The International Air Transport Association (IATA) has called on the US government to reinforce the competitiveness of the US air transport industry with strategic long-term thinking. In co-operation with the industry, IATA urged the US to accelerate NextGen implementation, renew its focus on liberalization, revise proposals for passenger rights legislation and address the rising cost of security, it was reported from New York on 31st March.

“Aviation ties the US together, connects it to the world, supports 11 million US jobs and drives $1.2 trillion in US economic activity. But aviation does not even rank among the top White House strategic priorities. The US aviation policy agenda is dominated by short-sighted half-measures that focus on micro-management. We must move forward with a bigger vision with the courage to change,” said Giovanni Bisignani, IATA’s Director General and CEO. Bisignani made his remarks to the Wings Club in New York City.

Bisignani’s speech highlighted the following:

Security: “The global approach of Homeland Security Secretary Janet Napolitano in engaging the industry on security is refreshing and effective. Each security crisis has resulted in new rules and added another layer of process and bureaucracy. We must review what has been created to ensure that it is effective at catching terrorists and convenient for the passenger,” said Bisignani, who has proposed a global re-think of the airport checkpoint concept that was developed 40 years ago to stop hijackers carrying metal. “My vision for the checkpoint of the future combines technology and intelligence. Passengers will walk through tunnels of technology appropriate to the risk-level identified with passenger data without stopping, stripping or unpacking,” said Bisignani.

The Checkpoint of the Future concept is making progress, Bisignani’s speech declared. ICAO and 19 governments, including the US, are now working on design, testing and implementation of a new checkpoint. Bisignani urged the US and other governments to make quick progress on the set of screening principles being circulated.

Security Costs: IATA now estimates that airlines globally are spending $7.4 billion annually on aviation security. This updated cost represents a 25% increase from the previous estimate of $5.9 billion. Part of the increase is related to inflation and growth, but the bulk is increased data collection and transmission, air marshals
and air security officer programs, capital expenditure and the costs of security delays and diversions. “These should not be airline costs. Aviation security is a government responsibility like security in public parks, on subways or in hockey arenas. Governments must bear the cost and I hope that the US can play a global leadership role in rebalancing the costs and responsibilities,” Bisignani said.

**NextGen:** He added, “The efficiency of NextGen will play a major role in achieving the air transport industry’s targets to mitigate its climate change impact. It would be a million times more effective than Europe’s illegal proposals for an emissions trading scheme (ETS). The US is opposed to the ETS. But it must be more vocal in its opposition to the ETS and faster in delivering NextGen.”

Bisnani went on, “It is difficult to imagine how NextGen, such an important programme to improve competitiveness, could be tied-up in politics with 18 extensions on the Federal Aviation Administration (FAA) Reauthorization Bill that is providing funding. The new FAA Reauthorization bill is better than the 2010 version. But it needs to be passed quickly so that we can achieve the efficiency gains, cost savings and improvement in the travel experience.”

**Passenger Rights:** On the proposed US Department of Transportation (DOT) rule to fine all airlines for tarmac delays Bisignani reflected, “Airlines welcome any measure that helps them operate efficiently and without delays. But the proposed fines—no matter how large—will not melt snow, stop thunderstorms, free-up airport gates, build new infrastructure, or deliver more customs personnel. It is money wasted. We are eager to work with DOT on regulations that meet President Obama’s vision of promoting economic growth, reducing uncertainty and passing a cost-benefit analysis. But the proposed draft legislation must change to align with this vision.”

**Liberalization:** “The US fathered some of modern aviation’s greatest ideas, including deregulation and bilateral open skies agreements. The next logical step is to liberalize ownership. I thought that the US-EU Agreement on Open Skies would be our greatest opportunity to become a normal business. US opposition made it a missed opportunity. Ownership restrictions of the bilateral system have made airlines stunted national companies. I have confidence China and India will recognize that the systems of 1945 are not fit for purpose in the new millennium. The choice for the US and Europe is if they want to lead change or be led. My only concern is to speed the process so that airlines can generate normal profits with normal commercial freedoms,” Bisignani said. His comments came against the background of a rapidly changing global aviation landscape. “The industry’s centre of gravity is shifting eastward. Finding a place in this new world order will be a challenge for traditional leaders like the US.” North America and Asia-
Pacific shared a 26% share of global passengers in 2009. By 2014 it is expected that Asia-Pacific will advance to 30% while a slower growing North American market will account for 23% of passengers.

While in Washington, D.C. earlier in week commencing 27th March, Bisignani was honored with the L. Welch Pogue award by the International Aviation Club of Washington, Aviation Week and Jones Day. The award commemorates L. Welch Pogue who, having signed the Chicago Convention on behalf of the US Government, was one of the architects of modern aviation. “Mr. Pogue had a vision beyond his times. He could see an industry where airlines connected the planet in skies that were kept safe and open with global standards. I am humbled by this honour. During my time at IATA, I hope that I have been able to play even a small part in furthering Welch Pogue’s vision,” said Bisignani.