India Aims to Become Top Global Aviation Market by 2030

For Prelims: CAPA India Aviation Summit, National Civil Aviation Policy (NCAP) 2016, UDAN Scheme.

For Mains: Status of India's Aviation Sector, Recent Government Initiatives Related to Aviation Sector.

Why in News?

India is poised to become the **world's leading** aviation market, surpassing the **United States and China** by the end of the decade.

- The **Civil Aviation Secretary in India** made an announcement of the country's plans for expanding air connectivity to **increase accessibility for the population** during the **CAPA India Aviation Summit.**

What is the Status of India's Aviation Sector?

- **About:**
  - **India's Civil Aviation** is among the fastest-growing aviation markets globally and will be a major growth engine to make India a **USD 5 trillion economy by 2024.**
    - India is currently the world's **3rd-largest civil aviation market.**
  - Over the past 6 years, India's domestic passenger traffic has grown at a **compound annual growth rate (CAGR)** of around **14.5% and international passenger traffic at around 6.5%.**
  - India's domestic passenger traffic is projected to rise to **16 crores in the 2023-24** fiscal year and to **35 crores by 2029-30.**
- **Recent Government Initiatives Related to Aviation Sector:**
  - India's government aims to establish **6 major metropolitan cities** as international hubs for air travel.
  - **National Civil Aviation Policy (NCAP) 2016**
  - **UDAN Scheme**
- **Challenges:**
  - **High Operating Costs:** One of the major challenges for the Indian aviation sector is the **high operating costs**. This is due to a number of factors such as **high fuel prices, airport charges, and taxes.**
    - For airlines, the increase in jet fuel prices represents a major challenge as this cost typically accounts for **20% to 25% of total operational costs.**
  - **Infrastructure Constraints:** The Indian aviation sector also faces infrastructure constraints such as **limited airport capacity**, lack of modernized **air traffic control systems, and inadequate ground handling facilities.**
  - **Regulatory Framework:** The Indian aviation sector also faces challenges related to the **regulatory framework.**
    - The sector is heavily regulated, and airlines have to comply with a number of rules and regulations through different windows, which can be **complex and time-consuming.**

Conclusion

- **India's ambitious plans for growth** in the aviation sector present significant opportunities for the country's economy and its people. While there are challenges to overcome, India's **commitment to expanding its aviation infrastructure and developing its manufacturing** capabilities positions it well to become a major player in the global aviation market by the end of the decade.

UPSC Civil Services Examination Previous Year Question (PYQ)

Q. Examine the development of Airports in India through joint ventures under Public–Private Partnership (PPP) model. What are the challenges faced by the authorities in this regard? **(2017)**

Q. International civil aviation laws provide all countries complete and exclusive sovereignty over the airspace above their territory. What do you understand by 'airspace'? What are the implications of these laws on the space above this airspace? Discuss the challenges which this poses and suggest ways to contain the threat. **(2014)**

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