

AAPA 66th Assembly of Presidents
11 November 2022
Bangkok, Thailand



**OPENING SPEECH OF MR. SUBHAS MENON, DIRECTOR GENERAL OF THE
ASSOCIATION OF ASIA PACIFIC AIRLINES**

- DR. PIYASVASTI AMRANAND, CHAIRMAN OF THE PLAN ADMINISTRATORS OF THAI AIRWAYS INTERNATIONAL
- KHUN SUVADHANA SIBUNRUANG, ACTING CHIEF EXECUTIVE OFFICER, THAI AIRWAYS INTERNATIONAL
- MEMBERS OF THE AAPA EXECUTIVE COMMITTEE AND MEMBER AIRLINES
- LADIES AND GENTLEMEN

GOOD MORNING, SAWASDEE-KRUP,

IT GIVES ME GREAT PLEASURE TO WELCOME YOU TO AAPA'S 66TH ASSEMBLY OF PRESIDENTS HERE IN BANGKOK AT THE KIND INVITATION OF THAI AIRWAYS INTERNATIONAL, OUR GRACIOUS HOSTS.

THIS IS THE FIRST TIME IN FOUR YEARS THAT WE ARE MEETING IN PERSON AT OUR ANNUAL GATHERING OF THE ASSEMBLY OF PRESIDENTS. SINCE THE ONSET OF THE PANDEMIC, WE HAVE BEEN LOOKING FORWARD TO THIS DAY, TO BE ABLE TO MEET AND SHAKE HANDS WITH INDUSTRY COLLEAGUES AS WELL AS OLD AND NEW FRIENDS.

I CAN THINK OF NO BETTER VENUE FOR THIS ASSEMBLY THAN IN THIS GREAT CITY, BANGKOK, IN THE LAND OF SMILES. AVIATION IS AN IMPORTANT CONTRIBUTOR TO THAILAND'S ECONOMY. THE TRAVEL AND TOURISM SECTOR CONTRIBUTES 15.5% TO THAILAND'S GDP, WHILE 4.3 MILLION JOBS ARE SUPPORTED BY THE AIR TRANSPORT SECTOR. THE TOURISM INDUSTRY IN THAILAND IS HIGHLY DEPENDENT ON AIR LINKS.

THIS ASSEMBLY IS A SIGNIFICANT ONE, AS IT SYMBOLIZES THE TURNAROUND OF THE AIRLINE INDUSTRY IN ASIA PACIFIC. ADMITTEDLY, THIS PROCESS HAS ONLY JUST BEGUN, AND THE ROAD AHEAD WILL PRESENT US WITH MANY CHALLENGES IN THE YEARS TO COME.

IT BEARS REPEATING THAT THE PANDEMIC IS NOT OVER. MANY OF US ARE STILL LEARNING TO LIVE WITH IT. BUT WE CAN BE HOPEFUL THAT BY YEAR-END, ASIA PACIFIC AIR TRAFFIC VOLUMES WILL RECOVER TO AT LEAST TWO-THIRDS OF THE PRE-PANDEMIC LEVELS. FULL RECOVERY MAY TAKE ANOTHER YEAR AT LEAST, PROVIDED THE GLOBAL ECONOMIC OUTLOOK DOESN'T GET ANY WORSE.

INDEED, THE RECOVERY OF THE ASIA PACIFIC REGION STANDS IN CONTRAST TO OTHER REGIONS WHICH ARE ALREADY SEEING AIR TRAFFIC VOLUMES CLOSE TO 90% OF 2019 LEVELS. THAT IS THE QUANTITATIVE PICTURE. QUALITATIVELY AIR TRAVEL IS PRETTY MUCH LIKE WHAT IT WAS. AIRPORTS ARE BUSY, FLIGHTS ARE FULL - THE DESIRE FOR AIR TRAVEL HAS

RETURNED. THE ONEROUS HEALTH AND TRAVEL RESTRICTIONS THAT WERE PRESENT FOR TWO YEARS HAVE LARGELY DISAPPEARED.

WE ALWAYS KNEW THERE WAS PENT-UP DEMAND. IN THE LAST TWO DECADES BEFORE THE PANDEMIC, CONNECTIVITY AS MEASURED IN NEW CITY-PAIRS DOUBLED BY NATURAL PROGRESSION. DURING THE PANDEMIC, THE ABSENCE OF FLIGHTS WAS A STARK REMINDER TO ALL OF US OF THE CRUCIAL ROLE PLAYED BY AVIATION IN THE SOCIAL AND ECONOMIC WELL-BEING OF A COUNTRY.

AS MUCH AS THE OUTLOOK FOR AIR TRAVEL LOOKS BRIGHT, AT LEAST FOR NOW, THERE ARE SIGNS THAT THE GLOBAL ECONOMIC OUTLOOK MAY GET BLEAKER. THAT THE INDUSTRY'S RECOVERY COINCIDES WITH A LOOMING RECESSION, IS A CAUSE FOR CONCERN. HOW MUCH WILL THIS AFFECT THE RECOVERY OF INTERNATIONAL AIR TRAVEL? WHAT LESSONS ARE THERE TO BE LEARNED FROM HOW WE NAVIGATED THE CRISIS SO THAT HISTORY DOES NOT REPEAT ITSELF? WHAT ARE THE IMMEDIATE AND FUTURE CHALLENGES THAT WE MUST CONFRONT TO ENSURE THAT AVIATION REMAINS RESILIENT, SUSTAINABLE AND A GROWTH INDUSTRY.

THE SOFTENING GLOBAL ECONOMIC OUTLOOK IS HAPPENING IN A TIGHT JOB MARKET, AS EMPLOYMENT RATES ARE ROBUST. IRONICALLY, JOB VACANCIES IN THE AVIATION INDUSTRY ARE AT THEIR HIGHEST. COSTS ARE ESCALATING FOR AIRLINES, IN PARTICULAR, FUEL COSTS. HOW WE CONFRONT THE IMMEDIATE OPERATIONAL CHALLENGES AND HOW

FLEXIBLE WE ARE TO ADAPT TO DYNAMIC MARKET CONDITIONS, WOULD DECIDE HOW THE NEXT FEW YEARS WILL PAN OUT.

WITHOUT DOUBT, WE MUST RESPOND BETTER WHEN WE CONFRONT THE NEXT CRISIS. THE SUDDEN SHUTTING DOWN OF BORDERS, THE STRANDING OF MANY PASSENGERS CAUSING SEPARATION OF FAMILIES AND THE DISRUPTION TO BUSINESS TRAVEL, SHOULD NOT BE REPEATED.

WHILE WE CELEBRATE THE RECOVERY OF THE REGION. WE SHOULD NOT LOSE SIGHT OF A VERY IMPORTANT OBJECTIVE. ASIA PACIFIC AVIATION HAS TO CONTINUE GROWING SUSTAINABLY. THIS WAS HIGHLIGHTED BY THE DISCUSSIONS AT THE RECENT ICAO ASSEMBLY, AND AT THE UN CLIMATE CHANGE SUMMIT (COP 27) TAKING PLACE IN SHARM EL-SHEIKH IN EGYPT.

ASIA'S CARRIERS TAKE OUR SUSTAINABILITY COMMITMENTS SERIOUSLY. TOGETHER WITH THE COOPERATION OF ALL STAKEHOLDERS, WE WILL CONTINUE TO WORK HARD TO MANAGE OUR CARBON FOOTPRINT IN LINE WITH THE AMBITIOUS LONG-TERM TARGETS SET OUT FOR THE INDUSTRY, AT ICAO.

AS THE TRADE ASSOCIATION OF THE REGION'S AIRLINES, AAPA'S MISSION IS TO ARTICULATE, THE PERSPECTIVES OF THE AIRLINES. WITH YOUR SUPPORT, WE CAN ENGAGE MORE EFFECTIVELY WITH GOVERNMENTS ON ISSUES THAT AFFECT US ALL, AND CONTRIBUTE TO THE CONTINUED LONG-TERM SUCCESS OF THE AIR TRANSPORT INDUSTRY HERE IN THE REGION.

BEFORE I END, I WOULD LIKE TO THANK DR. PIYASVASTI AMRANAND, FOR OFFICIATING AT THE OPENING CEREMONY OF THIS EVENT. DR. PIYASVASTI IS A GREAT CHEERLEADER FOR THE AVIATION INDUSTRY, AND HAS PROVIDED EXTREMELY VALUABLE GUIDANCE ON THE ISSUES FACED BY THE AVIATION SECTOR OVER MANY YEARS.

I'D ALSO LIKE TO EXTEND MY SINCERE GRATITUDE TO KHUN SUVADHANA, FOR HIS LEADERSHIP AND SUPPORT AS CHAIRMAN OF AAPA THIS YEAR. DESPITE HIS BUSY SCHEDULE, HE AND HIS COLLEAGUES HAVE CONTINUED TO CHAMPION THE CAUSE OF ASIA PACIFIC AVIATION. AND OF COURSE, WE ARE GRATEFUL TO OUR MANY SPONSORS FOR THEIR GENEROSITY AND THEIR WIDER SUPPORT OF THE ASSOCIATION'S ACTIVITIES.

LIKE THE ICONIC U.S. ROUTE 66, IMMORTALIZED IN POPULAR CULTURE AND THE NOVEL "*THE GRAPES OF WRATH*", OUR ROAD TO RECOVERY MAY BE FULL OF CHALLENGES. BUT IT COULD ALSO BE INVIGORATING. I HOPE OUR ASSEMBLY OF PRESIDENTS SYMBOLIZES A NEW BEGINNING FOR OUR INDUSTRY IN THE REGION.

FOR SURE IT IS A WELCOME RELIEF TO EXIT VIRTUAL REALITY AND EMBRACE ACTUAL REALITY AGAIN. WE WILL EXPLORE MANY ISSUES OF COMMON CONCERN DURING OUR TIME TOGETHER, AS WELL AS SHARE EXPERIENCES FROM THE LAST TWO YEARS.

I HOPE YOU WILL ENJOY THIS ASSEMBLY NO. 66 LIKE A COMMUNITY OF
LONG-LOST FRIENDS.

THANK YOU.

SUBHAS MENON

DIRECTOR GENERAL

ASSOCIATION OF ASIA PACIFIC AIRLINES

AAPA 66TH ASSEMBLY OF PRESIDENTS

11 NOVEMBER 2022

BANGKOK, THAILAND