

Airlines for Europe

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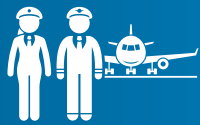
   @A4Europe

Airlines for Europe (A4E) is Europe's largest airline association. Based in Brussels, A4E works with policymakers to ensure aviation policy continues to connect Europeans with the world in a safe, competitive and sustainable manner. As a key initiator of aviation's Destination 2050 roadmap, A4E and its members committed to achieve Net Zero carbon emissions for their own operations by 2050. With a modern fleet of over 3,300 aircraft, A4E airlines carried over 610 million passengers in 2022 and served nearly 2,000 destinations. Each year, A4E members transport more than 4 million tonnes of vital goods and equipment to more than 360 destinations either by freighters or passenger aircraft.

Over **610** million passengers in 2022



More than **3,300** aircraft



Over **320,000** employees

More than **4 mil.** tonnes of cargo transported in 2022



A4E 2023 Priorities

1. Sustainable aviation of the future: The role of legislators

The aviation sector is currently responsible for around 2.5% of all human-induced CO2 emissions, globally. The sector has committed itself to reaching net zero CO2 emissions by 2050 and to reduce net CO2 emissions from all flights within and departing Europe by 45% by 2030.

A variety of measures are being employed to reach these targets, including carbon pricing, investment in modern aircraft, the use of sustainable aviation fuels (SAF), and improvements in air traffic management and operations.

Legislators at global, European and national levels have a responsibility: a balanced climate policy must enable the industry's decarbonisation whilst preserving its economic competitiveness and the social benefits aviation brings to EU citizens. This outcome is within reach if there is close cooperation between industry and policymakers.

A4E calls for:

- ✈️ Making every euro count. With unprecedented high energy prices, sweeping policy measures which increase costs well before alternative technologies become available may undermine efforts to accelerate carbon emission reductions.
- ✈️ Helping to mobilise the investments required to renew fleets with the latest generation of fuel-efficient aircraft and make extensive use of SAF.
- ✈️ Preventing carbon-leakage and guaranteeing a level playing field both for cargo and passenger traffic. Global alignment on carbon mitigation and SAF following ICAO's recently agreed 2050 long-term global aspirational goal (LTAG) for international aviation of net-zero carbon emissions.

✈️ A just transition to avoid locking parts of Europe out of air travel and keeping air travel affordable for all. Measures must address the risks of cutting off remote regions or citizens who depend on air transport for access to goods, services and education.

✈️ Any additional revenue from carbon pricing schemes to be re-invested in decarbonisation. Designated financial mechanisms which preserve competition neutrality are essential: ETS should fund systems of ETS allowances linked to SAF uptake.

2. EU Airspace Efficiency

Airspace is a finite resource which must be effectively managed and used to avoid wasted fuel and unnecessary CO2 emissions. Today, re-routings due to the war in Ukraine add further challenges for airlines.

With aviation experiencing back-to-back crises, airspace inefficiencies became even more obvious. Airspace, and more specifically the technology and the regulation around it, is in urgent need of an overhaul -- both to ensure our skies can be future-proofed but also to ensure an economically sustainable recovery.

Reforming Europe's airspace to make it more efficient has potential to reduce the aviation's sector's emissions by up to 10%.

A4E calls for:

- ✈️ A radical reform of the EU airspace architecture, making it more resilient and unlocking more efficient routes for the benefit of passengers and the environment.
- ✈️ New momentum amongst EU policymakers to advance the future Single European Sky (SES) regulatory framework.
- ✈️ A European airspace that is seamless, digitalised, integrated and interoperable, safe and secure, environmentally and cost efficient, centred on the user.

3. Passenger rights that are clear and simple to apply

European airlines strive to provide the information, care and assistance that passengers need when disruptions occur. Unfortunately, the air passenger rights regulation is unclear about key concepts such as extraordinary circumstances (force majeure). Different interpretations of the rules have led to legal disputes, complexity, burdens and high costs for all parties (€5.3 billion in 2018, not counting legal costs). Passengers and airlines need certainty and clear rules that are simple to apply in practice.

It is a failure of EU policymaking that it has been a decade since the European Commission proposed to update the regulation. Despite this, the regulations still has not been adopted. However, the proposal remains a good basis for reform. It will lead to fewer disputes and help passengers to assert their rights. It will also give airlines strong incentives to get passengers to their destination with the least delay possible, which is their top priority.

A4E calls for:

✈️ EU Member States and the European Parliament to complete the air passenger rights reform as a matter of priority.

4. The Single Market at 30

The creation of the EU's Single Market has been an undisputed success. Millions of Europeans have been able to travel, work and live across the continent thanks to common rules and standards.

For airlines, the liberalisation of the market unleashed strong competition which created new business models and benefitted consumers through greater choice and lower fares. Flying has become an affordable option for the many rather than a privilege for the few.

More than 30 years later, Europe remains one of the leading aviation markets globally, but this should not be taken for granted.

A combination of external factors and new developments will affect the competitiveness of European airlines now and in the future. This includes the financial impact of the COVID-19 crisis, the impact of the war in Ukraine on airspace and operations, and the higher regulatory costs and investments associated with the EU's Green Deal.

We need a coherent and supportive EU regulatory framework; a holistic approach that helps European aviation's competitiveness as it faces these challenges and higher costs. Otherwise, there may not be much to celebrate for the next anniversary of the Single Market.

A4E calls for:

✈️ An EU Contingency Plan to better prepare for future crises, including pandemics. Reform of long-standing EU aviation policies to support EU airlines' recovery and boost competitiveness including: Air Passenger Rights reform (EU 261) and the Single European Sky (ATM reform).

5. Airport Charges

The EU's single aviation market has led to strong competition among airlines, making air travel accessible and affordable for consumers. Large European airports do not face the same competition.

They can act like monopolies and charge airlines unreasonably high fees, offer poor service quality, or make unnecessary investments. Excessive airport charges drive up airline costs and ultimately affect the cost of travel and consumer choice in Europe.

The Airport Charges Directive needs reform. The European Commission's 2019 evaluation found that competition remains limited for some airports, resulting in significant market power, which means they can obtain prices and terms they would not get in a competitive market. With some exceptions, national regulators lack the necessary powers to intervene if needed.

COVID-19 has not led to major structural changes in the market and the conclusions of the evaluation still stand. As air travel in the EU recovers, there is a risk that abuse of market power will return, such as airports demanding excessive charges from airlines to recover losses sustained during the crisis.

A4E is simply asking for regulators to be given the tools they need to ensure that airport charges are fair and to prevent monopolistic behaviour. The reform will support a competitive and efficient EU aviation market to the ultimate benefit of consumers.

A4E calls for:

✈️ A substantial reform of the Airport Charges Directive that empowers regulators and ensures effective regulation of EU airports with significant market power.

6. Safety and security are always a top priority

On security, we need a flexible approach to address constantly changing scenarios and multi-faceted security risks, including war and conflict zones, cyber threats, security risks emerging in third countries, as well as investments in innovation and smart technologies.

Airlines work closely with all relevant stakeholders to ensure that EU aviation security regulations build on existing know-how and operational expertise. This includes developing the adequate tools and processes to address disruptions, appropriately adapt operations, and facilitate passengers.

A4E calls for:

✈️ An ambitious EU Aviation Security Strategy that is result-oriented rather than process-driven.

✈️ EU governments to take on their share of the substantial costs associated with the provision of national security services in aviation, and refrain from passing them on to industry.

✈️ The smooth implementation of electronic travel systems (i.e. EES/ETIAS or interactive API) as they enhance border security while facilitating the identification of inadmissible passengers before the boarding process.

