Airline CEOs to EU leaders: reform today for a competitive aviation sector tomorrow

European airline CEOs gathered today to issue an urgent call for reform to EU leaders. More than a year into the new EU term, airlines have seen little action to reinforce competitiveness, support aviation's transition to net zero, and keep European airspace resilient. The CEOs warned that without decisive action before the end of this year, the rising cost of doing business in Europe will continue to directly impact the accessibility of air travel for all and Europe's connectivity.

Europe's airline industry is one of its most strategic, making a sizable contribution to the European economy, accounting for over 4% of GDP and supporting more than 12 million jobs (Airlines for Europe, 2023). Air travel today is more accessible, more connected, and more efficient, thanks to airlines born and bred in Europe, but this success cannot be taken for granted. The challenges ahead are immense, and our competitors are not subject to the same rules or costs. The EU and national governments must sober up to today's geopolitical reality and its implications for the resilience of European aviation. We can no longer continue with inertia about the airline sector and a fragmented market, coupled with the stranglehold of inhibiting regulations.

A broken air traffic management space

Take the EU's single aviation market, which repeatedly comes under strain. This summer, passengers experienced over 12 million minutes – or 23 years' worth – of delays (Eurocontrol, 2025) due to insufficient capacity across national airspaces.

European airspace also increasingly finds itself shut down overnight on the whim of an air traffic controller strike in just one member state, grinding to a halt arriving and departing flights, but also obliging overflying planes to detour. EU leaders must rewrite the script: require mandatory arbitration before a strike is even called, set a 21-day advance notice for any industrial action, protect overflights while ensuring local departures and arrivals are not impacted, and guarantee a right of redress for airlines.

Unrealistic rules on compensation and cabin baggage fail to serve passenger priorities or operational realities

The EU's delay compensation rules should be focused on delivering what passengers want. Arbitrary three-hour thresholds leave airlines little time to bring in backup planes or crews. Extending that window to five hours could prevent up to 40% of delays – with better outcomes for passengers and the environment. Political calls to impose ‘free’ cabin bags are entirely out of sync with passenger preferences. A recent survey confirmed that lower fares and the option to choose extra bags were more popular amongst passengers than higher fares with an additional bag included (YouGov, 2025). Only 20% of passengers who fly are also willing to risk waiting longer to load excess cabin luggage if an extra cabin bag were included in their basic fare. Decision-makers should respect and reinforce consumer choice and operational realities.

Wake-up call on SAF affordability and competitive distortions

Simply implementing mandates does not create a functioning SAF market, and European airlines are currently paying the price with excessive surcharges and no price transparency, making large-scale use in flight operations impractical. The Sustainable Transport Investment Plan (STIP) must derisk investment in SAF production and bring down the cost of SAF. Europe needs a market intermediary for SAF, more multi-year SAF allowances, a simple book-and-claim system, EU ETS revenues reinvested, and a Carbon Border Adjustment Mechanism (CBAM)-like mechanism, to reduce carbon leakage, fairly distributing SAF costs between EU and non-EU airlines – real tools to fast-track aviation’s decarbonisation. The Fit for 55 package and SAF mandates in their current form disproportionately increase the costs of flying through EU hubs and to EU destinations, while driving traffic, jobs and emissions outside Europe. European airlines remain committed to decarbonising, but this should not come at the cost of competitiveness and accessible air travel for all.

The clock is ticking, and time is running out. Europe’s airlines cannot continue being held back by outdated thinking and self-defeating policies. Without urgent EU action and reform this year, Europe’s competitive edge will erode, leaving passengers paying the price.

There is only one choice for Europe: bold action today to maintain a resilient European airline sector tomorrow. For all these reasons, the European Commission must launch a Strategic Dialogue for European aviation as was done for other key industrial sectors.