

**55th CONFERENCE OF
DIRECTORS GENERAL OF CIVIL AVIATION
ASIA AND PACIFIC REGIONS**

*Denarau Island, Nadi, Fiji
22 — 26 October 2018*

AGENDA ITEM 11: OTHER BUSINESS

**PROPOSAL ON THE THEME FOR
THE 56TH DGCA CONFERENCE**

Presented by Nepal

SUMMARY

Aviation is growing globally in steady pace from 1970s and Asia and Pacific Regions will be witnessing the highest rate of growth in aviation in coming days. Newer city pairs will be included to cater the need of the traveling public and more aircraft will be required to meet the demand. This will pose demand for the higher capacity of aerodrome services in air navigation services apart from robust regulatory regime in the member States of the region. The timely planned actions are required from all concerned to meet the challenges stemming from unprecedented aviation growth in the region.

PROPOSAL ON THE THEME FOR THE 56TH DGCA CONFERENCE

1. INTRODUCTION

1.1 The 56th Conference of the Directors General of Civil Aviation of the Asia and Pacific Regions (56th DGCA Conference) is scheduled to be held in Kathmandu, Nepal from 19 to 23 August 2019. This discussion paper proposes for discussion at the 55th Conference a Theme Topic “**Harmonizing Efforts to meet the capacity constraints**” which was considered to be appropriate in the current context.

2. DISCUSSION

2.1 Based on the past and current trends of the civil aviation, various forecasts have suggested that Asia-Pacific Region will witness the highest rate of growth in the world. This will require demand on the traffic handling capacity inside the member States in the region. As of now some of the States in the region are still struggling to achieve the global standards of services while the forecast data will require more attention and resources to be put in the place.

2.2 Aviation has played a pivotal role in the national and international trade and business. Past History has taught us the lesson that economic growth is possible when the States have sound aviation system in place. The national and regional economy largely depends on the safe, regular and reliable aviation regime in any State.

2.3 Boeing forecast in its ‘Commercial Market Outlook 2018-2037’ has forecast for 20 years with figure of average global traffic growth of 4.7 has been expected.

2.4 IATA has in its forecast states that routes to, from and within Asia-Pacific will see an extra 2.1 billion annual passengers by 2036, for an overall market size of 3.5 billion. Its annual average growth rate of 4.6% will be the third-highest, behind Africa and the Middle East.

2.5 The International Air Transport Association (IATA) expects 7.8 billion passengers to travel in 2036, a near doubling of the 4 billion air travelers expected to fly this year. The prediction is based on a 3.6% average Compound Annual Growth Rate (CAGR) noted in the release of the latest update to the association’s 20-Year Air Passenger Forecast. 2036 Forecast Reveals Air Passengers Will Nearly Double to 7.8 Billion.

2.6 IATA further forecasts that the biggest driver of demand will be the Asia-Pacific region. The region will be the source of more than half the new passengers over the next two decades. The point at which China will displace the United States as the world’s largest aviation market (defined as traffic to, from and within the country) has moved two years closer since last year’s forecast. We now anticipate this will occur around 2022, through a combination of slightly faster Chinese growth and slightly reduced growth in the US. The UK will fall to fifth place, surpassed by India in 2025, and Indonesia in 2030. Thailand and Turkey will enter the top ten largest markets, while France and Italy will fall in the rankings to 11th and 12th respectively.

2.7 IATA has identified five fastest-growing markets in terms of annual additional passengers in 2036 compared to 2016 as following among which majority of them fall in Asia-Pacific Region.

- China (921 million new passengers for a total of 1.5 billion)
- The United States (401 million new passengers for a total of 1.1 billion)
- India (337 million new passengers for a total of 478 million)
- Indonesia (235 million new passengers for a total of 355 million)
- Turkey (119 million new passengers for a total of 196 million)

2.8 Airport Council International in its data 2018-2040 has made a forecast of regional contribution of global traffic 38.8% for APAC region.

2.9 Despite considerable challenges in many parts of the world, Asia Pacific will continue to lead global economic growth with an average forecast GDP of 3.9% annually over the next 20 years. Hence, the region's share of global GDP is predicted to rise from 33% to 40% by 2036, as forecast by Boeing.

2.10 In July 2017 Association of Asia Pacific Airlines (AAPA) reported the region's airlines carry 1,214 million passengers and 20 million tons of cargo, represent one-third of world passenger traffic and two-fifths of world air cargo traffic respectively.

2.11 Above facts and figures clearly imply that aviation is globally soaring in its new heights every year with latest trend of aviation in the common man's reach. APAC region will witness the highest rate of growth. This compels us to be ready for the forthcoming challenges to face the unprecedented growth.

2.12 The member States in the APAC region should be ready to embrace the upcoming challenges in the development of aerodromes, air navigation services, aviation professionals like pilots, aircraft engineers, air traffic controllers, flight operations officers and other associated aviation professionals to cater the demand posed by the fastest growing region in the world. The isolated efforts of the member States in the region may not be adequate to meet the challenges rather the consolidated efforts in this direction will result in better outcome to meet the objective despite the constraints in the various domains. The harmonized efforts among the member States will complement the deficiencies of others and will yield in better performance.

3. ACTION BY THE CONFERENCE

3.1 The Conference is invited to:

- a) discuss and adopt the proposed Theme Topic for the 56th DGCA Conference of Asia and Pacific Regions;
- b) give emphasis accordingly to the matters coming under the theme topic in formulating discussion and information papers.

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