



transport

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Minister of Transport speech

MINISTER OF TRANSPORT REMARKS AT THE SIGNING OF THE AIR SERVICES ARRANGEMENTS (BASA) BETWEEN THE REPUBLIC OF SOUTH AFRICA AND CHAD AT THE SANRAL NATIONAL OFFICES PRETORIA

20 January 2017

Honourable Minister of Civil Aviation and National Meteorology of the Republic of Chad,
Ms Haoua Acyl Ahmat AGHABACH;

CHAD High Commissioner to South Africa;

Delegation from Chad;

Department of Transport Officials;

SA Department of International Relations and Corporation (DIRCO) delegation;

Ladies and gentlemen

Please allow me at the outset, to express our sincere apologies to Her Excellency that our protocol team was waiting at OR Tambo when we were later advised Her Excellency arrived in Wonderboom. We shall make sure that in future there is proper communication and logistical arrangements.

It is a great honour and privilege to receive the Honourable Minister of Civil Aviation and National Meteorology of the Republic of Chad, Ms Haoua Acyl Ahmat AGHABACH and her delegation who visited our country, South Africa, today to sign the Bilateral Air Services Agreement (BASA) between our two countries on issues that affect our aviation industry.

I have great hope that this BASA will bring the much needed opportunities in growing the aviation industry for both our countries. I visualise too, the important contributions we shall all make in the conversion of opportunities into realities that shall allow us to transform the landscape and the sky space that defines our realm of work.

The Honourable Minister, in 2014, we celebrated the 100th anniversary of commercial air transport by South African Airways (SAA). The first century of aviation is noteworthy as the sector industry grew from 1 passenger to 3.3 billion passengers; and the world witnessed about 65 billion passengers take to the sky.

In its first 20-year passenger growth forecast, the International Air Transport Association (IATA) report stated that passenger numbers are expected to reach 7.3 billion by 2034 and it is projected that in the next 20 years approximately 65 billion will be using air transport. Furthermore; in its Future Growth Trend Highlights, IATA predicted that eight of the ten fastest-growing markets in percentage terms will be in Africa, with the continent expected to grow by 4.7%. The report predicts that by 2034, Africa will see an extra 177 million passengers a year for a total market of 294 million passengers.

Considering that to date the African continent is made up of 54 countries, 1 500 to 2 000 languages and approximately 1.1 billion individuals, the potential effect of such growth on the economy of the continent and both our countries is staggering.

In 2010, the continent's population reached one billion and if current demographic trends continue the population will be 1.4 billion by 2025 and 1.9 billion by 2050. Considering the vast distances and consequent building and maintenance costs on road and rail systems, air transport continues to present a solution for transporting cargo and facilitating business and tourism.

It is expected that Africa's rapid population growth will continue, and that its younger population will be the working class who will fly more often. The above mentioned growth prospects indicate a wide range of opportunities available to ensure the realization of aviation industry growth.

Minister, it is South Africa's position that Africa needs to consolidate its own air transport market and industry in order to remain relevant. Therefore, the individual African members' states need to support the Regional Economic Communities' initiatives.

To the extent that development and growth must result from our persistent endeavours in the aviation sector, the South African government has also addressed impacts of policy and operational fragmentation as well as inconsistent regulation in the sector.

Our commitment and undertaking are clearly captured in various key documents including the White Paper on National Civil Aviation Policy which states that this industry is vital to international trade, investment, and tourism, as well as contributing to domestic transport, sports and recreation. Therefore an efficient, reliable and sustainable South African aviation industry should be promoted, while maintaining control over international and domestic air transport services within a well-defined regulatory framework.

South Africa, has since July 2006, adopted a five-year Airlift Strategy which sets out to enhance the air transport sector's contribution to sustainable growth and development. We are about to finalise work on the revised Air Transport Strategy which will further guide and enhance the air transport sector's contribution to sustainable growth and development.

The implementation of the Airlift Strategy and soon to be finalised Air Transport Strategy supports our government's aim to increase the volume of international air traffic capacity to and from South Africa as well as creation of capacity ahead of demand. In particular, the strategy recognizes the adoption and Implementation of the key principles of Yamoussoukro Decision (YD) continentally and the regulation of the International markets through the Bilateral Air Services systems with managed liberalization.

It is in this context that back in April 1994, at the birth of our democratic South Africa, the Bilateral Air Service Agreement between South Africa and Chad was initially negotiated under the auspices of the Multinational Committee on Negotiations of Air Services Agreements.

The agreement between South Africa and Chad provided a highly restricted framework that included one (1) passenger and one (1) all-cargo frequency per side as well as a single designation regime per country and with no framework for the designated airlines of both countries to enter into a code sharing arrangement.

The agreement is 23 years in the making and I am encouraged by the opportunity presented to us to conclude it against the backdrop of the AU 2063 Agenda.

As we both know, we were scheduled to sign this agreement in December 2013, however due to the unexpected passing of our former President, uTata Nelson Mandela on the 5th of December 2013, we could not proceed as planned and the signing was twice rearranged, for December 2016 and then 20 January 2017. We thank you for your patience and considerations.

As I conclude, I would like to inform the Minister of the initiative of the African Union Commission (AUC) to speed up the full implementation of the Yamoussoukro Decision (YD) and the establishment of a single African Air Transport Market by 2017, which is considered crucial to the achievement of the long-term vision of the Africa Union (AU) Agenda 2063 whose main goals are to accelerate the socio-economic development and integration of Africa.

Honourable Minister, as South Africa we would like to recommend that:

- a. Chad fully support the common African position on liberalization;
- b. Chad support the principle of an open market in the African region for African operators, in which the consumer of such services receive services of high quality and reliability;
- c. Encourage the African States to consolidate their Aviation Market and Industry in order to enhance their competitiveness; and

- d. Urge Chad to strengthen the Regional Economic Commissions and to be a signatory to the AU Solemn Commitment to the implementation of the YD towards the establishment of a Single African Air Transport Market.

Minister Haoua Acyl Ahmat AGHABACH, I would like to thank you, your delegation and the entire Chad government for dedicating your time to come and personally ensure that we sign this agreement in line with the Yamoussoukro Decision under the auspices of the African Union and the African Civil Aviation Commission.

I thank you

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