

# Aviation sector in India

## Why in news?

India has one of the fastest-growing aviation sectors, with very serious safety issues.

## What is the status of Aviation Sector in India?

- **Growth** India's aviation industry has experienced significant growth in the past 9 years.
- Aviation market-India has become the third-largest domestic aviation market in the world and is expected to overtake the UK to become the 3<sup>rd</sup>-largest air passenger market by 2024.
- **GDP contribution**-Indian aviation also contributed 5% of the GDP, creating a total of 4 million jobs. In addition to it, there is a 72 billion dollars gross value-added contribution to GDP by this industry.

The International Air Transport Association (IATA) projects that India will become the world's 3rd largest civil aviation market by 2026.

• **Increase in operational airports-** The number of operational airports in the country has doubled from 74 in 2014 to 148 in April 2023.



• **Increase in passengers-** The number of domestic passengers has also doubled from 60 million in 2014 to 143 million in 2020, and the number of international passengers has increased by almost 50%.

India's airport capacity is expected to handle 1 billion trips annually by 2023

#### Regional Connectivity Scheme (RCS) - UDAN (Ude Desh ka Aam Nagrik)

• **Aim-** To bring essential air travel access to previously isolated communities and boost regional economic development.

• **Operational plan-** UDAN intends to ensure equitable access to air travel for all Indians with a *ten-year* operational plan.

• **Growth of aviation industry**- It is contributing to the growth of the civil aviation industry as four new & successful airlines have come up in the last 6 years.

• **Sustainable model**- The scheme has helped airline operators to begin operations and develop a sustainable business model.

• **Entrepreneurship-**It is providing opportunities to small regional airlines to scale up their businesses and their successful run is evidence of the fact that the scheme is creating an amiable ecosystem conducive to airline business.

#### What are the concerns?

- Lack of trained pilots There is a shortage of trained pilots, which can impact safety and cause delays.
- **Safety concerns-** Aircraft Accident Investigation Bureau has recommended for Runaway End Safety Area at Kozhikode's Karipur airport following an air crash in 2020, this recommendation is still not implemented.
- **Inadequate airline infrastructure** Airport infrastructure needs to be upgraded to handle the increase in air passengers, and aircraft need to be periodically maintained.
- **Complex regulatory framework** The regulatory framework involves multiple agencies, which can lead to unclear policies and delays in obtaining permits.
- **High fuel costs** Fuel costs are high due to high taxes on Air Turbine Fuel (ATF), and operating larger aircraft on long-haul routes is expensive.
- **High training costs** Training costs are high, and training facilities are outdated, which can lead to a skills mismatch.
- **Financial stress** It would have meant a drop in income by almost 50% for a young pilot who has invested over a crore of rupees to obtain his licence to fly.

## What should be done?

- Adopt ICOA standards India should adopt the ICAO Standard, allows a member state to recognise another ICAO licence and issue an Indian licence on the basis of only an Air Law examination and a Class I medical.
- **Experienced captains** There will be hundreds of qualified and experienced Indian captains working abroad who will return to India if the hurdles are demolished.
- **Instructor as pilot** The DGCA, in collusion with airline management pilots, has a rule that makes it mandatory for an instructor or an examiner to be an active pilot.
- However, they will accept a retired pilot working in a training centre abroad to carry out the mandatory checks on Indian pilots.
- **Retired pilots** They can be utilised for simulator training. Such a step will also release a large number of trained pilots for active flying.
- **Reforms in all sectors-** It is critical to understand that for passenger airlines to grow, there have to be reforms in all areas of aviation air cargo, airports, aviation

fuel taxes and Maintenance, Repair and Overhaul (MRO).

- **Updated laws-** India's Aircraft Act, 1934 and Aircraft Rules, 1937 need to be updated to keep pace with modern technology in aerospace, increasing costs to the industry and ultimately affecting passenger growth.
- **Overhaul DGCA** India's statutory regulatory authority, the Directorate General of Civil Aviation (DGCA), needs to be modernized, well-staffed, motivated and incentivized.

# **Quick facts**

## International Civil Aviation Organization (ICAO)

• **About-** It is a <u>United Nations Specialized Agency</u> with the motto of "Safe Skies Sustainable Future".

• Established year- 1944.

• **Member countries**- 193 member states cooperate together and share their skies to their mutual benefit, India is a member of ICAO.

• **Innovation in aviation**- It recognizes that innovations carry significant potential in improving aviation safety, efficiency, security, facilitation, environmental sustainability, and economic development of air transport.

• **ICAO Carbon Emission Calculator (ICEC)**- It allows passengers to estimate the emissions attributed to their air travel, it is the <u>only internationally approved tool</u> to estimate carbon emissions from air travel.

• Fatigue Risk Management System- ICAO has mandated FRMS as a mandatory requirement.

• **CORSIA-** Carbon Offsetting and Reduction Scheme for International Aviation is the first global market-based measure for any sector and represents a cooperative approach that moves away from a "patchwork" of national or regional regulatory initiatives.

• **International Civil Aviation Day**- It is celebrated on **December 7**, the theme for 2023 is "Advancing Innovation for Global Aviation Development"

# References

- 1. The Hindu-Indian aviation, a case of air safety at a discount
- 2. IBEF- The rise of Indian aviation market

