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瑞合作管理培訓項目
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Hainan International Island of Tourism

Opening Policies for International Island of Tourism:

Implications of Air Transport development on Tourism

Dr. Andreas Wittmer

21st – 22nd March 2009

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Goals of the action learning for the next 2 days!

- Know international and national regulations and policies concerning transport in toursim with a secial focus on air transport.
- Understand safety and security.
- Understand what a sustainable development of air transport means.
- Know how airline business models have an impact on the destination.
- Know some impacts of airport development.

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Content

- International Regulation and Policies of Air Transport
- Safety and Security of Air Transport
- Sustainability of Air Transport
- Business Models of Airlines and their Fit to Destinations
- Impacts on Airport Development

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International organisations

World Tourism Organisation

World Travel and Tourism Council

International Air Transport Association

International Civil Aviation Organisation

European Aviation Safety Agency

Federal Aviation Administration

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WTO: World Tourism Organisation

- Objecitve: development of responsible, sustainable, and universally accessible tourism, with the aim of contributing to economic development, international understanding, peace, prosperity, and universal respect for and observance of human rights and fundamental freedoms.
- WTO attempts to facilitate world travel through elimination or reduction of governmental measures for international travel as well as standardisation of requirements for passports, visas, and so forth.
- Improve the quality of tourism through trade liberalisation, access for travellers with disabilities, safety and security, and technical standards.

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Introduction to international authorities

- Air transport is transfrontier and that's why common international rules are important.
- The production of airplanes (Boeing and Airbus) and airplane registration are not limited on a specific country and need standarised supranational standards.
- Air transport markets (Seitzerland, EU, USA und Asia) are closely linked with each other. This fact requires a harmonisation.

Aviation needs international authorities because aviation is international!

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Why are national authorities needed?

- Countries have flight specific details like mountains, sea, desert, jungle, etc.)
- Countries use different strictness with applying regulations, which results from politics (Emissions, Imissions, Pictures from the air, etc.)
- International rules have to be implemented. This happens with a different extent (e.g. balck list of airlines, security controls)

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Overview over Aviation Authorities

China is an ICAO contracting State

ICAO (Sub org. of UNO)	*releases worldwide laws and directives*
↓	
EASA (Europ. Av. Sav. Ag.)	*releases laws and directivs in the Eurpean Union*
↓	
NAA (national authorities)	*are national regulators*

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Goal of these organisations





- Guarantee greatest possible safety in civil aviation.
- Adherence of environmental rules.
- Guarantee the free transport of goods, human beings and services.
- Worldwide spread of rules by cooperation among countries.
- Creation of standardised approval procedures for specific airplane types, power units and equipment.

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Civil Aviation Administration of China (CAAC)

- Regulation for the operation and management of China civil aviation domestic air routes and flights.
- Regulation of business permission for public air transport enterprises.
- CAAC management regulations for the establishment of branches of airline companies.
- CAAC announcement to adjust the total flight quantity, the permission to be part of the air transport market, and the increase of transport capacity.

Influence of air transport:

- Military concerning flight area and air routes
  → Airlines cannot always use the best and fastest routes.

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Ground transport policies in China

1. The ordinance of ground transport of the Peoples Republic of China.
2. Regulation of passengers transport and transport stations.
3. Regulation of bus transport.

and specifically for Hainan:

4. Regulations of Hainan tourism.

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Definitions

Safety

To operate safely (Safety)

To be secure against terroristic activities (Security)





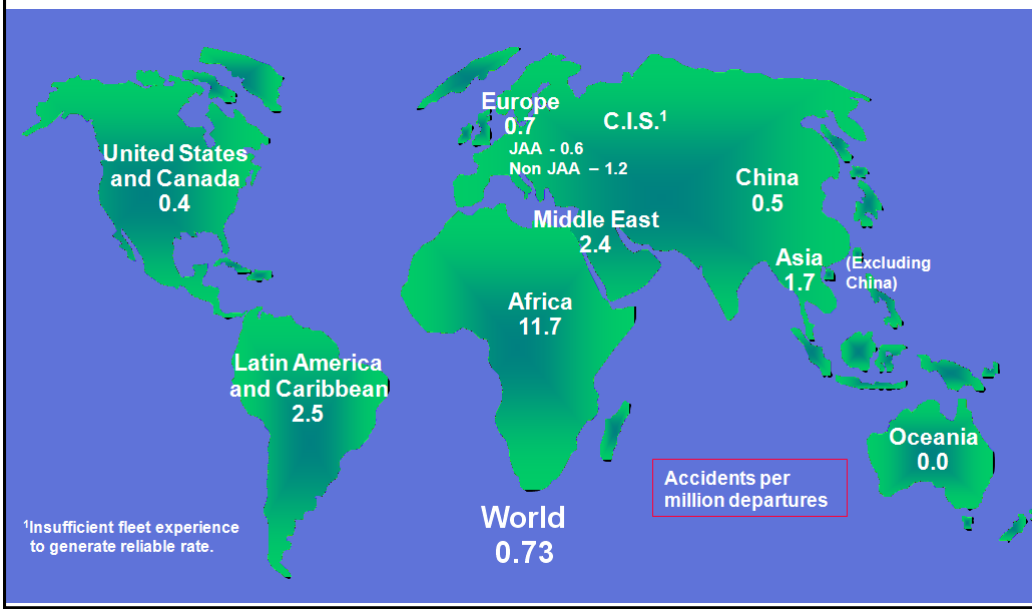
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Safety: Air accidents per million departures



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Black list of banned airlines in the EU and CH



Link to the list:

http://ec.europa.eu/transport/air-ban/list_en.htm

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Black list of banned airlines in the EU and CH

AIR KORYO	FILAIR	WIMBI DIRA AIRWAYS	INTERNATIONAL AIR NAGESA, COMPANIA AEREA	KYRGYZ AIRWAYS	KYRGYZ AIRWAYS	**Alle Luftfahrtunternehmen, die von Behörden, die für die Regulierungsaufsicht von Swasiland zuständig sind, zugelassen wurden, einschließlich**
ARIANA AFGHAN AIRLINES	FREE AIRLINES	ZAABU INTERNATIONAL	PRESIDENCIA DE LA REPUBLICA DE GUINEA ECUATORIAL	KYRGYZ GENERAL AVIATION	KYRGYZ GENERAL AVIATION	AERO AFRICA (PTY) LTD
BGB AIR	GALAXY INCORPORATION	**Alle Luftfahrtunternehmen, die von Behörden, die für die Regulierungsaufsicht von Äquatorialguinea zuständig sind, zugelassen wurden, einschließlich**	PROMPT AIR GE SA	KYRGYZ TRANS AVIA	KYRGYZ TRANS AVIA	JET AFRICA SWAZILAND
BLUE WING AIRLINES	GLOBAL AIRWAYS	AIR BAS	SKIMASTER GUINEA ECUATORIAL	KYRGYZSTAN ALTYN	KYRGYZSTAN ALTYN	ROYAL SWAZI NATIONAL AIRWAYS CORPORATION
DAIRO AIR SERVICES	GOMA EXPRESS	AIR CONSUL SA	SKYMASTERS	KYRGYZSTAN AIRLINES	KYRGYZSTAN AIRLINES	SCAN AIR CHARTER, LTD
DAS AIR CARGO	GOMAIR	AIR MAKEN	SOUTHERN GATEWAY	MAX AVIA	MAX AVIA	SWAZI EXPRESS AIRWAYS
GST AERO AIR COMPANY	GREAT LAKE BUSINESS COMPANY	AIR SERVICES GUINEA ECUATORIAL	SPACE CARGO INC.	OHS AVIA	OHS AVIA	SWAZILAND AIRLINK
PHUKET AIRLINES	I.T.A.B. – INTERNATIONAL TRANS AIR BUSINESS	AVIAGE	TRANS AFRICA AIRWAYS G.E.S.A.	REEM AIR	REEM AIR	
SILVERBACK CARGO FREIGHTERS	KATANGA AIRWAYS	AVIREN GUINEE EQUATORIALE	UNIFLY	SKY GATE INTERNATIONAL AVIATION	SKY GATE INTERNATIONAL AVIATION	
AFRICA ONE	KIVU AIR	CARGO PLUS AVIATION	UTAGE – UNION DE TRANSPORT AEREO DE GUINEA ECUATORIAL	SKY WAY	SKY WAY	
AFRICAN COMPANY AIRLINES	LIGNES AERIENNES CONGOLAISES	CESS	VICTORIA AIR	SUN LIGHT	SUN LIGHT	
AIGLE AVIATION	MALU AVIATION	CET AVIATION	**Alle Luftfahrtunternehmen, die von Behörden, die für die Regulierungsaufsicht der Kirgisischen Republik zuständig sind, zugelassen wurden, einschließlich**	TENIK AIRLINES	TENIK AIRLINES	
AIR BENI	MALILA AIRLIFT	COAGE – COMPAGNIE AEREE DE GUINEE EQUATORIALE	AVIKAY AIR	TRAST AERO	TRAST AERO	
AIR BOYOMA	MANGO AIRLINES	COMPANIA AEREA LINEAS ECUATO-GUINEANAS DE AVIACION S.A. (LEASA)	ASIA ALPHA	**Alle Luftfahrtunternehmen, die von Behörden, die für die Regulierungsaufsicht von Liberia zuständig sind, zugelassen wurden, einschließlich**	**Alle Luftfahrtunternehmen, die von Behörden, die für die Regulierungsaufsicht von Liberia zuständig sind, zugelassen wurden, einschließlich**	
AIR INFINI	RWAKABIKA "BUSHI EXPRESS"	DUCOR WORLD AIRLINES	AVIA TRAFFIC COMPANY	WEASUA AIR TRANSPORT, CO. LTD	WEASUA AIR TRANSPORT, CO. LTD	
AIR KASAI	SAFARI LOGISTICS SPRL	ECUATO GUINEANA DE AVIACION	BISTAIR-FEZ BISHKEK	**Alle Luftfahrtunternehmen, die von Behörden, die für die Regulierungsaufsicht von Sierra Leone zuständig sind, zugelassen wurden, einschließlich**	**Alle Luftfahrtunternehmen, die von Behörden, die für die Regulierungsaufsicht von Sierra Leone zuständig sind, zugelassen wurden, einschließlich**	
AIR NAVETTE	SERVICES AIR	ECUATORIAL EXPRESS AIRLINES	BOTIR AVIA	AIR RUM, LTD	AIR RUM, LTD	
AIR TROPIQUES S.P.R.L.	SUN AIR SERVICES	ECUATORIAL CARGO EQUATAIR	BRITISH GULF INTERNATIONAL AIRLINES FEZ	BELLVIEW AIRLINES (S/L) LTD	BELLVIEW AIRLINES (S/L) LTD	
BEL GLOB AIRLINES	TEMBO AIR SERVICES	EQUATORIAL AIRLINES, S.A.	CLICK AIRWAYS	DESTINY AIR SERVICES, LTD	DESTINY AIR SERVICES, LTD	
BLUE AIRLINES	THOM'S AIRWAYS	EUROGUINEANA DE AVIACION	COUNTRY INTERNATIONAL AIRLINES	HEAVYLIFT CARGO	HEAVYLIFT CARGO	
BRAVO AIR CONGO	TMK AIR COMMUTER	FEDERAL AIR G.E. AIRLINES	DAMES	ORANGE AIR SIERRA LEONE LTD	ORANGE AIR SIERRA LEONE LTD	
BUSINESS AVIATION S.P.R.L.	TRACEP	GEASA – GUINEA ECUATORIAL AIRLINES SA	FAB - AIR	PARAMOUNT AIRLINES, LTD	PARAMOUNT AIRLINES, LTD	
BUTEMBO AIRLINES	TRANS AIR CARGO SERVICE	GETRA – GUINEA ECUATORIAL DE TRANSPORTES AEREOS	GALAXY AIR	SEVEN FOUR EIGHT AIR SERVICES LTD	SEVEN FOUR EIGHT AIR SERVICES LTD	
CARGO BULL AVIATION	TRANSPORTS AERIENS CONGOLAIS (TRACO)	GUINEA CARGO	GOLDEN RULE AIRLINES	TEEBAH AIRWAYS	TEEBAH AIRWAYS	
CENTRAL AIR EXPRESS	UHURU AIRLINES	JETLINE INC.	INTAL AVIA			
CETRACA AVIATION SERVICE	VIRUNGA AIR CHARTER	KING TRANSAVIA CARGO	ITEK AIR			
CHC STELLAVIA		LITORAL AIRLINES, COMPANIA (COLAIR)				
COMAIR		LOTUS				
COMPAGNIE AFRICAINE						

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Example: Regalskeppet Vasa



Source: Maurer Simon, CASO, 2006

- In the early 17th century, Sweden was busy building an empire around the Baltic Sea in northern Europe. A strong navy was essential.
- In 1625 the Swedish king Gustav II ordered new warships, among them the Vasa.
- The Vasa was built by shipyard Henrik Hybertsson, an experienced Dutch shipbuilder.
- the Vasa was to be the mightiest warship in the world, armed with 64 guns on two gundecks
- Around 700 sculptures and ornaments decorated the warship.
- Crew of 437 men.
- The construction added up to about 5% of gross national income.

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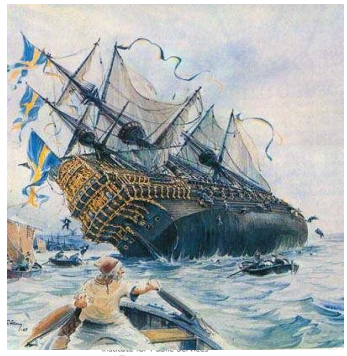
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Example: Indicators of an early warning… structural factors…

- Sunday August 10 1628 was the day of the Vasa's maiden voyage. She suddenly sank after 100 Yards to the harbour‘s ground.
- Of the 150 people on board, 30-50 died in the disaster
- Even an economical disaster.



- The construction of the Vasa happend due to Sweden‘s danger in the naval supremacy (through the Danish).
  (pressure to succeed)
- 1625 the construction was accelerated because 10 Swedish warship were already lost.
  (pressure transfer to the manufacture)
- The king was demanding changes at the ship which were not forseen in the original specifications (2 gundecks, bigger dimensions, etc.).
  (Untested deviation from specifications).
- The constructing engineer tried several times to persuade the king of stopping these changes.
  (Experts won‘t be listened)
- 1627 the constructing engineer died suddenly.
  (Knowledge gets lost).
- At a stability test in summer 1628 the Vasa almost capsized. Nevertheless the ship was given to the fleet by the admirality.
  (Admittance failure).

Source: Maurer Simon, CASO, 2006

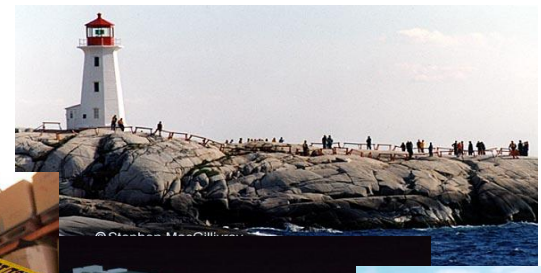
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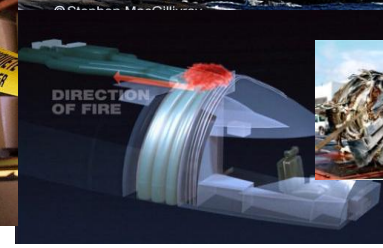
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Example Switzerland: SR111, Peggys Cove, Canada











2.9.98

1997 1998 1999 2000 2001 2002 2003

Source: Maurer Simon, CASO, 2006

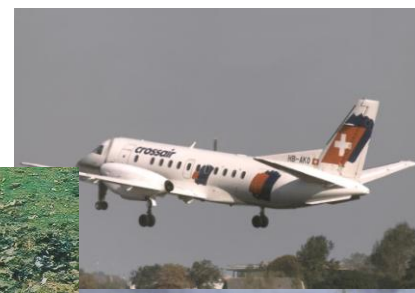
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Example Switzerland: Crash of CRX498 near Nassenwil, after take-off in Zurich







10.2.00

1997 1998 1999 2000 2001 2002 2003

Source: Maurer Simon, CASO, 2006

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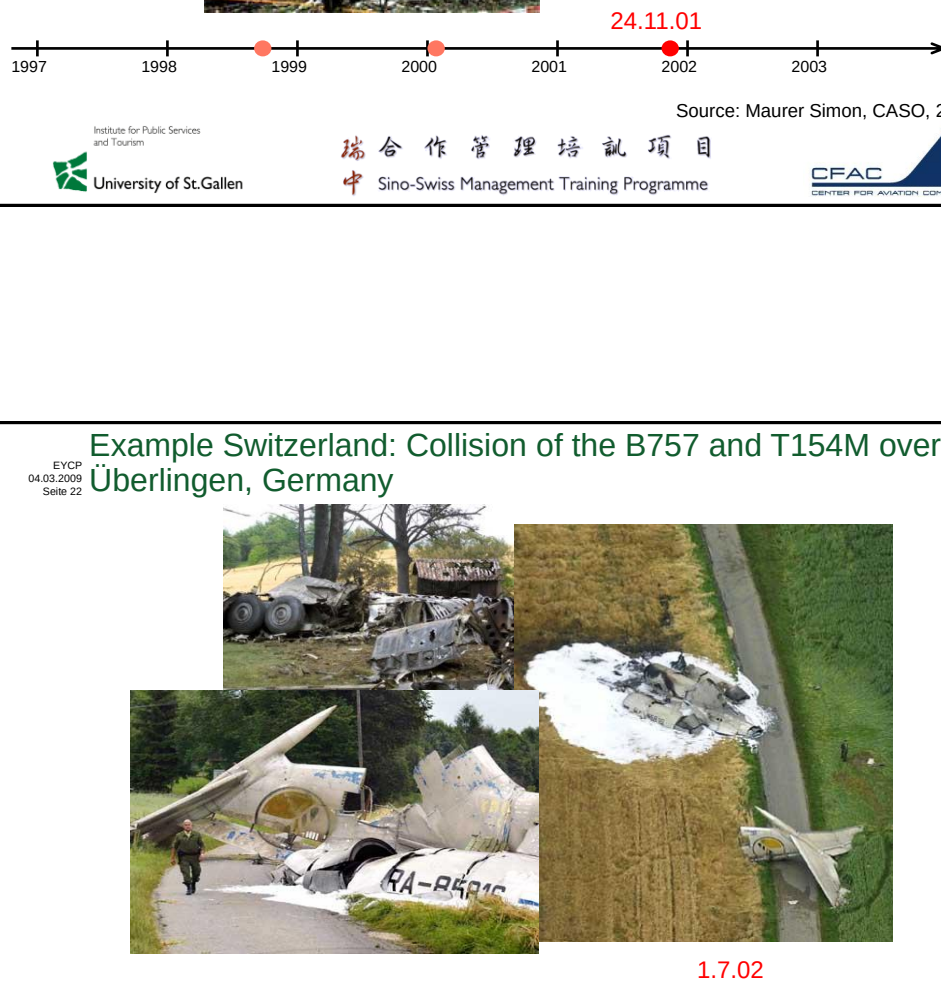
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Example Switzerland: Crash of CRX3597 near Bassersdorf, on the final approach to Zurich





Source: Maurer Simon, CASO, 2006

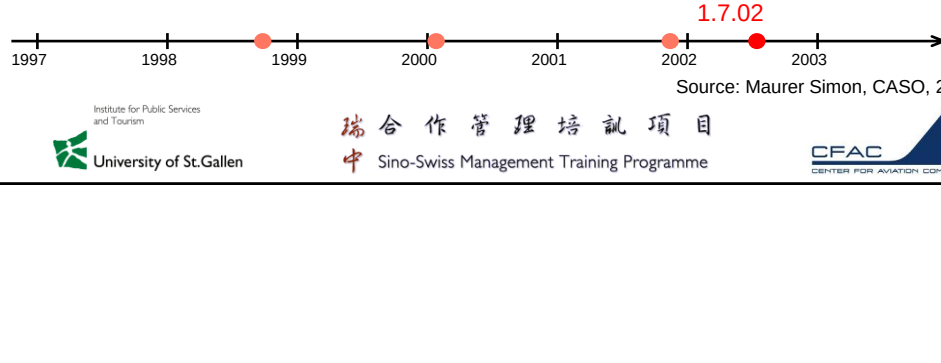
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Example Switzerland: Collision of the B757 and T154M over Überlingen, Germany



Source: Maurer Simon, CASO, 2006

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Accidents and heavy incidents are System failures

To improve safety, the following questions are raised:

primary
not

- which single causes or cause chains did lead to the accident
- what part, what component or what person did possibly fail
- who is responsible for the failure or what are penal aspects

but
rather

- why did the system fail, or
- why wasn't the system able to detect the failure or to prevent it, before the failure happened

respective

- what can be done to creat a system which is insensible toward failures and resistent against accidents

Source: Maurer Simon, CASO, 2006

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Implications for Hainan

- Safety first! (passengers highest priority).
- More air traffic requires more advanced security requirements on the ground.
- More air traffic requires more resources for air safety (airspace management).
- More air traffic requires a system, where everybody is allowed to say if something isn't working as it should.

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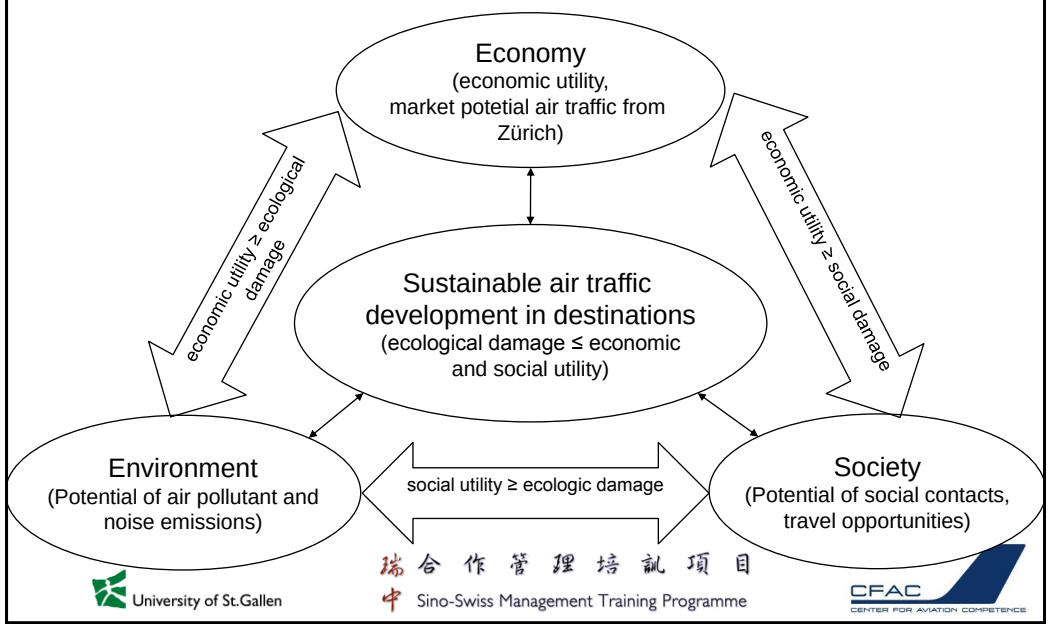
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Sustainability framework



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Questions

- What are different levels by which sustainability can be looked at?
- What level of sustainability is the most relevant for decision making at an airport in a destination?
- What is a most relevant factor, which influences a sustainable development?
- How does it work in China? …and in Hainan?

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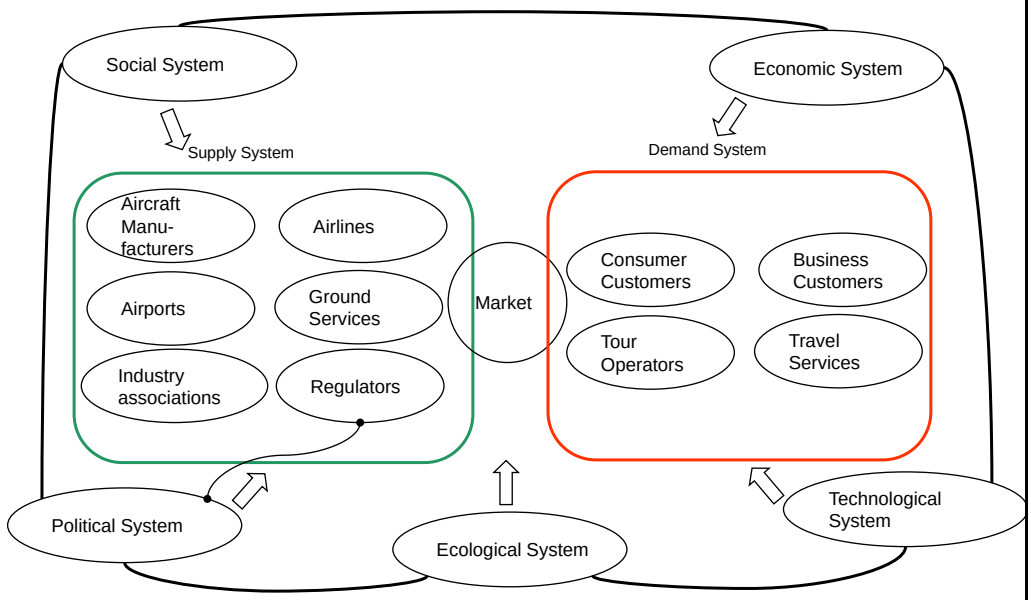
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Big Picture concerning sustainability of air transport

- It is global and regional
  - global with respect to climate change
  - regional with respect to noise, smell and politics
- Three perspectives:
  - local around airports
    - Economic: employment, living location, businss location, financial effects, development potentials, etc.
    - Ecologic: noise, smell
    - Social: mobility = quality of life
  - National
    - Economic: export orientation, location attractivity
    - Ecologic: noise and emissions
    - Social: mobility = quality of life
  - International
    - Economic: international competitiveness
    - Ecologic: global climate change
    - Social: global mobility needs

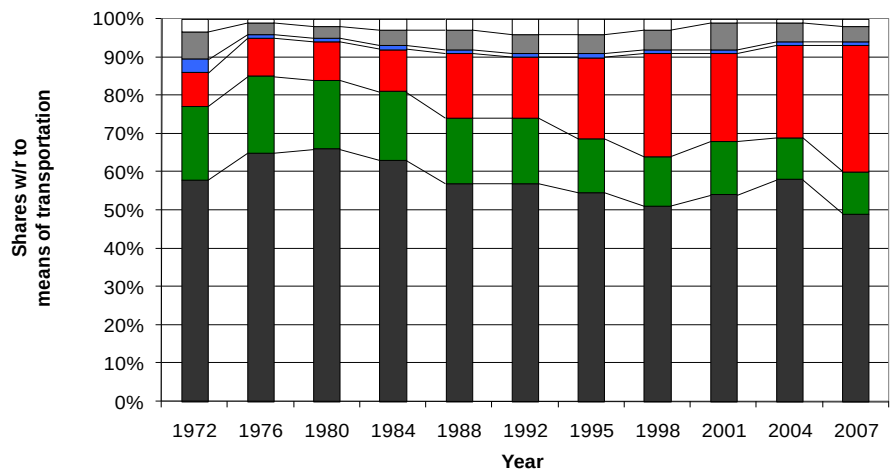
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Aviation System



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Air travel grew compared to other modes of transport…



Source: IDT-HSG Travelmarket Switzerland, 2005

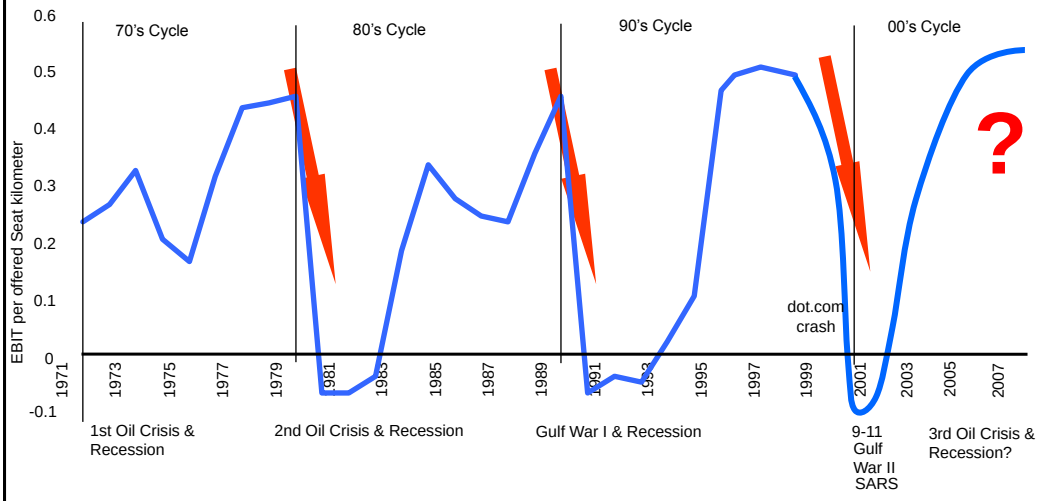
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...despite severe market fluctuations



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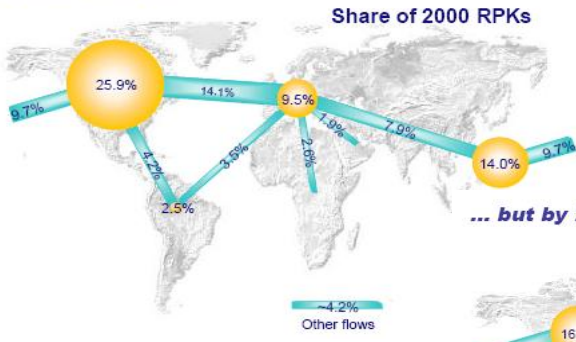
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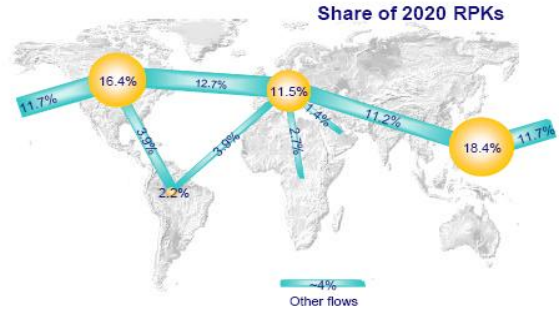
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Air traffic flows 2000 - 2020

North America dominates scheduled world traffic today ...



... but by 2020 Asia-Pacific will take the lead



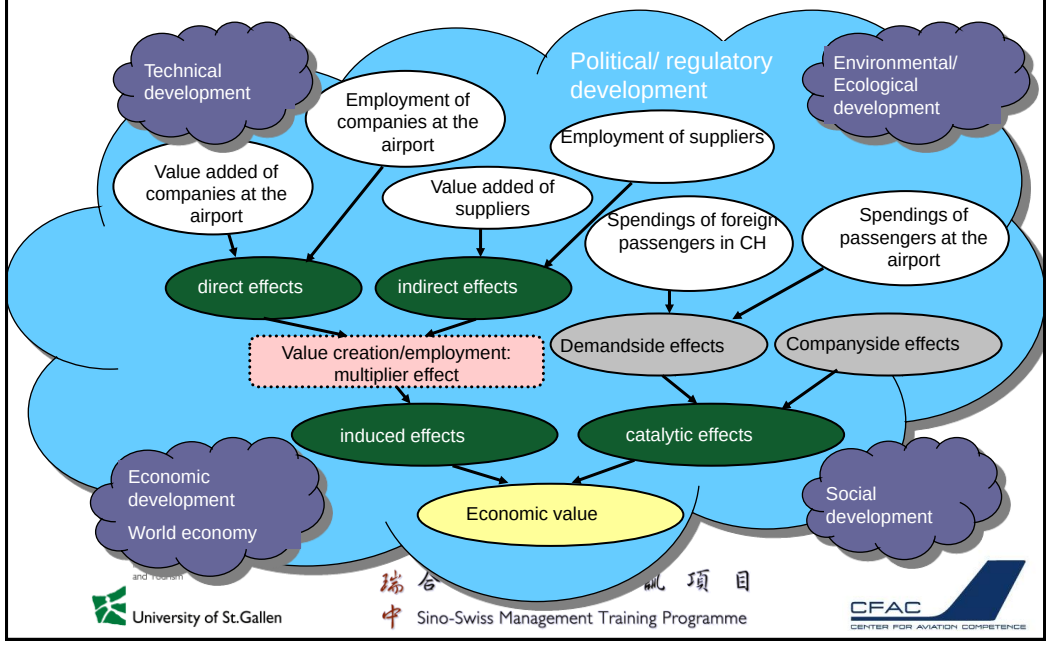
Source: Airbus

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Economic effects of aviation



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Economic effects of aviation (II)

		Direct (within the industry)	Indirect/induced (industry supply chain)	Catalytic effects (impacts on other industries)
Air transport industry	**Aviation sector**	**Airlines** • Passenger carriers • Air cargo carriers • Airline ticketing • General aviation **Airport & services** • Civil airports • General aviation airports • Handling & catering • Freight services • Aircraft maintenance • Fuelling on site • Retail **Air navigation** • Service providers	**Suppliers** • Off-site fuel suppliers • Food & beverage • Construction **Manufacturing** • Computers/electronics • Retail goods **Business services** • Call centres • Accountants • Lawyers, banks • Computer software	Trade Tourism Location/Investment Labour supply Productivity/ Market efficiency Consumer welfare/ social Congestion/ environmental
	Civil aerospace sector	**Civil aerospace** • Airframes • Engines • Equipment • Off-site maintenance	**Induced** (spending of direct & indirect employees) • Food & beverage • Pecreation & leisure • Transport • Clothing • Household goods	

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Source: applied from ATAG, 2005

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Economic relevance of aviation

- **29 Mio Jobs worldwide**
- **8 % of global GSP**
- **5 % average growth per year**
- **2 bill. passengers per year (Network, Charter, Taxi)**
- **40 bill. CHF air freight per year accordingly 30% of the exported total value**

⇉ **It generates income!**
It creates jobs!

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The impact of air transport on the environment



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In Europe Low Cost Airlines...

Ten years ago – only a few airlines transported in the „Low Cost Market Segment“



1996

- 18 Airports
- 81 Airport-Pairs
- 804 Frequenzen/Woche
- 2 Mio. Pax
- 35 A/C

Ryanair, easyjet, Buzz, GO, ...

Source: Lufthansa, Dr. Dietmar Kirchner

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...grow at enormous speed

Five years ago – the „Low Cost Market Segment“ of Europe still waited to expand drastically



2001

Source: Lufthansa, Dr. Dietmar Kirchner

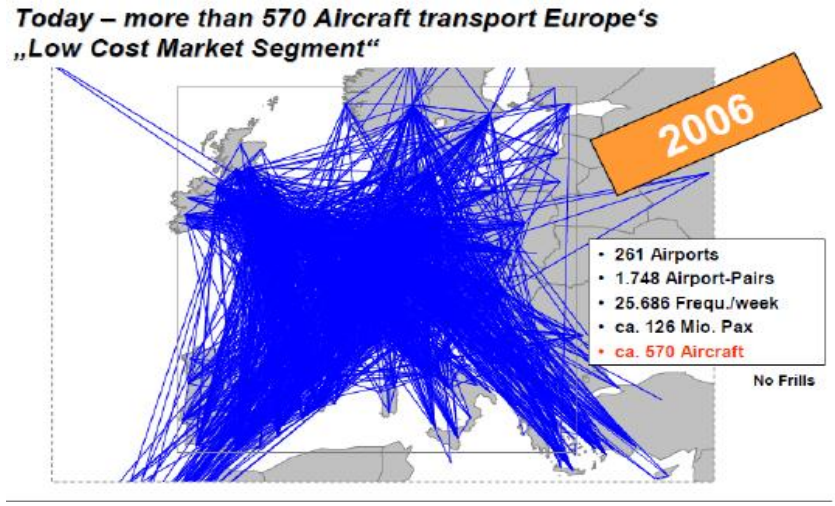
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Will/can growth go on? What are the limits?



Source: Lufthansa, Dr. Dietmar Kirchner

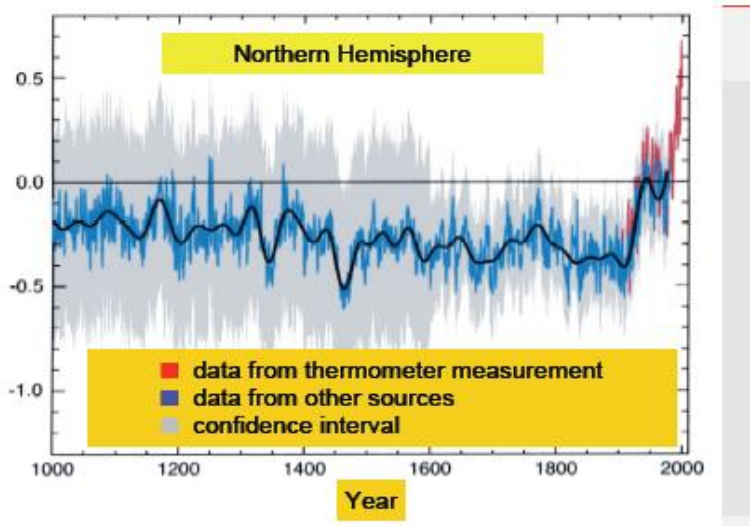
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Temperature is changing…



Source: Stern Report

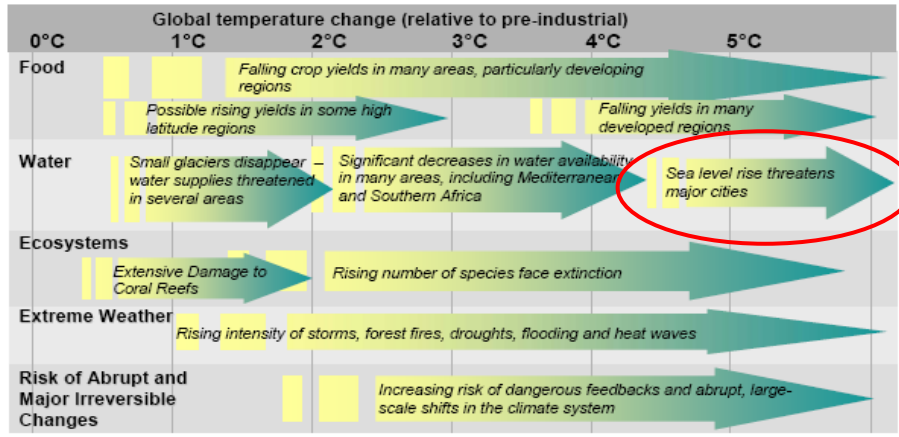
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…and there are some projected impacts of climate change



The risk of serious irreversible change increases disproportionately with temperature

Source: Stern Report

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The problem of emissions of air transport

- Growth in aviation
- The future pattern of globalisation
- Demand growth
- Increase in emissions from aviation
- Climate change can be combined with sustainable economic growth
- Key to the dilemma are pro-active foresighted policies, taken forward internationally - the Stern Report's 3 legged framework:
  - **Carbon pricing**
  - **Incentivising new technologies**
  - **Incentivising changes in behaviour**

Source: David ThompsonChief Economist, UK Department for Transport

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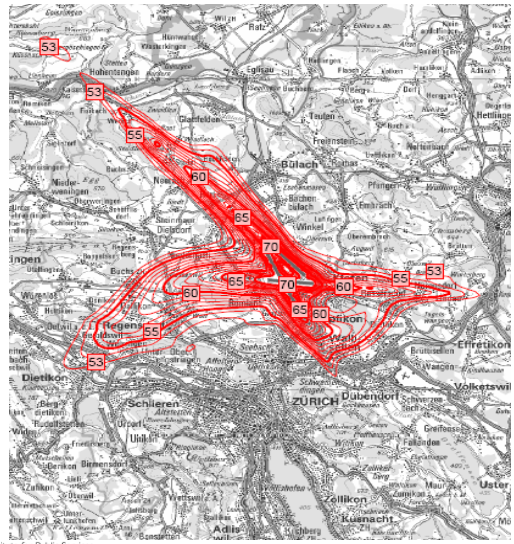
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Positive Social Issues

- Connectivity
- Social intercultural interaction
- Travel time saving
- Tourism
- etc.

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Negative Social Issue: Noise and health impact



55 dB is about equal to the general noise level at day time.

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Time for refelction!

- What are critical issues concerning air transport development in Hainan with relation to the following factors?
  - Economy of Hainan
  - Environment of Hainan
  - Society of Hainan

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Content

- International Regulation and Policies of Air Transport
- Safety and Security of Air Transport
- Sustainability of Air Transport
- Business Models of Airlines and their Fit to Destinations
- Impacts on Airport Development

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Airline Business Models

Lufthansa — Mega-Carrier
TAP PORTUGAL — Flag-Carrier
Regional Carrier
LTU — Charter
AIR-BERLIN — Low Fare

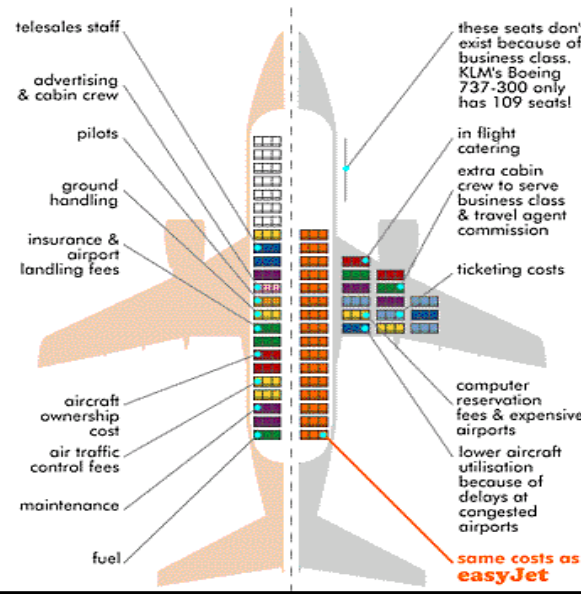
Networks — STAR ALLIANCE
The wet lease/ niche market — CIRRUS Airlines, flybaboo
Point to Point airline

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Low Cost Carrier vs. traditional airline business model

➡ cost savings



Quelle: easyJet

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Time for reflection!

- What does the seating in Low Cost Carriers imply?
- At what kind of passenger market do Low Cost Carriers aim at?
- What are the implications for the destination?

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Air transport and destinations

- Tourism is one of the main drivers of air transport
- But: Air transport is one of the main drivers of tourism

AIRPORT PUNTA CANA





AIRPORT INNSBRUCK

new air traffic thanks to tourism

new tourism destination due to air traffic

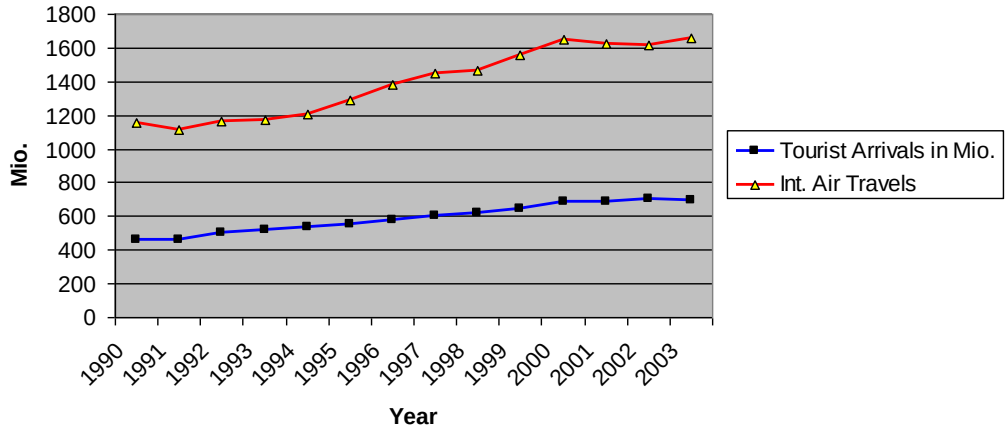
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International tourist arrivals and air travel

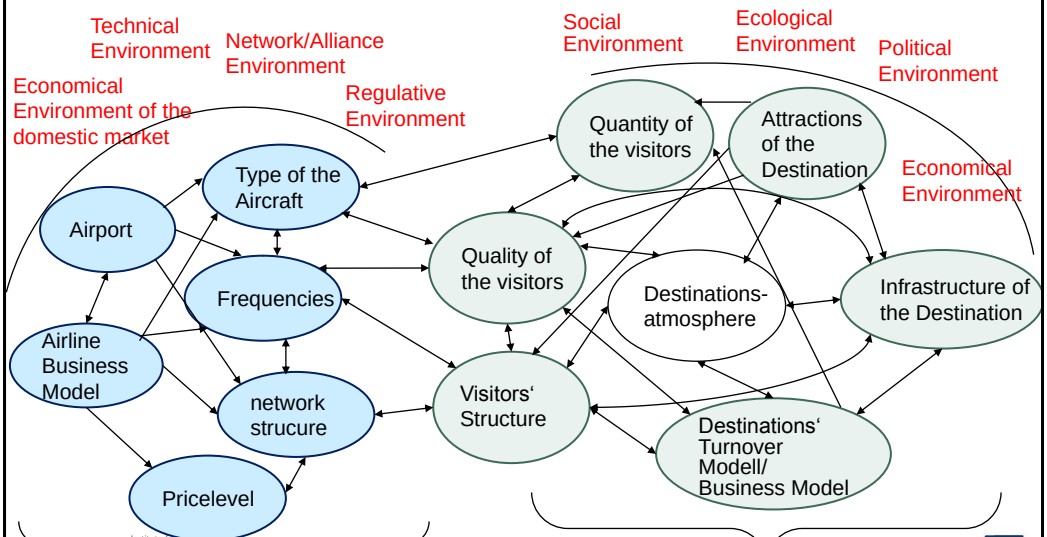


Soruce: Int. Tourist Arrivals, WTO; Source: Int. Air Travels, IATA

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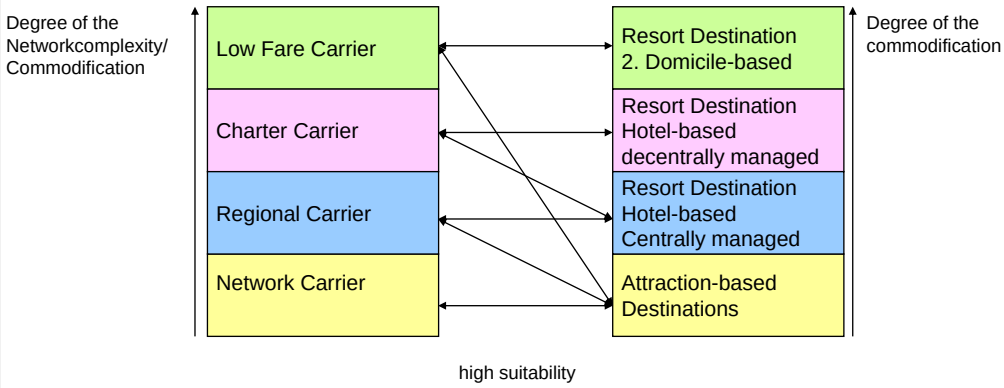
System-Modell for Air Traffic and Tourism



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Business Model of Airlines and their relation to Destinations



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Case Malta





Positioning

- Focus on mass tourism
- Average - Low price



- **Charter Airlines and up class packages**
- **Low Costs Carriers**
- **Own Regional Airline: Air Malta**



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Case Sardegna





Positioning

- Focus on individual tourism
- High price



⇨ **Charter Airlines and up class packages**

⇨ **No Low Costs Carriers**

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Case Mallorca





Positioning past:

- Focus on mass tourism
- Cheap holidays

⇨ **Charter airlines and chaep packages**

⇨ **Low Costs Carriers**



Positioning new:

- Focus on quality tourism
- Focus on families and up class individuals (boats)

⇨ **Charter Airlines and up class packages**

⇨ **Regional airlines**

⇨ **Great investments in tourism infrastructur (bigger rooms, more beach, more pedestrian areas, less party, other agreements with airlines, etc.**

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Time for reflection!

- Which are the most important effects of an increase in average aircraft size and increased air movements on a sustainable development of an Island destination such as Hainan?
- How can you take care for a sustainable development?

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Content

- International Regulation and Policies of Air Transport
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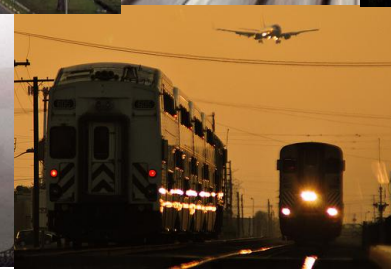
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It is not only about the airport itself, but about how passngers get to an from the airport!





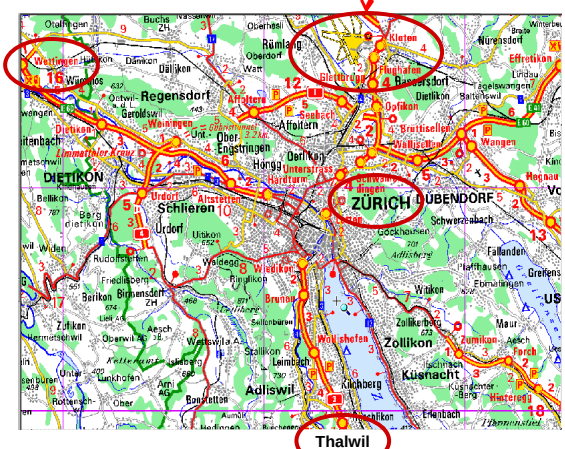





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Traffic problems in a medium sized city – The case of the greater Zurich area



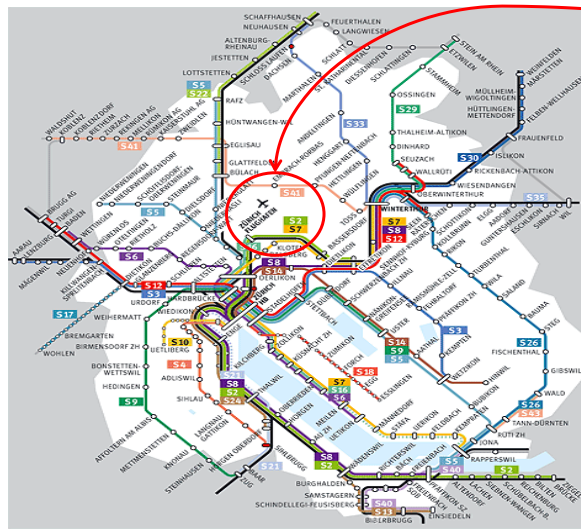
Quelle: www.fugawi.de/karte-Schweiz.html

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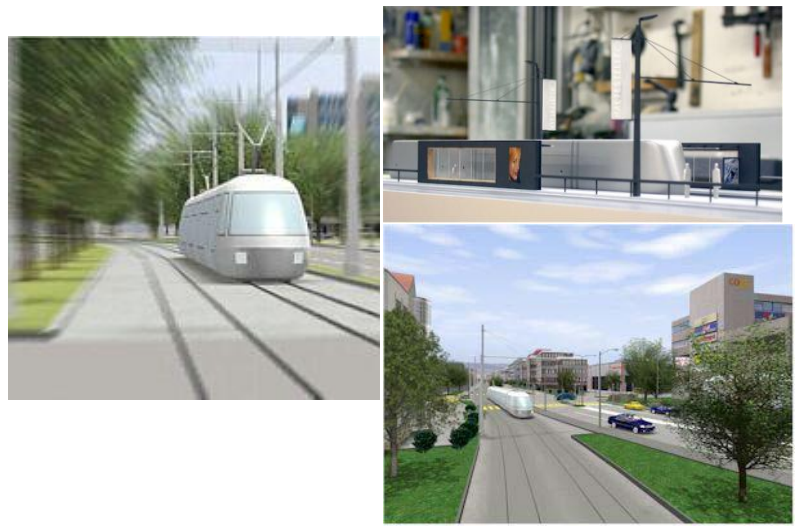
Public transport network greater Zurich area



Quelle: www.zvv.ch

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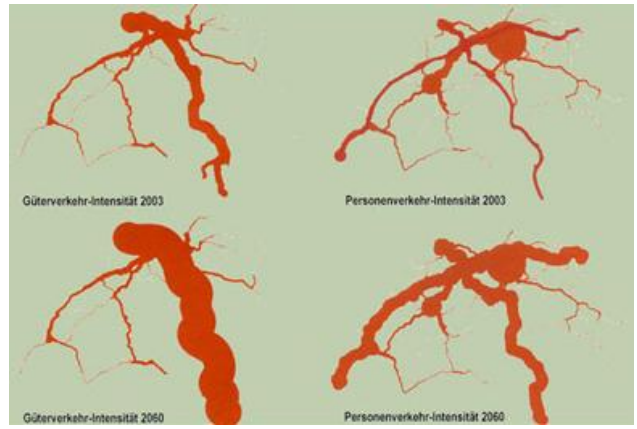
Concept of new public transport supply



Quelle: www.vbg.ch

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Development of long distance rail passenger movement in Switzerland



2003

2060

Quelle: www.visiun-porta-alpina.ch

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Zurich Airport as a exemplary case

Bus station at the airport



Underground train station at the airport





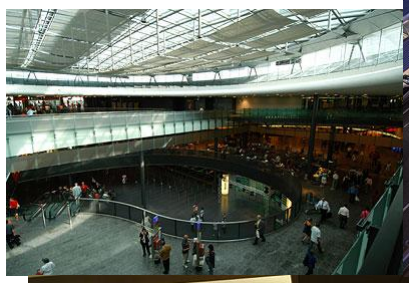
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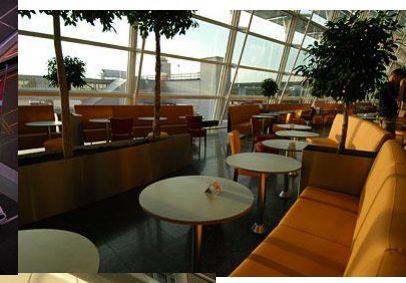
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International shopping opportunities, international restaurants and lounges are standard at internatnioal airports.







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Time for reflection!

- How do visitors get to and from the airport in Hainan?
- Should an airport for international tourism be built?
- If yes, where should it be placed?
- What are consequences of an international airport for the destination Hainan?

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Preparation for the Seminar in Switzerland in June:

- Please note your questions for discussion in Switzerland!

- Send the questions to me before your leave for Switzerland!

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