



**49th ANNUAL GENERAL ASSEMBLY
10 TO 13 OCTOBER 2019**

VENUE : LUX SAINT GILLES RESORT, REUNION

CONFERENCE HOST : AIR AUSTRAL

THEME : "WHAT'S STOPPING US?"

PROGRAM DIRECTOR : Mr James Christie

REPORT ON THE PROCEEDINGS OF THE AASA ANNUAL GENERAL ASSEMBLY

13 December 2019

1. INTRODUCTION

- 1.1 The 49th AASA Annual General Assembly was held from 10 to 13 October 2019 at the LUX Saint Gilles Resort, Reunion. The conference host was Air Austral. A total of about 220 guests attended the event including 180 delegates and guests, and 40 Spouses and children.
- 1.2 Delegates included representatives from Reunion from the offices of the Prefect of Reunion, President of the Regional Council, Civil Aviation Authority of Reunion, the Reunion Tourism Authority, the Aeroport de la Reunion Roland Garros and several business organizations. 10 AASA member airlines attended the AGA, 8 represented by Chief Executives of the Airlines. 25 Associate Members attended together with several invited guests and partners of the Airline industry.
- 1.3 As a self-funded event, a total of 23 sponsors kindly invested in the Assembly as sponsors of conference, functions, networking and social events.
- 1.4 The **theme of the conference was "What's Stopping Us?"**. This theme focussed on issues across the airline business and related industries, which are holding the regional airline industry back from fully taking its place on the global aviation stage.

1.5 The conference program was designed to deal with these issues from various perspectives. A brief summary of the program including events, functions, presentations and discussions is provided below.

1.6 Conference bags were sponsored by SA Weather Service.

2. THURSDAY, 10 OCTOBER 2019

2.1 On Thursday 10 October 2019, the Assembly opened with the Welcome Dinner preceded by cocktails on the Cuisine Gardens South at the LUX Saint Gilles Resort from 20h00 to 23h00. The event was sponsored by Shell Aviation.

2.2 Mr Zweigenthal welcomed the delegates to the commencement of the Assembly on the beautiful island of Reunion, the second time the AASA AGA had been hosted in Reunion by Air Austral, the first time being in 1995. Mr Adam Harrison, General Manager for Europe and Africa, Shell Aviation, addressed the delegates on behalf of Shell Aviation.

3. FRIDAY, 11 OCTOBER 2019 - CONFERENCE

3.1 The **conference** was held in the Canastelle Conference Room at the LUX Saint Gilles Resort and opened at 08h30. The Program Director was Mr James Christie.

3.2 **Presentations , photos and videos of the presentations and panel discussions have been posted on the AASA Website www.aasa.za.net under the Events/AASA AGA 2019 link.** (We acknowledge with thanks the contribution of Mr Athol Franz, Editor of African Pilot, for providing many of the photos and the video of the conference sessions).

3.3 **Welcome remarks** were delivered by Mr Marie Joseph Male, Chairman and CEO of Air Austral. Mr Male welcomed all delegates to Reunion and to the conference acknowledging the importance of hosting the Assembly in Reunion in respect of vision of the growth and development of aviation and tourism in the region. Ms Zukisa Ramasia, Deputy Chairperson of AASA and Acting CEO of South African Airways welcomed the delegates to the Assembly, and thanked Mr Male and his team for hosting the Assembly in Reunion. She acknowledged the important roles that aviation and the individual airlines play in the development of an integrated network of the region.

3.4 **The first address was made by Madame Yolaine Costes, Vice President of the Regional Council, representing Monsieur Didier Robert, the President of the Regional Council of Reunion.** Madame Costes welcomed all delegates to Reunion and presented the narrative of the development of aviation in Reunion and the establishment of Air Austral, which initially provided critical links to Paris and within the Indian Ocean Islands network to develop tourism and trade, and later to the East serving Noumea via Sydney and Bangkok. She emphasized the

importance of collaboration in the region noting the alliance relationship between Air Austral and Air Madagascar. Madame Costes acknowledged the importance of bringing the Southern Hemisphere aviation community together in Reunion, to discuss ways to deal effectively with reaching regional aviation's potential in the face of growing international competition.

- 3.5 **The second address was made by Monsieur Lionel Montocchio, Director General, Civil Aviation, Reunion**, on behalf of Monsieur Jacques Billant, the Prefect of Reunion. He noted the synergies that existing between the Indian Ocean Island community and the Southern African region and the close partnerships that exist from an economic, educational, cultural, defence, fisheries, trade and aviation perspective. He noted the importance that France attaches to the growth, development and ultimate success of Africa. This will occur through continued support from France, dialogue such as at this conference, and strengthening of partnerships throughout the region. He noted the importance of the growth and development aviation in the region with the need to develop a regional strategy based on the principles of connectivity competitiveness, and attractiveness. He noted three important challenges, namely, the need for aviation to deal with climate change and the reduction of carbon emissions, the necessity to create more visibility of the regional industry on the world map, and the need to collaborate through the enhancement of capacity, training resources, the use of new fast developing technology, and an improved passenger experience. Monsieur Montocchio concluded his address by wishing the conference well in anticipation of positive outcomes on the way forward.
- 3.6 **The Industry Address was delivered by Mr Chris Zweigenthal, CEO of AASA**. His address dealt with the theme of the Assembly namely "What's Stopping Us?" with the following main elements:
- 3.6.1 Industry financial position noting the global airline profitability and the negative position overall for Africa and the Southern African region and the airlines, and the growth of the low cost airline industry particularly in South Africa.
 - 3.6.2 The need for States to fully accept the benefits of aviation to their economies and ensure more consistent policies are introduced across all sectors.
 - 3.6.3 The need to concentrate on the enhancement of revenue through development of tourism and trade, the need to derive benefits from SAATM, removal of visa restrictions, and to further reduce unit costs of airlines.
 - 3.6.4 Focus on social responsibility elements through the elimination of xenophobia and gender-based violence, and acknowledgement of the influence of youth in particular on socio-political issues, eg. climate change.
 - 3.6.5 Safety and security throughout the value chain including global air worthiness certification issues, and dealing with the challenge of the accommodation of RPAS in the commercial airspace.
 - 3.6.6 A call to action : "Press play instead of the repeat button".

The address, presentation and video of the address is on the AASA website.

- 3.7 The refreshment break was kindly sponsored by **CFM International**.
- 3.8 **Mr Ronak Gopaldas, Director Signal Risk (Pty) Ltd**, delivered a keynote address entitled, **“Reimagining Africa”**, dealing the following main issues:
- 3.8.1 The current global socio-political environment and the context in which Africa finds itself – a continent which will have the largest workforce by 2050 but still requires significant development and industrialization.
- 3.8.2 He expanded on five policy conundrums that Africa needs to deal with, namely,
- 3.8.2.1 Democracy vs Development
- 3.8.2.2 Globalism vs Protectionism
- 3.8.2.3 Africa’s facebook vs facelift generation
- 3.8.2.4 East vs. West and the scramble for Africa
- 3.8.2.5 Leapfrog or lag
- 3.8.3 In the context of this Assembly, he noted the important strategic positioning of the Indian Ocean Islands in their relationship between the East (particularly India and China) and Africa.
- 3.8.4 In conclusion, he noted the fast-moving global technological developments and the 4IR and the need for Africa to be able to respond to these developments whilst still needing to ensure fundamental needs of their communities are met.
- 3.9 **Ms Victoria Moores, Air Transport Editor for African Aerospace, interviewed Mr Paul Steele, Senior Vice President, Member and External Relations, IATA**, who retired from IATA at the end of October 2019. The topic of the interview was **“Key insights of the Industry : What’s Stopping Us?”**. Paul has held senior positions in IATA for many years, has a keen interest in African Aviation and been a long-time supporter and attendee at AASA AGA’s.
- 3.9.1 This objective of the interview was to enable Paul to share his views and insights candidly and provide comment on the issues that our industry and our region in particular are facing, what is holding us back from achieving sustainability and success, and how we should be dealing with and prioritizing actions on these issues.
- 3.9.2 Paul shared some important highlights of his time with IATA, and dealt with the challenges facing African airlines in achieving profitability and the many opportunities that are available. In particular, he noted that Africa has the opportunity to plan off a blank sheet to chart its way forward towards sustainability and success, e.g.SAATM, liberalization and the positive impact this can have on African Aviation, amongst others. He also focused on the important role that African Aviation plays in the global industry, especially the critical participation in ICAO and the recent Assembly.

A video of the interview is available on the website.

3.10 A **Panel Discussion** was held to discuss the theme **“Unique challenges and opportunities of the Indian Ocean Island aviation, tourism and business environment”**. The panel was moderated by Mr James Christie and the panellists were Gaston Bigey – NEXA CEO, Fabrice Grondin – Aeroport de La Reunion Roland Garros, Chief Operating Officer, Jean-Marc Grazzini – Air Austral, Director, Commercial and Marketing, Rolland Besoa Razafimaharo – Air Madagascar, CEO, and Pascal Viroleau – CEO of the Vanilla Islands Alliance.

3.10.1 Each panelist provided an overview of the business opportunities that are present in the Indian Ocean Islands and the integration of their respective businesses to the overall success of Reunion and the Indian Ocean island environment.

3.10.1.1 Mr Bigey provided context to the business environment of Reunion and the many activities and industries that contribute to the well-being of Reunion.

3.10.1.2 Mr Grondin discussed the important role of the airport in providing connectivity, highlighting future developments of the airport with a focus on climate change mitigation.

3.10.1.3 Mr Grazzini noted the importance of aviation and the role of Air Austral in providing connectivity in the region and to Africa.

3.10.1.4 Mr Razafimaharo emphasized the importance of alliances and cooperation between partners noting the relationship between Air Madagascar and Air Austral.

3.10.1.5 Mr Viroleau expanded on the integrated trade and tourism opportunities and achievements of the Indian Ocean island region through the work and successes of the Vanilla Island Alliance.

A video of the panel discussion is available on the AASA website.

3.11 The conference lunch was kindly sponsored by Airbus and was held at the LUX Saint Gilles Poolside Par and Garden.

3.12 After lunch, a session was held where three presenters delivered **Situation reports** on important matters with which the aviation industry in Africa is currently dealing.

3.12.1 **Mr Aaron Munetsi, Director Government, Legal and Industry Affairs, African Airlines Association**, delivered a report on the **“Single African Air Transport Market (SAATM) Implementation Status”**. He spoke of the importance of SAATM in the context of the African Union Agenda 2063, the role of the African Union, AFCAC and Governments in the implementation planning of SAATM, the role of States and the call for more than the current 31 State signatories to sign up for SAATM, and the positive benefits which will accrue to the States and their airlines when SAATM is implemented.

3.12.2 **Mr Thys Serfontein, President of Air Travel Solutions, SITA**, delivered a report on **“The Fourth Industrial Solution, Cyber Security and Big Data: Impact on**

Aviation”. Mr Serfontein took us through the development of the four industrial revolutions, the impact technology has on driving passenger satisfaction and the way it is transforming the industry today, the critical role of data in supporting the business environment. He ended his report by providing us a view of the world in 2030 driven by technology.

- 3.12.3 **Mr Vivendra Lochan, Chief Operating Officer, AASA**, delivered a report on **“Skills Development : Future Priorities”**. Mr Lochan noted the results of IATA research findings, highlighting the critical areas requiring attention. He noted critical skills areas in aviation in Africa, where shortages could manifest themselves if not addressed. He highlighted future demand requirements, and some of the factors and challenges leading to the anticipated shortage. He concluded by detailing some of the International organizations, public and private initiatives currently underway in Africa, and requested action to determine numbers in respect of the shortages and to devise a strategy to deal with these shortages and to meet demand.

Copies and videos of the presentations are available on the AASA website.

- 3.13 The refreshment break was held on the Pool Terrace kindly sponsored by CFM International.
- 3.14 The **Aviation Leadership Forum** comprising CEO’s of Member Airlines dealt with the subject **“Leadership perspectives on how we overcome the constraints and move forward”**. The Forum was moderated by Mr Blacky Komani, Tourvest Holdings, Deputy Group CEO, and the panel was Mr Marie Joseph Male – CEO, Air Austral, Ms Zuks Ramasia – Acting CEO, SAA, Ms Wrenelle Stander – Joint CEO, Comair, Mr Rui Carreira, CEO, Taag Angola Airlines, and Mr Elmar Conradie, CEO, Flysafair.
- 3.14.1 Having listened to the presentations and discussions through the day, this Forum provided the opportunity for airline leadership to provide their perspectives on the current realities of the airline industry environment and to give context to the many challenges the industry is facing, as well as interact and answer questions from the delegates.
- 3.14.2 The Forum discussed some of the important issues facing the industry, sharing different perspectives on SAATM and the road to liberalization, the importance of competition in aviation and the response thereto, and the some of the challenges of doing business in Africa.
- 3.14.3 Ultimately, the view is that there are significant opportunities for growth and development of the industry and there is a way forward to overall profitability, notwithstanding the challenges en route to reach this objective.

The video of the Forum is available on the AASA website.

- 3.15 The conference concluded at 17h00.

4. FRIDAY EVENING 11 OCTOBER 2019 : COCKTAIL FUNCTION AND CONFERENCE DINNER

- 4.1 The cocktail function was held in the Bar Garden at the LUX Saint Gilles Resort from 19h00 to 20h00 and was sponsored by Rolls Royce. Mr Ryan Goodnight, Sales Director, addressed the function.
- 4.2 The Conference Dinner was held in the Bar Garden from 20h00 to 23h00 and was sponsored by Boeing. Mr Chamsou Andjorin, Director Market Development, Boeing addressed the guests.

5. SATURDAY 12 OCTOBER 2019, MORNING : ANNUAL GENERAL MEETING

- 5.1 The 49th Annual General Meeting of AASA was held at 09h00 in the Canastelle Conference Centre at the LUX Saint Gilles Hotel. All governance issues were dealt with at the AGM including presentation of the Annual Report and the approval of the Annual Financial Statements.
- 5.2 Elections of Office Bearers took place and the following Officers were elected :
- 5.2.1 Chairperson : Ms Zukisa Ramasia, Acting CEO, SAA
- 5.2.2 Deputy Chairperson : Ms Wrenelle Standere, Joint CEO, Comair Limited.
- 5.3 In respect of the 50th Annual General Assembly to be held in 2020, Airlink was confirmed as the Airline Host for the Assembly. The AASA Executive will assess proposals for the venue, and this will commence with an assessment of venue options in the Kruger Mpumalanga area. Recommendations will be made to the AASA Executive Committee.

6. SATURDAY 12 OCTOBER 2019, AFTERNOON AND EVENING

- 6.1 Two leisure activities took place on the Saturday afternoon which everyone thoroughly enjoyed.
- 6.2 Embraer sponsored the excursion activities. This commenced with a lunch at the Le Plage Restaurant at 12h30. Thereafter three different excursions took place, namely, the Lava Tunnel exploration, the Nature Tour and the Creole Tour. All three tours provided the guests with unique, different views of the magnificence of Reunion island and its rich history.
- 6.3 Bidair Services sponsored the golf afternoon which took place at the Golf du Bassin Bleu course, a beautiful tree lined course on the volcanic lava of Reunion.
- 6.4 The farewell cocktail function sponsored by Bombardier took place from 19h00 to 20h00 at the Canastelle Gardens. Mr Jean-Paul Boutibou, Vice President Sales, addressed the guests. Mr Boutibou advised that this would be the final function sponsored by Bombardier in its current form due to the changes in the

Bombardier business. Industry colleagues paid tribute to Mr Boutibou and Bombardier.

- 6.5 The Gala dinner sponsored by Air Austral took place from 20h00 to 23h00 at the Saint Gilles Hotel courtyard. A magnificent Imperial Table was set up in a setting which provided a unique opportunity for Mr Male, Chairman and CEO of Air Austral, to address the guests and bring the 49th AASA Annual General Assembly to a close. Mr Zweigenthal ended off by thanking the Government and people of Reunion, Air Austral, all sponsors, speakers, delegates, AASA members, and guests for attending the Assembly.

7. DEPARTURE, 13 OCTOBER 2019

Following conclusion of the event, the delegates departed from the LUX Saint Gilles Hotel from 13 October 2019.

8. CONCLUSION

The Assembly was a great success and AASA will work on many ideas, actions and follow up items identified during the Assembly program together with its members and stakeholders.

Chris Zweigenthal
Chief Executive Officer

13 December 2019
