedom, was first acknowledged in the Yamoussoukro Declaration of 1988. This declaration was reaffirmed in 1999 when the African Ministers of Transport adopted the YD on the liberalisation of access to air transport market in Africa. It entered into force in 2000 following its endorsement by Heads of States and Governments of the African Union. However, the implementation of the Decision faced obstacles, as regulatory bodies did not become operational as stipulated in the agreement.

Therefore, the Heads of State and Government of the AU decided in 2015 to establish a Single African Air Transport Market (SAATM) as the overall framework for the implementation of the YD. SAATM was selected as one of the key projects in the AU's Agenda 2063.

On that occasion, the AU also decided to designate the African Civil Aviation Commission (AFCAC) as the implementing body for SAATM. AU Heads of State and Government confirmed their decision in 2018 as well as in 2020.

Mid-October 2022, 35 African States were members of SAATM.

1.4.3. The effective implementation of SAATM is vital to achieve the long-term vision of an integrated, prosperous and peaceful Africa under the AU Agenda 2063. SAATM is expected to bring about enhanced connectivity across the continent leading to sustainable development of the aviation and tourism industry with significant contribution to economic growth, inclusive job creation, poverty reduction, prosperity and integration across Africa. SAATM is expected to enhance air connectivity across the continent, thereby reducing the journey and waiting times for most passengers by more than 20%, induce competition of air services resulting in fare reduction and contribute to the growth of intra-African trade and the tourism industry in Africa and job creations. Africa today accounts for under 4% of global world aviation traffic but with over a billion persons, the share of African traffic should increase to more than 10% with a fully operational SAATM.

1.4.4. SAATM would mean in practice that any current or future air service agreement signed between any or all the member states of SAATM, must be YD compliant and must meet the following requirements:

- free exercise of 1st, 2nd, 3rd, 4th and 5th freedom traffic to eligible airlines;
- liberalised air tariffs; unrestricted frequency and capacity;
- full liberalisation of cargo services;
- recognition of the powers and function of AFCAC, the YD Executing Agency;
- adherence to the uniform rules for fair competition, consumer protection and other regulations.

1.4.5. The SAATM will enhance affordable, accessible and safe air transport.

To contribute to such a goal, in partnership with AFCAC, the project action contributes to the following key aspects:

- The capacity strengthening of AFCAC to become an effective SAATM Executing agency.
- The adoption by SAATM Member States of the necessary rules and practices, which underpin a single aviation market.
- The mobilisation of non SAATM Member States to commit themselves to this single market endeavour.

1.4.6. Back in September 2018, European Commission President Juncker proposed a new 'Africa – Europe Alliance for Sustainable Investment and Jobs' to substantially boost investment in Africa, strengthen trade, create jobs, and invest in education and skills. Since the launch of this Alliance, Europe and Africa have entered a more dynamic and forward-looking partnership, one adapted to our new global reality.

1.4.7. In 2019, the 'Africa-Europe Alliance for Sustainable Investment and Jobs' triggered the establishment, **of a Task Force on transport and connectivity with a specific cluster on aviation/air transport, to further guide the cooperation. The meetings of the aviation cluster brought together more than 20 key aviation players¹, AFCAC and EASA included, from Africa and Europe to exchange their views on SAATM and has identified 10 challenges and a series of recommended actions.**

These are aligned with the SAATM Joint Prioritised Action Plan (SAATM JPAP) led by AFCAC.

Importantly, the main conclusion of the report reads as follows: *'The Members of the Aviation cluster recommend to the European Union to deepen its commitment to be a key partner of Africa in its objective to create SAATM as a pilot project of the AU Agenda 2063. The European Union will make sure that this is appropriately reflected in its cooperation with Africa'*.

The current project builds on and was initiated as a follow-up to the key recommendations of the African-EU Aviation Task Force.

1.4.8. On 9 March 2020, the European Commission, and the European External Action Service (EEAS) adopted a Joint Communication 'Towards a comprehensive Strategy with Africa', aiming at taking forward our partnership with Africa and proposing that the EU partners Africa on 10 specific actions. The Africa-Europe Alliance has been translated into the economic pillar of the new strategy.

The EU supports the creation of a common African aviation market. SAATM is an important complement to the other leading AU flagship, the African Continental Free Trade Area (AfCFTA), as it will also help facilitate increased intra-African trade.

The development of the aviation sector will make a vital contribution to African economies by creating jobs and growth, increasing connectivity, promoting tourism, reinforcing regional and social cohesion, and enhancing the sustainable development of African airlines.

At the 6th EU-AU Summit, African and European leaders confirmed their intention to continue to join efforts to advance sustainable, smart, inclusive, and safe transportation networks globally across all modes, which includes aviation. In the summit deliverables, the leaders acknowledged vi) transport facilitation and efficiency of connected transport networks as a distinct area of cooperation supported by supporting the common ambition for 2030 and AU Agenda 2063. As regard the integration of markets the focus is on boosting regional and continental economic integration, particularly through the African Continental Free Trade Area. At the Summit the **Global Gateway Africa-Europe Investment Package²** of at least EUR billion 150 was also announced.

The Global Gateway strategy has the ambitious goal of enhancing connectivity within Africa and between Africa and Europe (and the rest of the globe) through substantial investments in transportation, energy, and digital infrastructure. Complementary to the hard infrastructure investments, the Global Gateway includes a 'soft' infrastructure components, including measures such as the harmonisation of regulatory frameworks

¹ Task Force members : AFCAC, AUC, RECs, ICAO Regional Offices, European Commission, ECAC, SatNav JPO, IATA Africa, AFRAA, AfDB, Airbus, ASECNA, African and European CAAs, African and European airlines

² European Union, [Global Gateway Africa-Europe Investment Package](#) (February 2022).

under its transport and trade priorities. The aim in these domains is to facilitate mobility and trade within Africa and between Africa and Europe.

The Joint Prioritised Plan for Aviation (JPAP)- 6 Pillars

In 2018 in Abidjan, Côte d'Ivoire, the SAATM Stakeholders (AUC, AFCAC, African Member States, RECs, ICAO, IATA, AFRAA, AfDB, World Bank, AUDA-NEPAD, etc.) adopted a Joint Prioritized Action Plan (JPAP) for the implementation of SAATM.

The JPAP/SAATM was reviewed by the SAATM Stakeholders in 2019, in 2020 and in 2021 in Dakar (Senegal) under the auspices of the African Civil Aviation Commission (AFCAC). The 6th JPAP meeting and review was held in Dakar, Senegal, from 8 to 10 February 2023. EASA participated and was involved together with DG MOVE in both 5th and 6th JPAP's reviews.

The scope of the application of the JPAP 2021 for SAATM is the implementation of 46 activities (projects) listed under 6 Pillars:

- Pillar 1: Advocacy for enrolling more states to join SAATM.
- Pillar 2: SAATM regulatory framework
- Pillar 3: Operationalization of SAATM
- Pillar 4: Aviation infrastructure
- Pillar 5: Enhancing safety and security and environmental protection
- Pillar 6: Aviation financing

This project is closely linked and actively contributes to most of the pillars, especially to pillar number 1 (refer to project result n.3), pillar number 2 (refer to project result n.1), pillar number 3 (refer to project result n.1), pillar number 5 (refer to project result n.2).

2 Coordination with the other projects implemented by the EU or other Institutions in Africa

As requested by the Contribution agreement ("Project Contract") to avoid duplication and gather further information, close monitoring and coordination has been conducted with the following projects :

2.1.1 EU funded actions implemented by EASA (name & main objective)

- Zambia Project, Main Objective: "Develop a reliable and effective aviation sector capable of contributing to the economic growth in Zambia"³
- EU - CORSIA, Africa and Caribbean, Main Objective "Mitigate greenhouse gas emissions from the civil aviation sector"⁴
- EU-Africa Safety in Aviation, Main Objective : "Reinforcement of RSOO, Safety oversight regulation improved"⁵
- PASTA-CO, Main Objective: "Capacity building and support to RSOOs/ Training for national and regional inspectors"⁶
- PAGIRN, Aviation Safety Project (Programme d'Appui à la Gouvernance des Infrastructures Régionales et Nationales en Afrique Centrale), indirect management with the Republic of Tchad.

2.1.2 EU funded actions not implemented by EASA (name & main objective)

- SATSD, Support to Air Transport Sector Development in the Eastern Africa, Southern Africa and Indian Ocean Region, Main Objective : "Contribute to the development of the air transport sector in the EA-SA-IO region" One of the specific objectives aims at the operationalisation of the SAATM"⁷
- ISM, , Technical Assistance to the African Union-Infrastructure Support Mechanism - related, Specific Objective related to the Air Transport Sector: "Support to JPAP for the Joint Prioritized Action Plan for the operationalisation of SAATM" ⁸

2.1.3 Non-EU funded Projects (name & main objective):

- African Development Bank (AfDB), Institutional support to the African Civil Aviation Commission (AFCAC) for the implementation of the Single Air Transport Market (SAATM), Main Objective: "Improve access to air travel for African travelers by supporting AFCAC fulfil its mandate to implement SAATM." ⁹

³ <https://www.eu-assp-z.org/>

⁴ <https://www.eu-corsia-af-c.org/>

⁵ <https://www.easa.europa.eu/en/domains/international-cooperation/technical-cooperation-projects/eu-africa-safety-aviation-eu-asa>

⁶ <https://www.easa.europa.eu/en/domains/international-cooperation/technical-cooperation-projects/pasta-co-afrique-centrale-volet>

⁷ <https://eutradesupport.comesa.int/support-to-air-transport-sector-development-in-the-eastern-africa-southern-africa-and-indian-ocean-region/>

⁸ <https://www.ism-africa.eu/aviation/>

⁹ <https://projectsportal.afdb.org/dataportal/VProject/show/P-Z1-DA0-015>

- World Bank (WB), Investment Project Financing, Implementing Agencies : AUC and African Continental Free trade Secretariat, “ Building Institutions And Systems to Harness and Realize Agenda 2063”¹⁰

¹⁰<https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099042423102016650/p18011701b4d280b089e80487fd7952ab5>

3 Proposed activities per result - Work plan

The work plan including a list of activities per result with details including comments, can be found below.



Work Plan -version
for PSC v3.xlsx

As a reminder, the work plan is a flexible document subject to last minute changes.

The work plan will be further discussed during the second PSC meeting planned on 10 November in Dakar, Senegal, at AFCAC premises.

In preparation of the discussion a [survey](#) has been sent to participants in order to collect input and information. Link: https://ec.europa.eu/eusurvey/runner/PSC2_Operationalisation_SAATM_project

4 Progress towards achieving objectives

4.1 The Brussels Event, 22 November-25 November 2022

The 1st Project Steering Committee took place on the 22 November 2022 in Brussels, Belgium under the framework of 3 EU-funded projects events plus a workshop on aviation market integration.

Overall, the Brussels Event meetings, successfully concluded with the following points:

- The importance to align the views of all EU / African Partners involved in EU funded projects
- The importance of clarifying the complex framework of EU funded projects and EU structure to African Partners.
- **Adoption of a Work Plan for the SAATM Project in the presence of the REC, AfDB and RSOOs.**
- Allow an open and practical exchange of views during the workshop on aviation market integration and other related topics that could broaden the participants' horizons, bring new ideas and deepen knowledge on the South-East Asian, African and EU models of aviation market integration.
- Create a bridge between different European, African and South-East Asian institution not only on market integration (SAATM) but on safety (EU ASA) and on the environment (PMB CORSIA & Environmental actions under the SAATM Project-Support to AFCAC).

4.2 The PSC

According to the project contract, the PSC is composed of the: EU DEL AU, the AUC, DG INTPA, DG MOVE, the RECs recognised by the AU and AFCAC. The EU DEL and the AUC are co-chairs of the PSC.

The African RSOO's and the AfDB were as well part of the PSC as Observers.

- The AFCAC & EASA presented the main activities foreseen in the work plan.
- The project provoked a lot of discussions as SAATM is a highly strategic and complex topic (as are all aviation market integration models).
- The African Regional Economic Communities (REC) expressed their wish to play a central role in the working plan activities and emphasised that the African institutions should better coordinate and avoid duplication between projects.
- Additional ideas were presented by the participants and integrated into the working plan
- The WP's main directions were adopted.

4.3 Workshop on aviation market integration. Perspectives EU/Africa/South-East Asia models.

[REF WORK PLAN : Result 1, Activity Set 1.5., Activity 1.5.1.]

[REF WORK PLAN : Result 1, Activity Set 1.5., Activity 1.5.2.]

- The first activity of the project.
- [Due to the high interest, AFCAC proposed this activity to be developed further for a wider audience at the YD Celebration in Abuja, Nigeria \(13-16 November 2023\).](#)

- The feedback was extremely positive, featuring audience-capturing interventions by the speakers and very interactive discussions.
- It was an opportunity for all participants and guest speakers to deepen their knowledge on aviation market access and integration models, milestones and challenges.

4.4 Environment related activities

4.4.1 Workshop on Sustainable Aviation Fuels, 3-5 July 2023, Addis Ababa, Ethiopia

[REF WORK PLAN : Result 2, Activity Set 2.4., Activity 2.4.2.]

Assembly Resolution A41-21, paragraph 7 and the outcomes of the 41st Session of the ICAO Assembly in which member States resolved to work together to strive to achieve a collective global long-term aspirational goal for international aviation (LTAG) of net-zero carbon emissions by 2050, in support of the Paris Agreement's long-term temperature goal.

AFCAC has taken the initiative to Accelerate the Production and Deployment of Sustainable Aviation Fuels (SAFs) in Africa in order to support the Air Transport Growth in Africa and the Global Aviation Environmental Goals as envisioned in the ICAO Assembly Resolution A41-21.

The initiative has four key focus areas or objectives namely: Capacity Building, Policy Harmonization, Feasibility Studies and Resource Mobilization and Advocacy all of which are intended to see the building of SAF production sites in African Countries

Overall, the AFCAC/EASA workshop about SAF has been considered by the participants as a large success in terms of creating a momentum for SAF on the African continent and amongst major stakeholders from different African states. The common collaboration and definition of a common vision about an African solution of enabling the production and use of SAF was perceived as a highly valuable outcome of the 3-days workshop.

Attendance of about 90 participants on-site based on 120 participants registered beforehand shows the high interest and multiplier effect that such a SAF expert driven workshop on SAF facilitated by EASA could generate. The workshop has been recognized as a milestone of SAF workshops in the region among the audience.

As overall impression, shared by many participants, all workshop presentations were very much focused on the real challenges and potential criticalities of SAF further development and deployment for the African region and therefore offering break-throughs and eye openers on the associated aspects. It was considered as a great teamwork of EASA INTCO and ENV team together with AFCAC teams that has been fully recognized by the AFCAC SecGen and the DGs attending the event.

Based on the current state of SAF deployment in Africa and the discussions and interest of the AFCAC workshop's participants, several areas of support could be identified. They could be summarized under the potential need to develop and/or support the design and implementation of sound SAF roadmaps on a national and supranational level, reflecting the given conditions and formulated ambitions of the SAF stakeholder community in that specific region.

In relation to SAF, the following building blocks on capacity building could be envisaged:

- SAF roadmap design and implementation
- Feedstock potential and feasibility analysis
- SAF technology adoption study
- Direct supply line scenarios (creating investable SAF projects)
- SAF policy and regulation expert workshop
- Further organization and execution of regional SAF workshops

Based on well-understood needs and ambitions of AFCAC and its fellow SAF African stakeholders, the different building blocks could be tailor-made prepared and executed as supporting technical cooperation in Africa region.

4.4.2. Capacity building AFCAC: recruitment of a short term SAF expert

[REF WORK PLAN : Result 2, Activity Set 2.4., Activity 2.4.2.]

One short term expert (100 working days) was recruited in order to reinforce the Environmental Service of the AFCAC and support, among other tasks, the launch and the implementation of the AFCAC SAF Action Plan.¹¹

4.4.3. SAF Future activities

Activities will be further defined in the next months according to the specific needs identified together with AFCAC and Member States. Among the activities that might be developed, the projects could include the following:

- **Stakeholder mapping:** Identification of all relevant stakeholders within the national SAF value chain, stakeholder activation and onboarding
- **SAF Readiness evaluation:** Evaluation of key dimensions influencing SAF production readiness, incl. feedstocks, technological capabilities, policies, market dynamics, etc.
- **SAF Capacity building:** Workshops: Support on country and regional level by organizing SAF conferences/workshops on a regular basis and/or taking part in SAF related African conferences
- **Feedstock potential analysis:** Analysis and recommendation on feedstock availability, economics and activation matched with SAF conversion pathways to create informed position

¹¹<https://afcac.org/en/index.php/using-joomla/extensions/components/content-component/article-categories/267-sustainable-aviation-fuels>

4.5 Satellite Based Augmentation System (SBAS)

[REF WORK PLAN : Result 1, Activity Set 1.2., Activity 1.2.2.]

Two short term experts (110 working days) have been recruited for the 2nd phase of the Cost Benefit Analysis (CBA) on satellite based augmentation system (SBAS) implementation in Africa.

The experts will support the AFCAC in its role, under the supervision of the AUC, to carry out the study for the remaining tasks of the previous project (TA to AU/ISM) related to :

1. Governance and institutional issues and to
2. Investigate the feasibility of African SBAS/GNSS technology and risk assessment.

Their main tasks under AFCAC and AUC guidance are:

Task 1. Complete the previous study (dated June 2022) related to the Continental Cost-Benefits Analysis (CBA) of SBAS implementation in Africa considering the elements described in the Annex and covering the 2 remaining subjects.

Task 2. Draft a comprehensive and final report on the CBA/SBAS completed study to be validated by aviation stakeholders in Africa and to be submitted to AU Policy Organs for adoption.

Task 3. Defend and present at a validation workshop the final study and the report to the the principal stakeholders to review the recommendations and findings of the Study/ Report.

Task 4. Defend and present at a continental workshop the final study and the report to all key stakeholders impacted by the application of the SBAS/GNSS.

Task 5. Defend and present the study and the report to the AU Policy Organs for adoption under AFCAC and AUC guidance and instructions.

4.6 Dispute Settlement Mechanism (DSM)

[REF WORK PLAN : Result 1, Activity Set 1.1., Activity 1.1.1.]

Two long term experts (1 year- 220 working days), the Head of DSM Secretariat and the Senior Officer, have been recruited to support the AFCAC in its task related to the effective implementation and establishment of the Dispute Settlement Mechanism Secretariat.

Article 8 - Settlement of Disputes - of the YD provides that if a dispute arises between States Parties concerning the interpretation or application of the YD, the States Parties shall first endeavour to settle the dispute by negotiation, and if these States Parties fail to reach a settlement, either party may submit the dispute to arbitration in accordance with the procedures ("Dispute Settlement Mechanism Regulations") set out in Annex 3 to the YD.

Accordingly, the so-called Draft Regulations on the Dispute Settlement Mechanism (DSM Regulations) were approved by the Extraordinary Session of the Specialized Technical Committee (STC-TTIIIE) – Transport Ministers - on 14-16 June 2022. In addition, the STC Ministerial Report requested that: *"the AFCAC in collaboration with the AUC (African Union Commission) and other key partners have to establish the SAATM*

Dispute Settlement Mechanism Administrative Council and Secretariat that will be hosted by AFCAC and reporting to the YD Monitoring Body¹²".

The DSM Regulations were adopted by the 41st Ordinary Session of the AU Executive Council held from 14 to 15 July 2022 in Lusaka, Zambia and endorsed by the AU Head of States in February 2023. They currently form the Annex 3 to the YD - "Regulations on Dispute Settlement under the Yamoussoukro Decision".

Under Article 1 of Annex 3, YD it is required the creation of an Administrative Council assisted by a Secretariat (hereinafter the DSM Secretariat) as "an independent body for administering the Dispute Settlement Regulations".

Part IV – Management of the Regulation, Annex 3 of the YD describes the functioning of the Administrative Council, its relationship with the Ministers of Transport and the YD Monitoring Body and the responsibilities of the DSM Secretariat (articles 57, 58, 59).

Under Article 48.3 the Administrative Council and the Secretariat are hosted at the headquarters of the AFCAC.

Under Article 62, it is foreseen the possibility for the Administrative Council to be financial supported through sponsorships, grants, donations gifts etc., in case its expenditure cannot be met through the Disputing Parties payments.

As a follow-up, the Project Steering Committee (PSC)¹³ approved the project's work plan in Brussels, the 22 November 2022 and consequently endorsed the EU support for the establishment of the DSM Secretariat as one of the activities of the project. (Result 1 - Output 1.1 Support of the JPAP implementation, Activity 1.1.1.)

In addition, the 6th Meeting of Stakeholders on the Joint Prioritized Action Plan (JPAP) for the operationalization and implementation of the SAATM, jointly organized by the AUC and the AFCAC, held on 9-10 February, 2023, in Dakar, Senegal, has mandated the AFCAC (the main beneficiary of the project) to facilitate the implementation and provide the necessary support to the establishment of the DSM Secretariat (Activity 8- Operationalization of the Dispute Settlement Mechanism Secretariat under Pillar 2 – SAATM Regulatory Framework of the JPAP/SAATM).

4.7 African Program on Aviation Data (APAD)

[REF WORK PLAN : Result 1, Activity Set 1.1., Activity 1.1.1.]

The recruitment of a long term expert (1 year- 220 working days) on data analysis and statistics to support the AFCAC Secretariat in line with the African Program on Aviation Data (APAD) is currently ongoing.

The expert(s) will support on APAD related initiatives under the direction of the AFCAC.

¹² See Article 9 of the YD for the functions and powers of the YD Monitoring Body.

¹³ The PSC is composed of : AUC, EU Delegation to the AU, European Commission / DG MOVE, RECs, AFCAC and EASA (members) and RSOOs, AfDB (observers).

The expected results are the following, depending on AFCAC level of implementation, guidance and needs:

- Market monitoring and evaluation through integration of data for economic analysis: better competitiveness of the airline industry in Africa and fuel economic research on sector analyzes.
- Increased coverage and quality of data: African Aviation data collected, analyzed and published by AFCAC.
- Support for APAD Capacity building Workshops.
- Increased interoperability that reduces administrative burdens through the creation of a functional database.
- Improved data driven decision and policy making in Aviation sector. Contribution to deepening regional integration and strengthening the institutional and regulatory framework for the liberalization of air transport.

In the next months, the next steps on this activity flow will be further defined.

4.8 Aviation Fees and charges

[REF WORK PLAN : Result 1, Activity Set 1.2., Activity 1.2.1.]

The recruitment of two short term experts (110 working days) specialised in on aviation taxes, fees and charges is currently ongoing.

The aviation charges, taxes and fees are constantly increasing in number and in amount, such as for example: airport infrastructure charges, airport development charges, air traffic control charges, landing/take-off fees, parking hangar fees, passenger service charges, passengers safety charges, passengers immigration charges, air ticket and cargo sale charges, aviation safety/security, noise related charges, gas-emission, fuel taxes, customs charges, handling, etc.

Most aviation charges, taxes and fees in Africa do not comply with the International Civil Aviation Organization (ICAO) principles and procedures, eg. article 24 of the Convention on International Civil Aviation, 7 December 1944 (Chicago Convention), Doc 8632 “Policies on Taxation in the Field of International Aviation” and Doc 9082 “ICAO’s Policies on Charges for Airports and Air Navigation Services”.

The jet fuel pricing structure in Africa is also characterised by high levies and taxes. Fuel accounts for up to 40% of an airline's operating costs, making it one of the most important cost components to focus on. Third-party fees and charges are a major contributor to the high cost of fuel, and it is interesting to note that there can be as many as fifteen different categories of fees at one site.

In addition, there is a lack of economic oversight of aviation charges and taxes levied by airports, air navigation service providers, civil aviation authorities and governments.

AFCAC expressed the interest to recruit expert(s) to develop/ draft a paper that will:

- Review all existing studies on taxes and charges across the continent including fuel taxes and customs duties on aircraft spare parts;

- Identify all the existing taxes that do not conform to ICAO policy on taxes and charges;
- Identify the taxes that are higher than the continental average;
- Propose a harmonized continental taxation framework;
- Quantify the potential traffic increase by each State or African region if the taxes and charges are reduced;
- Quantify the equivalent potential revenue increase for States;
- Assess the level of aviation charges, taxes and fees in each AU Member State and their compliance to ICAO rules and procedures;
- Evaluate the impact on cost of operation and on economic growth of air transport sector;
- Compare (benchmark) the situation of aviation charges, taxes and fees in Africa with the other regions worldwide;
- Suggests practical recommendations on how to reduce the aviation related charges and taxes in Africa.

In the next months, the next steps on this activity flow will be further defined.

4.9 Support to the YD Celebration and Support to the SAATM Pilot Implementation Program (PIP)

[REF WORK PLAN : Result 1, Activity Set 1.6., Activity 1.6.1.]

[REF WORK PLAN : Result 2, Activity Set 2., Activity 2.2.2.]

[REF WORK PLAN : Result 3, Activity Set 3.1. , Activity 3.1.1.]

The project has provided financial support for a number of missions exclusively at the request of AFCAC.

5 Future set of activities – to be discussed among the PSC members

Several stream of activities can be foreseen:

1. **Follow up of the previous activities** previously engaged. In particular the SAF/ Environmental activities and the activities of the newly created DSM Secretariat are key elements of an efficient aviation market. The APAD and the strengthening capacities in data analysis of AFCAC's data analysis capacity are also an area of great interest.
2. **Starting of new activities** in areas not yet explored by the project. The project's framework allows for flexibility. Several mainstreams have already decided at the 1st PSC in Brussels in November 2022.

For example the activities set foreseen in the work plan, but not yet committed are:

Result 1:

1.3.2. Support on methodological/ institutional aspects for the implementation of STC decisions/Implementation of African Civil Aviation Policy (AFCAP)

1.5.1.1. Support advocacy and capacity building endeavours to State and RECs to ensure that all national Laws, Regulations, Rules, Policies are in conformity with the provisions of the Yamoussoukro Decision and AFCAP

1.5.1.2. Support Train-the Trainer Capacity building program on Economic Oversight

1.5.1.3 Support the Harmonization and Domestication of the Regulatory Texts of the YD

1.5.1.4. Support Capacity building to address emerging regulatory challenges such as market access, air carrier ownership and control and trade in services

Result 2

2.1.1 Promotion of the Implementation of AFCAP

2.2.3. Activities to foster participation of women in aviation

2.2.4 Activities to foster participation of young professionals in the African aviation

Result 3

3.2.1. Promotion of AFCAC as a SAATM Executing Agency for SAATM

3.2.2. Support further cooperation with RECs to ensure awareness of SAATM and foster synergies across the project

3.3.1. Advocacy for the countries who have not signed the SAATM