Asia Pacific Aviation
Regional Safety and Outreach

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Overview

- **AAPA**

- **Asia Pacific aviation**

- **Safety performance**

- **Challenges**

- **Priorities**

- **Outreach**

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AAPA member airlines

Asia Pacific Aviation

We came a long a way

Aviation: connecting the world

- **Air travel delivers global mobility**

- **3.6 billion passengers**

  - **10 million per day**

- **Carries 35% by value of global trade**

  - **Goods worth US$6 trillion**

- **Wider social and economic benefits**

- **Outstanding safety record**

- **Committed to sustainable growth**
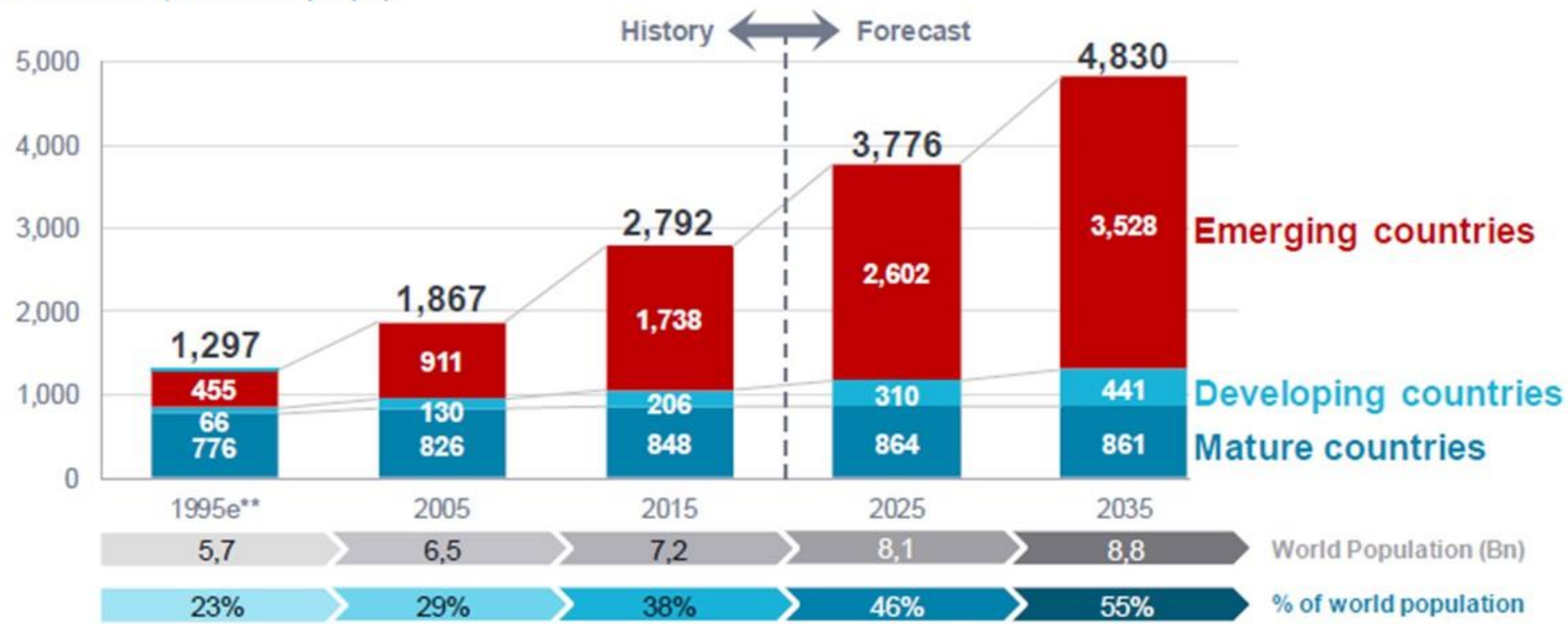
Source: IATA, ATAG

Asia Pacific

- **Diverse geographic region**
- **Home to 4 billion people**
  - ➢ **56% of the world's population**
- **Dynamic economies generate 34% of global GDP**
- **Wide range of income levels, rapidly growing middle class**
- **Aviation widely recognised as a key contributor to economic and social development**
- **Political diversity remains challenging: need for multilateral cooperation**

Source: IMF

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Growing middle class consumers

Middle Class* (millions of people)

History ← → Forecast

Year	Emerging countries	Developing countries	Mature countries	Total
1995e**	455	66	776	1,297
2005	911	130	826	1,867
2015	1,738	206	848	2,792
2025	2,602	310	864	3,776
2035	3,528	441	861	4,830

	1995e**	2005	2015	2025	2035	
World Population (Bn)	5,7	6,5	7,2	8,1	8,8	
% of world population	23%	29%	38%	46%	55%	

* Households with yearly income between $20,000 and $150,000 at PPP in constant 2015 prices
** Estimate for 1995 split region

Driving consumption, including air travel demand

Source: Airbus GMF 2016-2035

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Asia Pacific Aviation

US$203 billion revenue

US$7 billion net profit

1,297 million passengers

927 million domestic

370 million international

21 million tonnes of cargo

7,058 aircraft

Asia Pacific carriers overall market share:

33% of global passenger traffic

38% of global cargo traffic

Data: Traffic: AAPA 2016 Estimates, Financials: IATA 2016 Estimates

Source: Combined AAPA + non-AAPA airlines GMT+5 to GMT+12

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World's busiest international/ regional routes

Rank	Route	PAX(million)
1	Hong Kong - Taipei	5.1
2	Jakarta - Singapore	3.4
3	Bangkok - Hong Kong	3.0
4	Kuala Lumpur - Singapore	2.7
5	London - New York	2.7
6	Hong Kong - Singapore	2.7
7	Hong Kong - Shanghai	2.5
8	Hong Kong - Seoul	2.5
9	Bangkok - Singapore	2.4
10	Dublin - London	2.2

Most of the world's busiest international routes are in the Asia Pacific region

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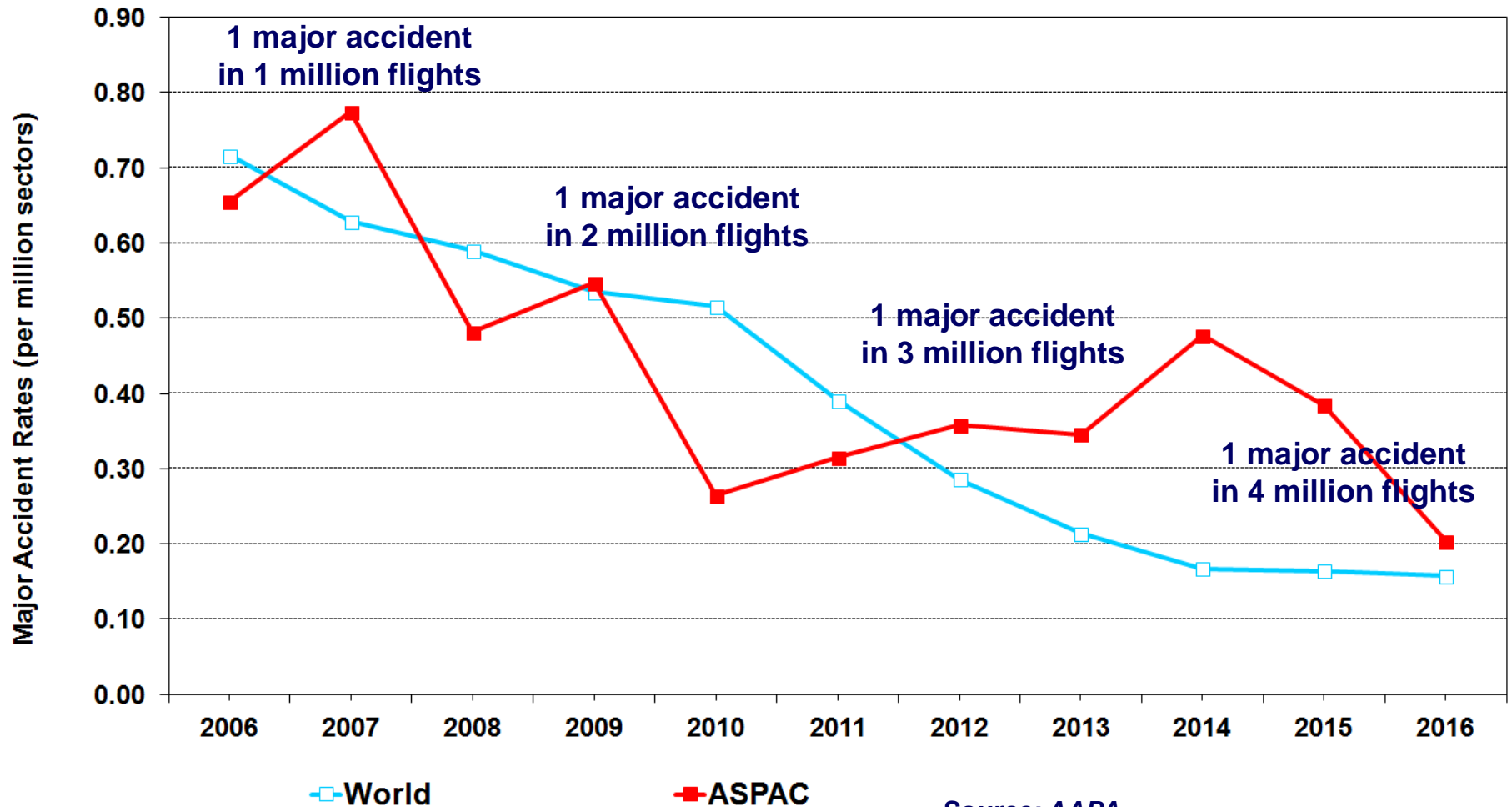
Safety & Security

Aviation Safety & Security
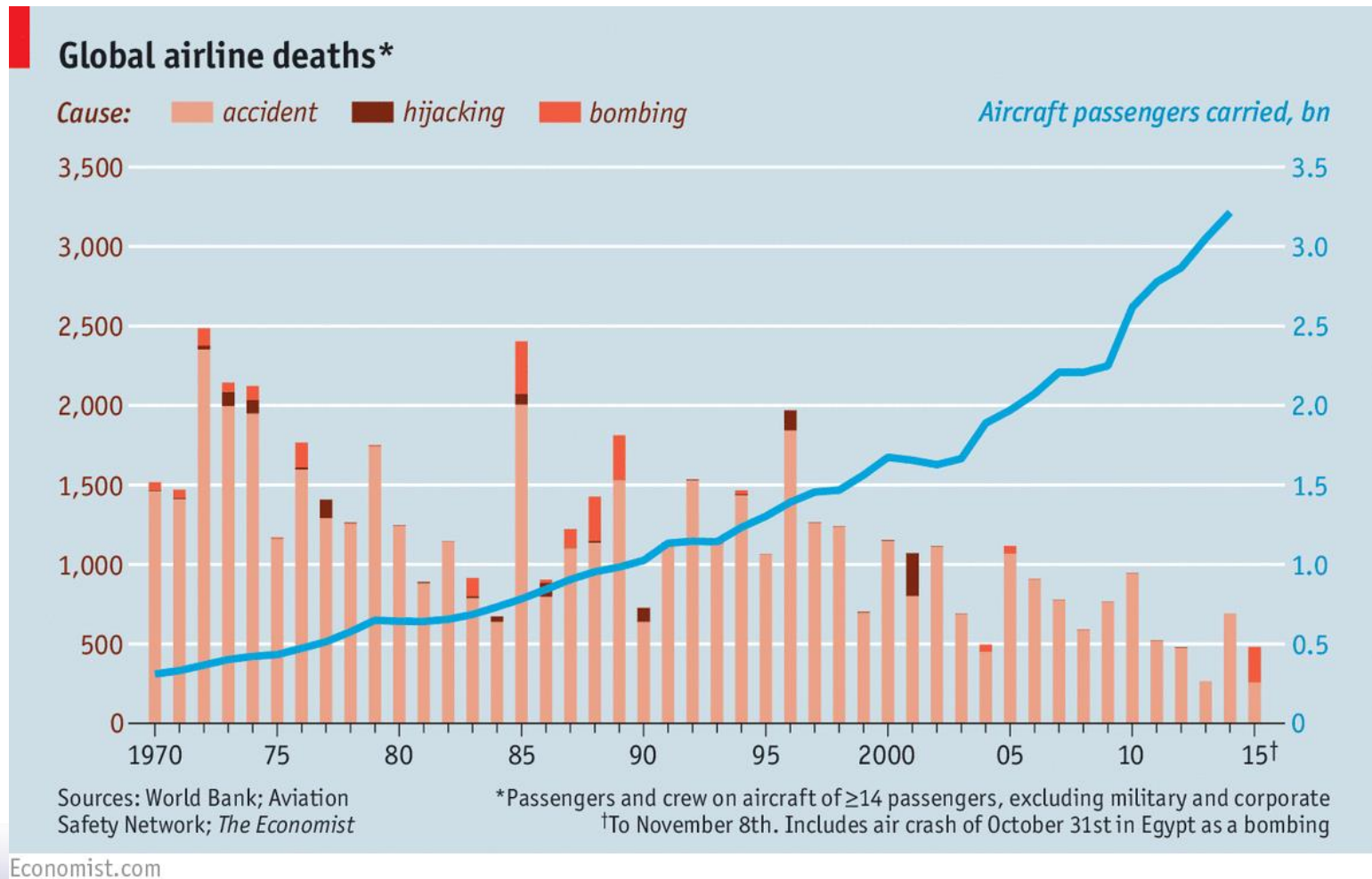
Diminishing losses despite strong traffic growth

Safety Performance Trends

Western-built Jet Aircraft Major Accident Rates
by Operator Region 2006 - 2016
3-year moving averages

Source: AAPA

Unprecedented tragedies

- **Every loss brings human suffering**

- **Even though, flying is extraordinarily safe, and getting safer still**

- **Industry is delivering continuous improvements in aviation safety performance**

- **Despite heightened anxieties, public confidence about air travel remains positive**
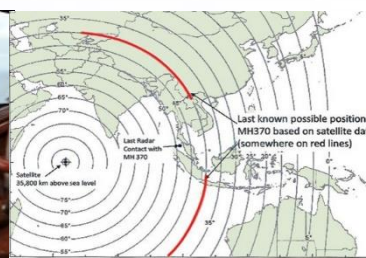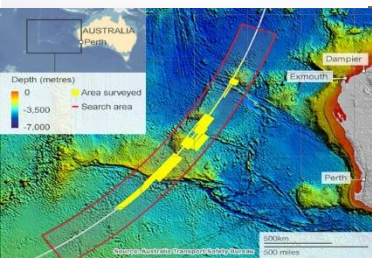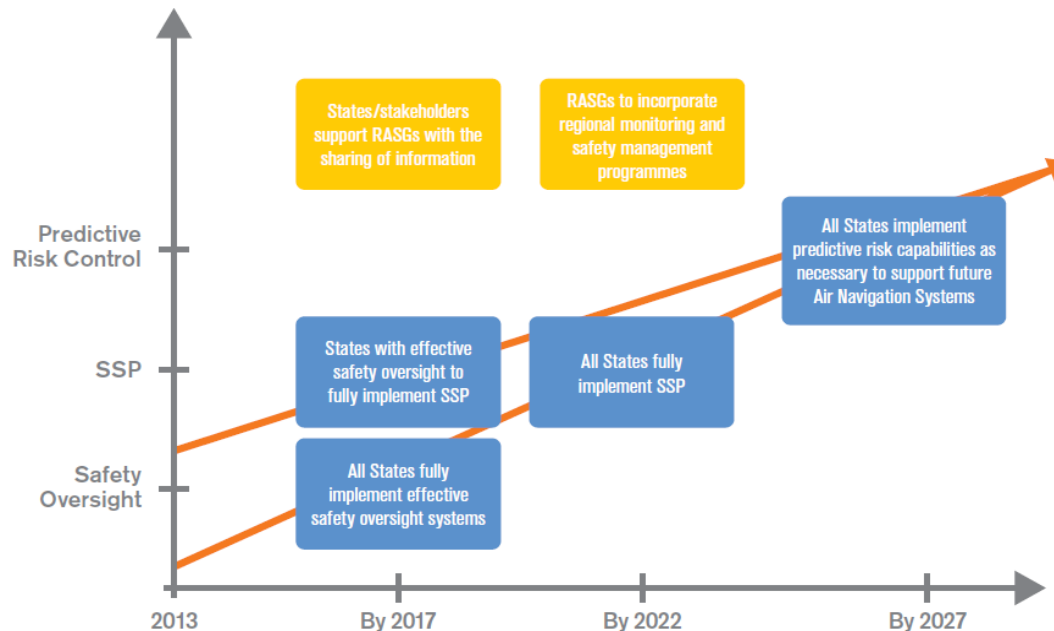
Challenges

Individual/Cultural challenges to SMS

ICAO State Safety Oversight System

- **ICAO sets global safety standards and practices**
 - **Staged approach: Basics > Extended > Predictive**

- **ICAO oversight of effective implementation by States through Universal Safety Oversight Audit Programme & Continuous Monitoring Approach (USOAP-CMA)**

Variable quality of regulatory oversight

Inconsistent implementation of ICAO standards

ICAO Safety Audit Results for APAC
Effective Implementation of safety oversight systems by State
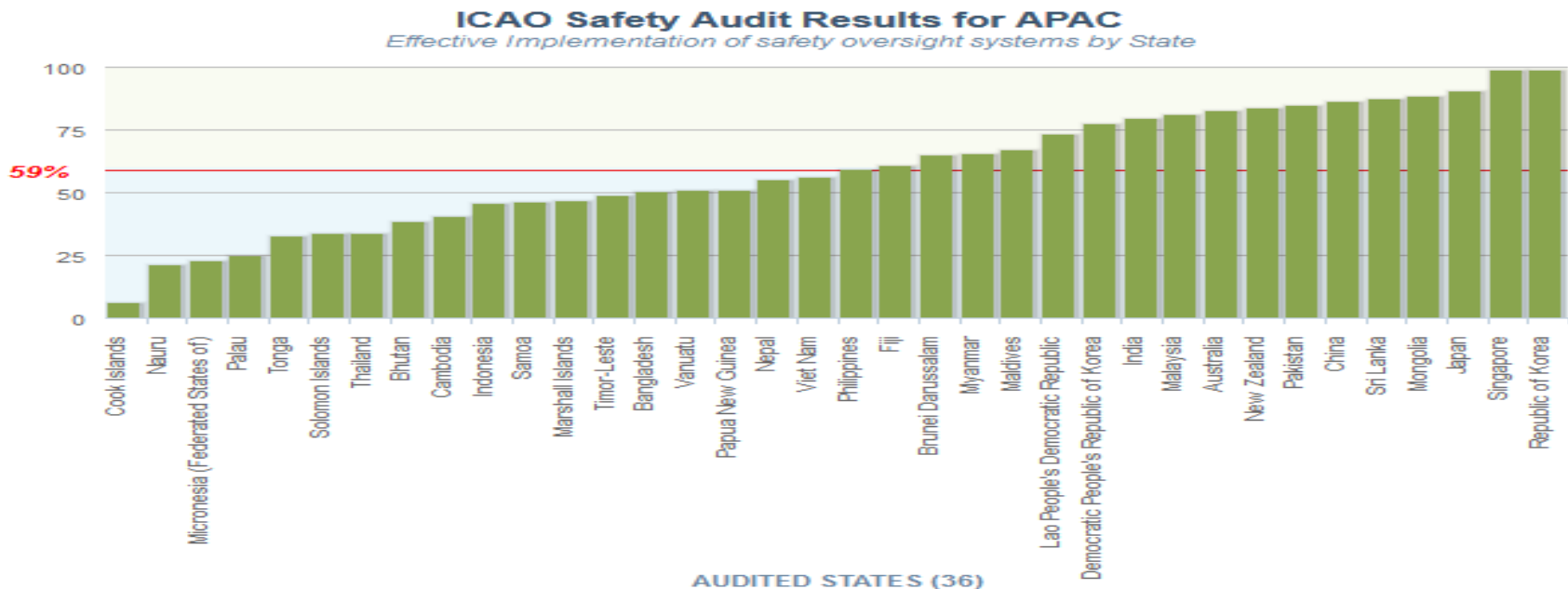
- *Lack of quality assurance leads to unnecessary duplication*
- *Call for action to address evident weaknesses*
- *ICAO 'No Country Left Behind' campaign*

Asia Pacific: Regulatory perspectives

- **Diverse region: varying levels of capacity and capability**

- **Some States at risk of failing USOAP-CMA with findings of Significant Safety Concerns**

- **Punitive measures taken against operators for the deficiencies of its home regulator**

- **Several Asian countries have been subject to external sanctions including US Cat 2 designation or operating bans per EU safety list**

- **Many States introducing ramp inspections – inconsistent approach**

- **Keeping pace with industry growth brings further challenges**

Multiple audits not the most effective way to enhance the quality of regulatory oversight and aviation safety

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Asia Pacific: Regulatory challenge

- **Industry high level of safety performance due to coordinated safety activities, sharing best practices and data, lessons learned**

- **States increasing level of foreign air operator surveillance resulting in punitive sanctions on airlines**
  - **Inconsistent/ unharmonised approach**
  - **Lack of industry dialogue**

- **Keeping pace with industry growth**

- **State Safety Program (SSP)**

- **Just Culture**

Need to strengthen regional collaboration and cooperation to further enhance aviation safety

US & EU: extra-territorial impact

- **US aviation safety oversight led by FAA**
  - **Foreign operators must comply with FAR129**
  - **Categorize countries with operations to the US**
  - **Cat 2 rating restricts airline operations to the US**
- **EU safety oversight led by European Commission, EASA and Eurocontrol**
  - **Foreign operators must comply with TCO operations**
  - **Safety List: imposes operating bans on airlines from countries with inadequate safety oversight**
- **State responsibility but sanctions have punitive impact on airlines regardless of airline safety performance**

Priorities

Safety Priorities

Identified Risk Factors:

- **Controlled Flight into Terrain (CFIT Turboprop)**
- **Approach & Landing**
- **Loss of Control in Flight**
- **Runway Safety (excursions)**
- **Non-Adherence to Standard Operating Procedures**
- **Human Factors**
- **Ground Accidents**

Focusing on development and implementation of action plans to proactively manage such threats

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Latent Safety Conditions

Identifying underlying deficiencies in:

- Regulatory oversight

- Safety management

- Management systems

- Change management

- SOP and checking procedures

- Training systems

- Qualifications and experience levels

Safety Focus

- **Airlines operate in a complex and challenging business environment**
- **Asian airlines are listed among some of the world's leading safe airlines**
- **Safety requires long term investment and commitment in resources by all stakeholders**
- **Greater focus on effective regulatory oversight aligned with agreed ICAO standards**
- **Enhanced safety performance relies on transparency, collaboration and cooperation between regulators and industry**

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Outreach

AAPA Outreach

- **Open policy on safety – FOSWG, CaSWG, APTSF, APASS**

- **Efforts based on trust, transparency and partnership**

- **Forums, Workshops and Working Groups**

- **Support national safety forums**

- **Outreach to regional ANSPs**

- **Benchmarking and sharing of data with safety partners**

- **Develop guidance and training – Just Culture**

- **Outreach to Turbo-prop operators**

  ➢ **Turboprop operations require separate focus and attention to prioritise relevant safety initiatives**

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Working relationship with airlines in the region

Always open for dialogue on safety
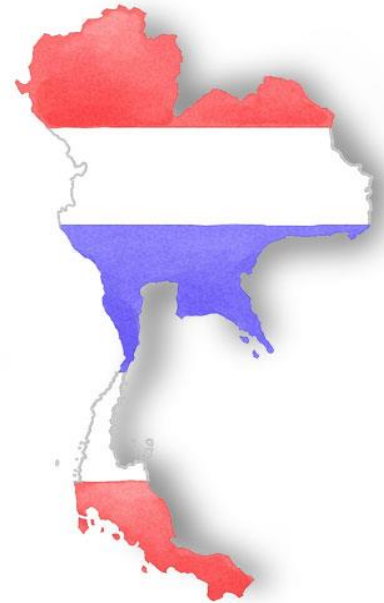
Airport Focus

- Runway Safety

- Safety Management Systems (SMS)

  - Identification and mitigation of airport risks and hazards

- Wild life management

- Foreign object damage

- Ground operations

- Infrastructure

- Collaboration and cooperation

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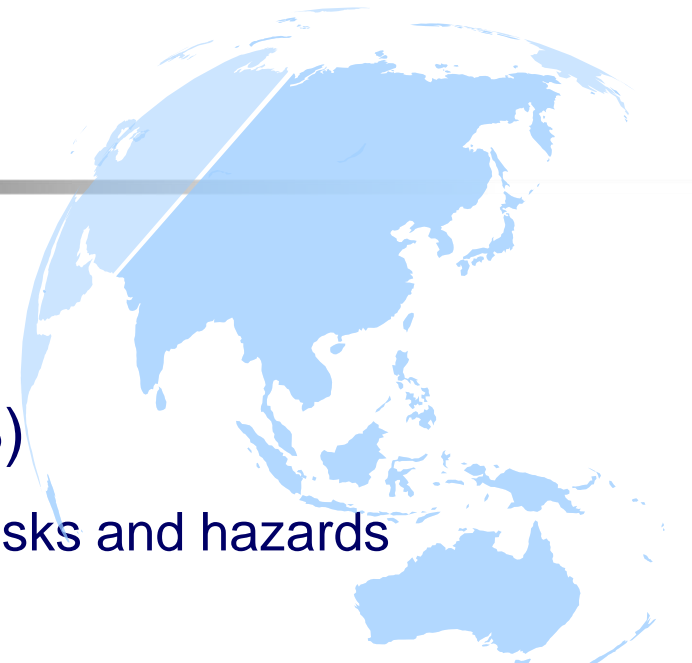
Regional Stakeholder Outreach

Closing Thoughts

- **Flying is extraordinarily safe and secure**

- **Aviation drives economic and social development**

- **Airport and ANS infrastructure planning is a shared challenge**

- **Aviation requires effective regulatory oversight**

- **Close collaboration amongst all involved stakeholders**

- **Stakeholders committed to continuous safety improvement; must take ownership of safety priorities**

Keeping air travel safe, secure and convenient

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