



## ASSEMBLY — 40TH SESSION

### EXECUTIVE COMMITTEE

#### Agenda Item 21: United Nations 2030 Agenda - Sustainable Developments Goals (SDGs)

#### AVIATION'S CONTRIBUTION TOWARDS THE UNITED NATIONS 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

(Presented by the Airports Council International (ACI), the Civil Air Navigation Services Organisation (CANSO), the International Air Transport Association (IATA), the International Business Aviation Council (IBAC) and the International Coordinating Council of Aerospace Industries Associations (ICCAIA) coordinated by the Air Transport Action Group (ATAG))

#### EXECUTIVE SUMMARY

Air transport is a significant contributor to global economic growth and social development. It creates employment, facilitates trade, enables tourism and supports sustainable development all around the world. Safe, reliable and cost-effective air transport supports the Sustainable Development Goals (SDGs) and should be seen as a development imperative by governments.

**Action:** The Assembly is invited to:

- a) note of the report by the Air Transport Action Group (ATAG) - Aviation: Benefits Beyond Borders 2018 – which explores the role aviation plays for the global society and how air transport supports the United Nations sustainable development framework;
- b) request the Council to urge member States to make use of the data wherever and whenever possible to highlight aviation's contributions to the Sustainable Development Goals (SDGs); and
- c) invite States to recognise the global, regional and national benefits of aviation and to embrace this proactively in policies that encourage the further development of aviation as a driver of economic and social benefits.

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| <i>Strategic Objectives:</i>   | This working paper relates to Strategic Objective: Economic Development of Air Transport. |
| <i>Financial implications:</i> | Not applicable  |
| <i>References:</i>             |   |

<sup>1</sup> Arabic, Chinese, English, French, Russian and Spanish versions provided by ACI, CANSO, IATA, IBAC and ICCAIA, coordinated by ATAG

## 1. INTRODUCTION

1.1 The Air Transport Action Group (ATAG) has worked closely with Oxford Economics to undertake a macroeconomic assessment of aviation's global economic impact. This research was combined with a holistic overview of the social and environmental aspects of air transport. Its findings demonstrate that aviation is:

- a) **A major global employer:** Commercial aviation supports 65.5 million jobs (direct, indirect, induced and catalytic) worldwide. Over 10 million of those jobs are generated directly by the industry itself, including at airports, airlines, air navigation service providers and manufacturers of aircraft and their components. Of the 10.2 million jobs that the industry generates:
  - i. the airport sector accounts for 6.12 million jobs (60% of the total). This includes on-site employment (for example at retail outlets, restaurants and government agencies), accounting for 5.6 million jobs or 55 per cent of the total, and 525,000 positions with airport operators.
  - ii. 2.7 million people are directly employed by airlines (27% of the total).
  - iii. the manufacturing sector employs 1.2 million people (11% of the total).
  - iv. 233,000 jobs are generated by air navigation service providers (2%).
- b) **Enabling economic growth:** Air transport supports USD 2.7 trillion (direct, indirect, induced and catalytic) in global economic activity. If aviation were a country, its direct economic impact would rank 20th in size by Gross Domestic Product (GDP); similar to Switzerland.
- c) **Unique connectivity:** The global aviation system comprises over 45,000 routes connecting 3,759 commercial airports through 1,303 airlines, carrying over 4.1 billion passengers on nearly 42 million flights a year. The industry's fleet of 31,717 aircraft are guided safely through the skies by 170 air navigation service providers.
- d) **Big trade values, small volumes:** Over a third of world trade by value is transported by air: some USD 6 trillion, with nearly 62 million tonnes of freight carried by air in 2017 (less than 1% of trade by volume).

## 2. A VITAL SUPPORT FOR TOURISM

2.1 Air transport is also an enabler of tourism, with 57 per cent of all international tourists travelling to their destinations by air in 2017. Tourism plays an even more important role in some States than others, with 45 out of 47 least developed countries identifying tourism as a key development sector.

## 3. AIR TRANSPORT SUPPORTING SUSTAINABLE DEVELOPMENT

3.1 The global aviation industry is aligned with the United Nations 2030 Agenda for Sustainable Development. Analysis shows that the global air transport industry plays at least some role in

supporting the Sustainable Development Goals (SDGs). Through generating connectivity between nations, aviation is a key driver of economic and social development:

**SDG 1) End poverty:** Aviation creates over 10 million direct jobs worldwide and indirectly supports a total of 65.5 million jobs.

**SDG 2) Zero hunger:** Aviation supports the delivery of vital humanitarian assistance to areas affected by conflict and disasters through the United Nations Humanitarian Air Service (UNHAS), the World Food Programme (WFP), other charities and commercial airlines providing their cargo and cabin space.

**SDG 3) Good health and wellbeing:** Aviation assists people's health and wellbeing around the world by transporting medicine and vaccines across long distances under strictly regulated storage conditions. Air transport also provides vital medical care through air ambulances to remote communities.

**SDG 4) Quality education:** Access to higher-quality education for many means travelling to another country, sometimes in another region of the globe. Without air transport, these opportunities simply would not exist. In 2016, 4 million students travelled abroad to study, many by air.

**SDG 5) Gender equality:** Aviation is working to achieve gender balance across the sector. In Europe, aviation is the most gender-balanced of all transport modes with 41 per cent female employees. More work is still needed to encourage balance in technical and executive roles.

**SDG 6) Clean Water and Sanitation:** The aviation industry works to reduce its environmental footprint, including through the sustainable management of water. For example, new 'dry wash' techniques for aircraft reduce the use of water by 95 per cent compared to traditional cleaning methods.

**SDG 7) Affordable and clean energy:** The aviation industry is developing sustainable aviation fuels that reduce CO<sub>2</sub> emissions by 80 per cent compared to fossil fuels. Nearly 200,000 commercial flights using sustainable fuels have already taken place.

**SDG 8) Decent work and economic growth:** As well as providing employment, aviation contributes USD 2.7 trillion to global economic activity, 3.6 per cent of the global total.

**SDG 9) Industry, innovation and infrastructure:** Aviation is one of the most innovative industries in the world. The manufacturing sector is continually developing new technology and creates significant urban infrastructure through the building of airports, as well as air traffic management. In 2016, nearly USD 64 billion was invested in airport infrastructure, with most investment taking place in Asia and the Americas.

**SDG 10) Reduced inequalities:** The connectivity provided by air transport reduces inequality between countries, as well as individuals, through creating trade links and providing access to goods and services for those in remote communities. The democratisation of air travel has also meant that air services are available to more people than ever. Since 1970, the real cost of air travel has been reduced by 70 per cent.

**SDG 11) Sustainable cities and communities:** Aviation-related infrastructure is a major part of urban and rural communities worldwide and contributes to the connectivity of populations through integrated transport links.

**SDG 12) Responsible consumption and production:** Airlines and airports around the world have recognised the importance of reducing, reusing and recycling waste. From analysing passenger consumption data and using compostable cups and dishes, to donating non-perishable food items and introducing recycling of bottles and cans, the industry is committed to minimising the quantity of waste sent to landfill and incinerators. Airlines and manufacturers work closely together to recycle aircraft at the end of their service – being able to recycle up to 90 per cent of the aircraft by weight.

**SDG 13) Climate action:** Aviation has one of the clearest and wide-ranging climate action plans of any industry to reduce CO<sub>2</sub> emissions and is making good progress towards achieving its global climate targets.

**SDG 14) Life Below Water:** Airports and airlines worldwide contribute to conserving the oceans, seas and marine resources, including through conservation programmes and awareness raising among passengers.

**SDG 15) Life on land:** Aviation is working with partners in government and conservation organisations to combat the illegal wildlife trade that takes advantage of air transport's connectivity.

**SDG 16) Peace, Justice and Strong Institutions:** Through the International Civil Aviation Organization (ICAO) – the aviation industry's closest partner – air transport contributes to global standards and laws that ensure a safe, secure and sustainable sector.

**SDG 17) Partnership for the goals:** Partnerships between all sectors of the aviation industry enable the global air transport industry to operate: airports, airlines, business aviation, air traffic management, manufacturers and suppliers. The industry also partners with the United Nations, mainly through ICAO, and governments to develop regulations and cooperate closely on climate action.

3.2 While aviation already plays a major role in supporting the SDGs through its daily operations, the industry acknowledges that there are areas where it could increase its contribution to sustainable development by working more closely in partnership with governments and inter-governmental institutions.

## 4. REGIONAL BENEFITS AND GROWTH PROSPECTS

4.1 The ATAG report *Aviation: Benefits Beyond Borders* presents regional and national analysis of air transport's economic and social benefits and forecasts the potential for growth in air transport which will more than double over the next 20 years.

- **Africa:** Air transport supports 6.2 million jobs in Africa, 80 per cent of which are in tourism that aviation enables. Without the connectivity flight provides, many African countries that rely on a steady inflow of tourists would not be able to enjoy their present levels of economic growth.

- **Asia-Pacific:** Asia-Pacific has the highest levels of passenger traffic, transporting over a third of all passengers worldwide (1.5 billion). Air transport in Asia-Pacific supports 30.2 million jobs and USD 684 billion in GDP.
- **Europe:** Europe accounts for a quarter of global passenger traffic (1 billion) and is the second largest market after Asia-Pacific. Air transport supports 12.2 million jobs and USD 823 billion in European economic activity.
- **Latin America and the Caribbean:** In Latin America and the Caribbean, the aviation industry supports 2.8 per cent of all employment (7.2 million) and 3.3 per cent of the region's economic activity (USD 156 billion).
- **Middle East:** Air transport today supports 2.4 million jobs and USD 130 billion in GDP in the Middle East.
- **North America:** In North America, air transport creates 2.4 million jobs in the aviation industry itself and supports 7.3 million jobs in total.

4.2 Based on current industry growth rates, it is expected that air transport will support 97.8 million jobs and USD 5.7 trillion in global GDP in 2036.

4.3 However, should moves towards a more protectionist and fragmented world continue, there will likely be an impact on air traffic growth, particularly international travel and air freight. If this more pessimistic scenario materialises, in 2036 there would be 12 million fewer jobs and USD 1.2 trillion less global GDP than would otherwise be the case.

4.4 This highlights the importance of governments ensuring open borders, liberal trade policy and multilateralism for air transport development as a conduit for further connectivity, social advancement, trade and tourism worldwide.

4.5 All parts of the aviation industry, represented by the associations submitting this Working Paper, are firmly committed to a sustainable future for air transport. This can be evidenced by the industry's support for the global Carbon (CORSIA scheme for international aviation and its climate action plan.

## 5. ACCESSING THE REPORT

5.1 The report *Aviation: Benefits Beyond Borders* can be downloaded at [www.aviationbenefits.org](http://www.aviationbenefits.org) and is available from ATAG representatives at the Assembly.