



EUROPEAN TRAVELLERS WILL BENEFIT FROM REFORM OF EU AIRPORT CHARGES DIRECTIVE

News / Airlines



Airlines for Europe A4E and executives from its member airlines, European airports and civil aviation authorities participated in an aviation briefing hosted by MEP Wim van de Camp.

Since its launch in January A4E has focused on taking forward changes that will increase the competitiveness of European airlines and result in lower fares and more choice for passengers. Particularly, solutions on the issue of airport charges and investments are needed, looking into why meaningful consultation between airlines and airports is essential. Well-planned, efficient investments in infrastructure are part of the long-term strategic vision for the sector's whole value chain and require consultation between airports and their users. The EU Airports Charges Directive 2009/12/EC was intended to set minimum requirements on consultation and transparency, but has fallen well short of its objective.

"In its current state, the Directive is inadequate and ineffective in protecting airport users and consumers from airports' abuses of their market power, notably in the process for setting airport charges," said Thomas Reynaert, Managing Director of A4E. "Airport charges account for up to 20% of airlines' total cost. In order to protect the interests of passengers and for consumers to enjoy value for money, it is vital that charges are justified and linked to efficient costs."

A4E believes that unnecessary investments, operational and cost inefficiencies and high – often pre-determined – returns have all resulted in increasing airport charges, even in cases of increased traffic volumes without additional investments.

In dealing with airports that enjoy significant market power, economic regulation is therefore indispensable to replicate the outcomes of a competitive market. However, the Directive fails to guarantee effective transparency over costs and revenues to address the asymmetry of information between airports and airport users.

“Constructive engagement between airports and airlines has been a central part of the UK regime for a number of years. Airports may either do this through a regulated process or as part of their commercial negotiations with airlines where they are not economically regulated. The A4E event has given us an excellent up-to-date perspective on the way different stakeholders perceive this process, which is particularly timely in view of the major challenges we face in increasing capacity in the coming years,” said William Webster, Head of Competition and Markets, UK Civil Aviation Authority.

“Openly discussing and exchanging views with our customer airlines and serving the strong market of Milan & the East of Lombardy has made Milan/Bergamo Airport the third largest airport in Italy for both passengers and freight. We underwent a radical transformation, developing state-of-the-art infrastructure and adding new services and choice for all our customers,” explained Giacomo Cattaneo, Aviation Sales Director, Milan/Bergamo Airport.

“I fully support the constructive engagement between airports and airlines that is proposed by A4E and the balanced approach to create more effective transparency over costs and revenues with regard to airports. In order to do this, we will now have to use the evaluation of the Commission to get the real facts on the table. In this context, we must take into account the present functioning of the market,” said Wim van de Camp, Member of the European Parliament.

“Today’s discussion has shown that airlines, airports and regulators should work together to the benefit of European travellers. Net fares to, from and within Europe have reduced by as much as 20% over the last decade. Now it’s time that our partners contribute to this positive development by ensuring that passengers receive the full benefit of the commercial revenues which they generate at airports,” added Reynaert.

See original image

Image not found or type unknown

29 NOVEMBER 2016

ARTICLE LINK:

<https://mfa.50skyshades.com/news/airlines/european-travellers-will-benefit-from-reform-of-eu-airport-charges-directive>