

AASA ANNUAL REPORT 2018-2019

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AIRLINES ASSOCIATION OF SOUTHERN AFRICA (AASA)
12 October 2019

AIRLINES ASSOCIATION OF SOUTHERN AFRICA

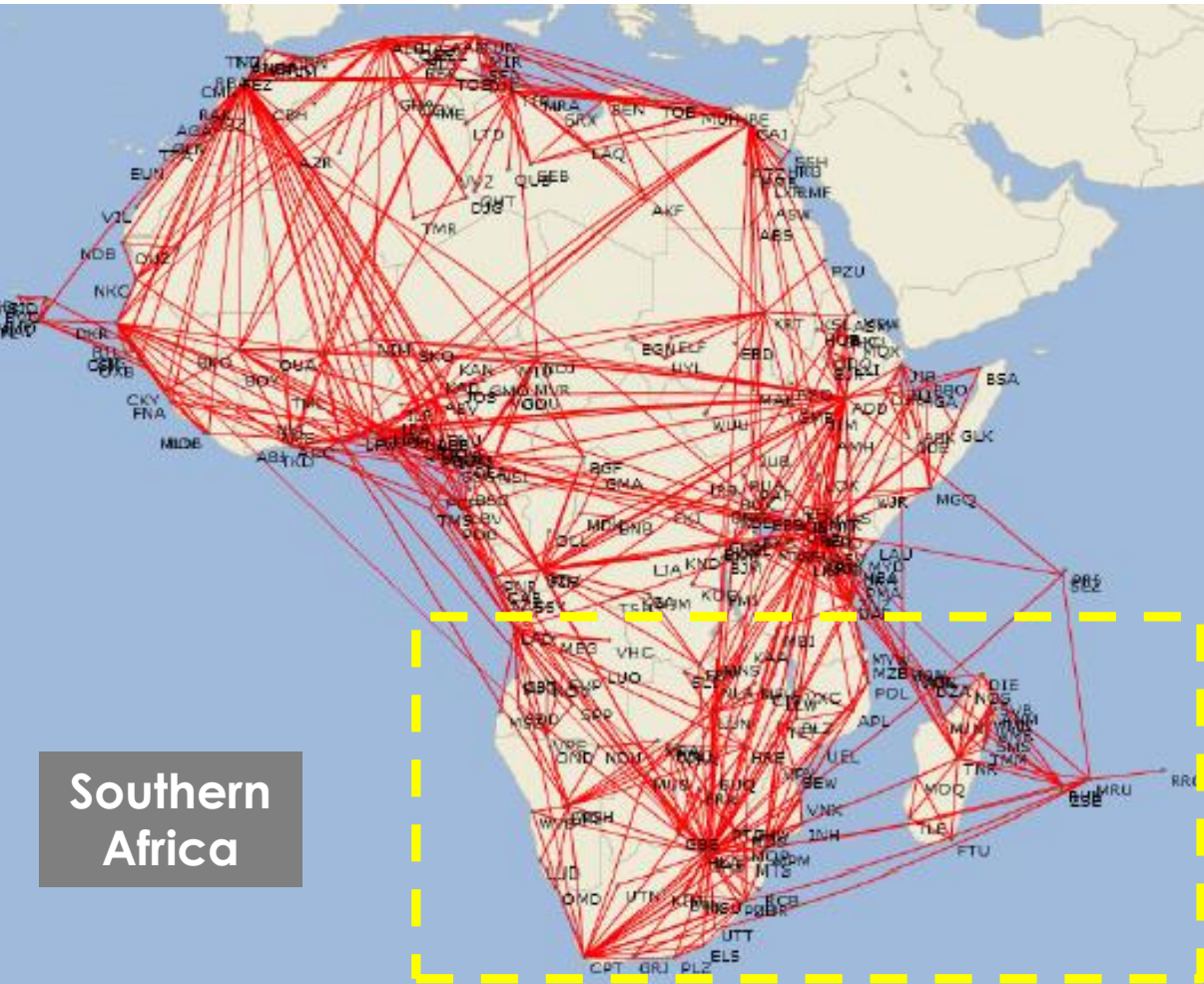


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INTRODUCTION

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Southern
Africa

AASA leads and represents the airline industry in the Southern African region on behalf of its members and appreciates the excellent working relationships with all stakeholders.

These include leaders of the Aviation Industry organizations, as well as senior public and Government officials on all matters affecting the overall sustainability of the airline industry in the SADC region.



Our Mandate

- ❑ Represent the Chief Executives and their authorized representatives
- ❑ Act on matters of common interest to its Members

AIRLINES ASSOCIATION OF SOUTHERN AFRICA





Global Aviation Industry profit return

2019 \$28 billion

2018 \$35 billion



Africa Aviation Industry profit return (loss)

2019 \$300 million

2018 \$200 million

PAX GROWTH 2018 VS 2019



Global **6.6%** vs **5.3%**
(August 2019 **+3,3%**)

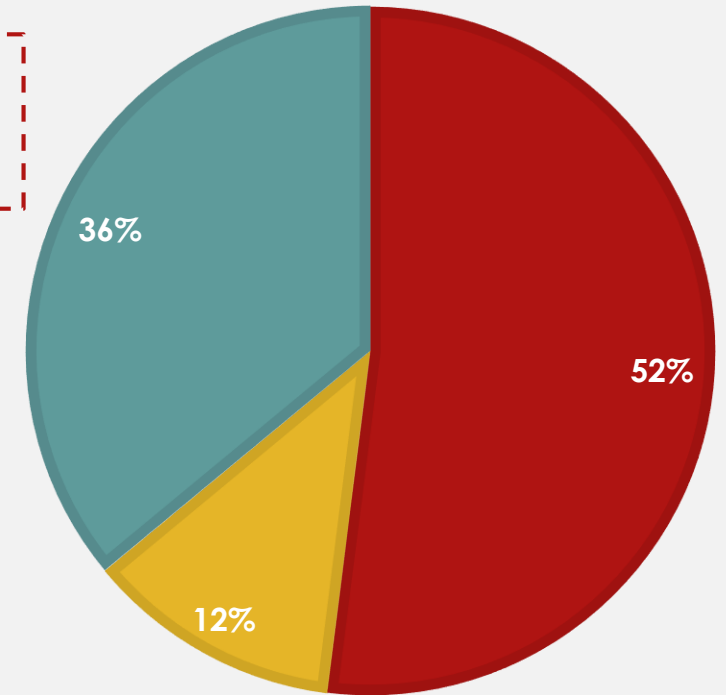


Africa **2.3%** vs **2.8%**
(August 2019 **+4,1%**)

Commercial Scheduled Airlines in SADC

6 are profitable
9 are unprofitable
***10 unknown**

- Government Owned
- Public/Private Equity Partnerships
- Private



AIR CARGO



Global average trend **- 3.5%**
(August 2019 **-3,9%**)



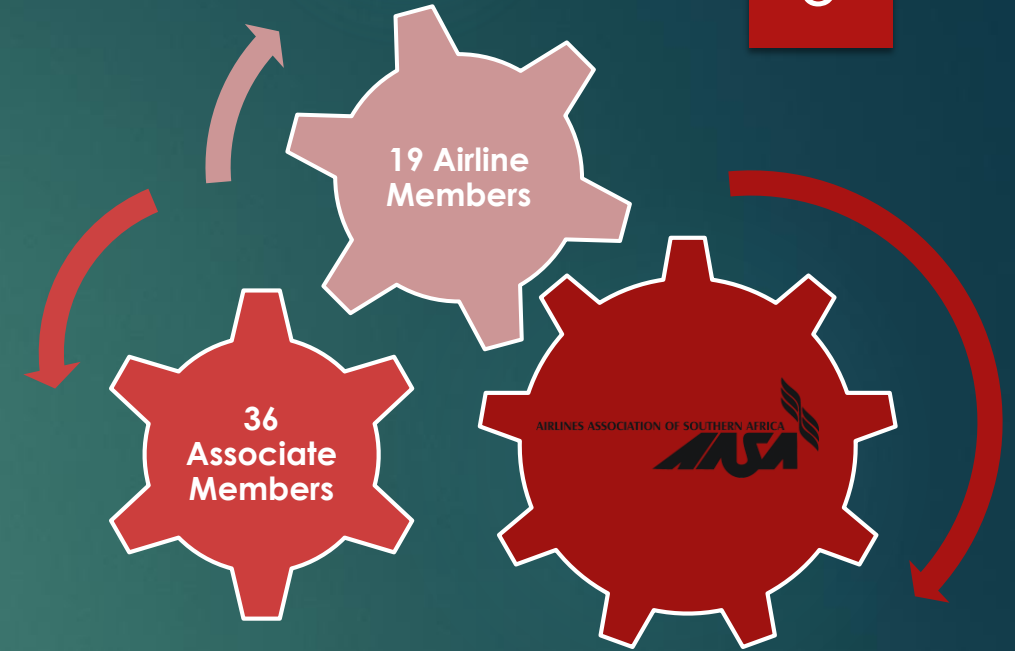
Africa average trend **+2 %**
(fastest growth)
(August 2019 **+8%**)

AASA'S CORPORATE DEVELOPMENTS

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AASA Executive Committee

1. Mr Miles van der Molen, Chairperson, CEO Cemair
2. Ms Zukisa Ramasia, Deputy Chairperson, Acting CEO, South African Airways
3. Ms Wrenelle Stander, Joint CEO, Comair
4. Mr. Rodger Foster, CEO, Airlink
5. Mr. Chris Zweigenthal, Chief Executive Officer
6. Mr. Vivendra Lochan, Chief Operating Officer



New Airline Membership



New Associate Membership



Lufthansa Technik





South African
Weather Service



BUSINESS ACTIVITIES



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Infrastructure Service Providers

ACSA & ATNS

- Regulatory review process for ACSA & ATNS
- Permission Process- Consultations are expected to commence with both ACSA and ATNS before the end of 2019
- Final submission of the Permission applications by ACSA and ATNS, due by 30 June 2020

ACSA

- Cape Town runway commence around March 2020.
- Head Office complex at OR Tambo International Airport

SAWS

- 8.2% per annum increase for the three years commencing 1 April 2019 (AASA objected to this increase)
- Awaits the publication of the final increase



African Aeropolitical Issues

- AASA attended the 22nd Annual SADC Civil Aviation Committee (CAC) in Seychelles in July 2019.
- Implementation of the Single African Air Transport Market (**SAATM**) through the Yamoussoukro Decision (**YD**)
- SADC Aviation Safety Organisation (**SASO**)
- **UAMC**
- **Blocked funds**

Department of Transport SA

- Slot Coordination Committee and Slot Performance Committee
- ICAO State Letters
- ICAO Assembly Mr Zweigenthal joined the South African delegation to attend the Triennial 40th ICAO Assembly in Montreal
- Planning meetings for South African, SADC based and International Conferences
- National Facilitation Committee
- B-BBEE
- Regulating Committee of ACSA and ATNS
- Cape Town Convention
- Legislation and Regulations
- Search and Rescue

SOUTH AFRICAN



**CIVIL AVIATION
AUTHORITY**

South African Civil Aviation Authority (SACAA)

- Civil Aviation Regulations Committee (**CARCOM**)
- Flight and Duty Regulations and Standards
- Regulations for Passengers with Disability
- National Airspace Committee (**NASCOM**)
- Finance
- Security
- Civil Aviation Authority Industry Liaison Forum
- Civil Aviation Authority Forum with Airlines
- Environment



Aviation Jet Fuel Forum

- Transnet Pipeline Tariff Application
- Fuel Industry Meetings



home affairs

Department:
Home Affairs
REPUBLIC OF SOUTH AFRICA

Department of Home Affairs, South Africa

- The continued requirement of children under the age of 18 years to carry birth certificates is concerning.
- Progress has been made by the TBCSA in respect of making compliance with regulations easier.



Environmental Challenge

Global Initiatives- CORSIA

A total of 81 States have volunteered for the pilot phase and first phase of CORSIA. Three SADC States, Botswana, Namibia and Zambia have volunteered for the initial two phases.

South African Issues

On 1 June 2019, the Carbon Tax Act was introduced into law in South Africa.

United for Wildlife – Against Wildlife Trafficking

- AASA supports the United for Wildlife initiatives



Wonders of Aviation

Inspiring and Supporting Tomorrow's Aviation Leaders

HR, Labour Relations & Training

Management Committee of the Aerospace Chamber of TETA

- Reconstituted July 2018
- X2 Representatives appointed from AASA members

AASA Skills Development Training Programme

- Total = 1557 (326 in 2017/18)

Wonders of Aviation (WOA)

- Detailed programme of activities is available on the WOA website www.wondersofaviation-southafrica.org

IATA Training Fund (IATF) partnership with AASA

- Series of IATA courses for the Airlines in Southern Africa
- 125 airline employees
- Separate funded IATA leading practices and cost reduction.



Legal Matters

- Convention on International Interests in Mobile Equipment (CIIME) and Associated Instruments (Cape Town Convention)
- Consumer Protection Act, South Africa
- Civil Aviation Act
- Review of Air Services Licensing Act and International Air Services Act



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA

Department of Tourism, South Africa and Tourism Business

- Mr. Zweigenthal is a member of the Board of Directors of the Tourism Business Council of South Africa (TBCSA)
- NTSF and NTSS - Enablement of Air Access
- SADC workshop considering initiatives to promote tourism in the SADC region



Transformation of the Industry

- Appointment of the new Transport B-BBEE Council
- Transport Charter
- Aviation Charter and Scorecard



Aviation Co-Ordination Services (ACS)

- Hold Baggage Screening
- Baggage Reconciliation Services
- CUTE and CUSS
- Fast Travel
- Cargo Screening



Treasury & SARS matters South Africa

SARS VAT Issues

- ACS VAT Invoices
- VAT on domestic legs of international flights
- Customs Rules and Regulations



AASA Standing Committee

- Standing Committee on Safety
- Human Resource Training
- Environmental Committee
- Flight Operations Committee



48th Annual General Assembly

- The 48th Annual General Assembly of AASA was held from 11 to 14 October 2018 at the Avani Victoria Falls Resort, Livingstone, Zambia and was kindly hosted by South African Airways.
- The Conference theme was "Enabling African Airline Service Excellence".
- 280 guests attended

IATA and Regional Airline Associations

- ▶ AASA is the SADC based Regional Airline Association, and works closely with IATA in ensuring implementation of its global mandate through the region.
- ▶ AASA joined a meeting in Brussels in January 2019 attended by the majority of Regional Associations to discuss issues of mutual interest as they impact their own regions and worldwide

South African Industry Association Involvement

AASA recognises and appreciates its close working relationship with industry organisations within South Africa.

- ❑ Board of Airline Representatives of South Africa (**BARSA**)
- ❑ **ACS**
- ❑ Aero Club of South Africa
- ❑ Recreational Aviation Association of South Africa (**RAASA**)
- ❑ Commercial Aviation Association of Southern Africa (**CAASA**)
- ❑ Tourism Business Council of South Africa - Umbrella Association for the Travel and Tourism industry,
- ❑ Association of South African Travel Agents (**ASATA**)
- ❑ South African Tourism Services Association (**SATSA**),
- ❑ Federation of Hotel Associations of South Africa (**FEDHASA**),
- ❑ South African Vehicle Rental and Leasing Association (**SAVRALA**)

DATE	EVENT
8 to 10 August 2018	ICAO Gender Summit in Cape Town
3 to 5 September 2018	V. Lochan attended the CANSO Africa conference in Mombasa and made a presentation and participated in a panel discussion.
13 September 2018	Namibia Civil Aviation Authority CORSIA Implementation Workshop presentation
23 to 24 October 2018	C. Zweigenthal attended and participated in a panel discussion at the ATNS AVI Afrique conference
25 to 27 November 2018	V. Lochan attended the 50th AFRAA Annual General Assembly in Rabat, Morocco
22 to 24 January 2019	C. Zweigenthal attended the Heads of Regional Associations meeting in Brussels and made a presentation on Skills Development issues in Africa.
26 to 28 February 2019	C. Zweigenthal attended the African Aerospace Summit in Kigali and participated in a panel.
28 February 2019	V. Lochan attended the BARSAs Summit
12 March 2019	AASA together with IATA presented to the Parliamentary Select Committee on Finance objecting to the Carbon Tax Bill.
25 to 29 March 2019	C. Zweigenthal attended the Passenger Terminal Expo in London on behalf of ACS.
24 to 26 April 2019	C. Zweigenthal attended the AviaDev conference in Cape Town and participated in a panel discussion. C. Zweigenthal was also presented with the Ato Girma Wake Lifetime Achievement Award at the conclusion of the event.
23 May 2019	C. Zweigenthal delivered a keynote address at the African Aviation Air Finance Africa Conference.
1 to 3 June 2019	C. Zweigenthal attended the IATA AGM in Seoul, Korea
1 to 3 July 2019	C. Zweigenthal attended the SADC Civil Aviation Committee meeting in Seychelles
22 to 24 July 2019	C. Zweigenthal attended the AU / AFCAC Workshop on SAATM preparedness in Kigali from
29 and 30 August 2019	C. Zweigenthal and T. Kok attended the SACAA National Gender Summit C. Zweigenthal made a short presentation and signed a pledge in support of gender equality
7 September 2019	C. Zweigenthal attended the IATA Regional Aviation Forum in Nairobi and moderated a panel discussion.
24 to 28 September 2019	C. Zweigenthal attended the 40th ICAO Assembly

AASA will assist and respond to matters similar to those dealt with on behalf of the airlines of South Africa on behalf of the regional airlines, and is involved on their behalf in the following projects:

SADC Civil Aviation
Committee Business

Environmental
Issues

REGIONAL ISSUES

User Charges

Cape Town
Convention



Thank you!

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I wish to thank **Mr Miles van der Molen**, Chairperson and **Ms Zukisa Ramasia**, our Deputy Chairperson, our executive committee and the AASA Team.

I also recognize all our Members, both **Airline Members** and **Associate Members**, for their continued support throughout this year.

AIRLINES ASSOCIATION OF SOUTHERN AFRICA

