

EU Aviation Strategy A4E Feedback to the European Commission's Call for Evidence

Introduction

A4E welcomes the opportunity to provide feedback to the European Commission's call for evidence for an Aviation Strategy for Europe. Eleven years after the publication of the 2015 EU Aviation Strategy¹, **the policy framework merits reassessment** in light of significant legislative developments, evolving technological realities and the successive crises that have affected the airline sector over the past decade. In this context, there is scope for policy action to strengthen the sector's resilience, address identified market failures and ensure that the regulatory framework remains fit-for-purpose in a changing operating environment.

Europe's airline sector has grown into a sector of critical value for Europe, **supporting its strategic interests by ensuring intra-European and global connectivity for people and goods**. In times of crisis, airlines maintain global supply chains, repatriate citizens, and deliver essential goods – highlighting their strategic value. Yet European airlines operate in a highly competitive global market where non-EU carriers are not subject to equivalent regulatory, fiscal or decarbonisation costs. The result is competitive distortion and shifting emissions and traffic to hubs and destinations outside the EU.

The European single aviation market has delivered significant benefits to EU citizens by creating a highly competitive airline sector, strengthening connectivity within Europe and globally, and making air travel accessible to all Europeans. At the same time, aviation remains a cornerstone of Europe's strategic autonomy and economic prosperity, with the sector's **contribution to EU GDP increasing by 22%² over the past decade**.

Meanwhile, **Europe's strategic autonomy and European airlines' competitiveness are under increasing pressure** due to the absence of a level playing field and to the growing cumulative regulatory burden on our sector. The **cost of compliance** with EU legislation for A4E airlines has more than tripled, rising from approximately €5 billion in 2015 to €17 billion in 2025, and is expected to reach €27.5 billion by 2030³. Decarbonisation-related compliance costs account for the largest share of this increase.

Recent years and crisis have worsened the competitive disadvantage for EU carriers caused by asymmetrical regulatory burden and have exposed important weaknesses in the EU framework. The **Covid-19 pandemic, the closure of Russian airspace, the crisis in the Middle East, together with growing global protectionism** have worsened the competitive disadvantage for EU carriers caused by this asymmetrical regulatory burden and have all demonstrated that European legislation is not adequately equipped to respond to systemic shocks. As a result, there **is a measurable loss of intra-EU connectivity and market share on key long-haul routes** between Europe and the rest of the world.

¹ Communication from the Commission "An Aviation Strategy for Europe" {SWD(2015) 261 final}

² ATAG "Aviation beyond borders", 2024

³ Steer "Assessment of the cost of regulatory compliance of European Airlines", 2025

In this context, key structural challenges remain unresolved. European airspace continues to underperform, with **ATM delays increasing by 114%⁴ since 2015**, despite the number of flights rising by only 6.7%. According to Eurocontrol, **ATM delays cost operators €2.4bn in 2025 alone⁵**.

European connectivity is increasingly under threat, as EU destinations are exposed to unilateral EU-driven cost increases. **Non-EU airlines now dominate intercontinental traffic to and from Europe**, expanding their market share by 6 percentage points between 2017 and 2024, raising serious concerns about Europe's connectivity and sovereignty in aviation.

Aviation Strategy: objectives and action plan

In the face of unresolved and new challenges, an updated EU Aviation Strategy should provide a clear and renewed vision to ensure Europe's airline sector remains **competitive, resilient, sustainable, and able to deliver connectivity and strategic autonomy for the EU**.

A4E recommends that the Strategy pursue the following key objectives and priorities:

1. Restore European airlines' **competitiveness and resilience** by ensuring a **level playing field vis-à-vis non-EU carriers, hubs and destinations**, and mitigating the escalating cost of regulatory compliance in line with the recommendations of Mario Draghi report. Strengthening the global and regional competitiveness of EU airlines will allow them to thrive internationally and within the Single Market and to invest in decarbonisation and innovation;
2. Keep **air travel accessible and Europe connected**, safeguarding affordable mobility for customers;
3. **Reform EU's under-delivering ATM system and airspace** to deliver the capacity needed for the next decades. Delivering a genuine Single European Sky will tackle one of the largest avoidable sources of cost, emissions and delays in the EU aviation system;
4. **Streamline the patchwork of overlapping and sometimes conflicting regulations**. Commit to a "coherence and burden reduction" test for all aviation-related initiatives, so the combined effect does not create unnecessary complexity, duplicative obligations or avoidable cost escalation for airlines and customers;
5. **Address a more resilient framework for crisis management and introduce a horizontal aviation crisis waiver mechanism**, enabling the temporary suspension or adjustment of obligations when compliance is objectively impossible or counterproductive in extraordinary circumstances.

Europe not only needs urgent measures to strengthen the competitiveness of EU airlines, but also a plan for the next decade, that combines renewed momentum on long-standing objectives with forward-looking responses to emerging challenges. **A4E calls on the European Commission to reflect on the following priority areas:**

I. Restore the competitiveness of European airlines and address the challenges posed by the decarbonisation agenda

- Address the structural failure of the Sustainable Aviation Fuel (SAF) market by **putting in place mechanisms that ensure SAF remains affordable and available for airlines**. This means avoiding excessive price premiums, enabling delivery of the net-zero 2050 pathway across all SAF production

⁴ IATA <https://www.iata.org/en/pressroom/2025-releases/2025-12-09-03/> - ATFM delay

⁵ Eurocontrol Performance Review Report (PRR) 2025

routes with minimal regulatory burden, and reinvesting EU ETS aviation revenues to decarbonise aviation (particularly on SAF production and uptake).

- **Align climate goals with competitiveness.** The EU must adjust its policy mix and pursue a combination of measures that address both hub switching and destination switching carbon leakage, keep administrative and regulatory burdens for all aircraft operators to a minimum, and bring no additional cost to all European airlines. A SAF-Border Adjustment Mechanism (SAF-BAM) for passenger aviation could form part of a broader strategy to address these challenges.
- Align EU carbon pricing with global standards to maintain fair competition. This requires **bringing the cost of EU ETS for aviation into line with the international CORSIA scheme**, and committing to **CORSIA as the sole global greenhouse gas reduction mechanism** for aviation going forward. Aligning EU carbon costs with global levels will prevent distortion and carbon leakage, and encourage other regions to follow suit. A unilateral EU approach, such as **extending the EU ETS to extra-EEA flights, is not a viable alternative.**
- **Avoid further taxation of air transport**, as additional fiscal measures would ultimately be passed on to customers and risk reducing affordable connectivity across Europe. The updated EU Aviation Strategy should reaffirm that no new or increased aviation taxes (on fuel, tickets, etc.) will be introduced at EU level, especially given the sector's existing contributions to public finances through carbon pricing and other fees.
- **Improve access to finance:** find a way to provide more flexibility on Ownership & Control, and to tackle the risks linked to this change.
- **Simplify and harmonise environmental procedures by aligning or consolidating overlapping requirements** (e.g. ReFuelEU Aviation, EU ETS, Renewable Energy Directive III Corporate Sustainability Reporting, anti-tankering guidelines, non-CO₂ emissions monitoring) to reduce unnecessary complexity and inconsistent demands on airlines. Eliminating duplication, streamlining administrative processes, and simplify reporting obligations in climate regulation will lower compliance costs for carriers without compromising environmental outcomes.
- Revise the **EU Sustainable Finance Taxonomy** by focusing on truly material activities and on the “do no significant harm” (DNSH) principle and minimum safeguards, and by removing overly restrictive technical screening criteria that currently hinder aviation's access to sustainable finance. This will ensure that investments in green aviation projects (like newer aircraft, SAF production, and decarbonisation technologies) can be recognised and financed under the EU's sustainable finance framework, aligning capital flows with Europe's aviation climate goals.
- Providing regulatory flexibility by introducing a **horizontal aviation waiver mechanism to suspend or temporary adjust regulatory obligations when compliance is objectively impossible or counterproductive** – for instance, during unprecedented crises (pandemics, rapid airspace closures, etc.). This would allow airlines to respond effectively and provide legal flexibility in exceptional circumstances and help preserve critical air connectivity and resources for safety and recovery.

II. Keep air travel accessible and Europe connected for the benefit of customers and the market

- Protect overflights in case of national **ATC strikes**, while ensuring this is not at the expense of departures and arrivals in the country where the strike originates.
- Ensure a **balanced approach between consumer protection rules and airlines' economic viability**. As none of the compromise on the revision of Regulation (EC) No 261/2004 currently under discussion would achieve these goals, an Aviation Strategy should create a passenger rights framework that is more proportionate, predictable and operationally workable.
- Respect **passengers' freedom of choice in purchasing travel-related services, while upholding airlines' commercial freedom to offer ancillary services** (such as seating options or flexible baggage allowances). EU policy should recognise that ancillary products often allow airlines to cater to diverse consumer preferences and keep base fares low, thereby enhancing choice and affordability for customers.
- Ensure the **accountability of online travel agencies (OTAs) toward customers and airlines**. When OTAs and other intermediaries control the customer interface (booking, ticketing, payment), they must bear appropriate responsibilities regarding price transparency, timely reimbursement, and the accurate sharing of passenger information with airlines. Airlines should not be held directly responsible to travellers for failures or omissions by intermediaries beyond airlines' control.
- Safeguard the **visibility and availability of airlines' direct offers**. The enforcement of new digital market rules (such as the **Digital Markets Act**) should not inadvertently confer a competitive advantage on intermediaries over airlines' own distribution channels. The Strategy should emphasise that fair competition in distribution means ensuring consumers can easily find and book airlines' direct offerings and that gatekeeper platforms operate transparently.
- **Avoid adding unnecessary complexity through further horizontal regulations**. Revisions to cross-cutting consumer, digital or payments legislation should be carefully evaluated for proportionality and coherence with existing aviation-specific rules. The aim must be to prevent the creation of overlapping or conflicting obligations that increase compliance burdens, reduce legal certainty, and ultimately harm passengers through higher costs or reduced connectivity. Similarly, within the context of the Digital Fairness Act airlines' dynamic pricing model, which enable price-sensitive passengers to enjoy lower base fares lower overall by adjusting prices according to demand, must be defended.

III. Tackle limits to growth in the air and on the ground

- **Modernise and reform European airspace**, also making it more resilient to shocks, and make Air Navigation Service Providers (ANSPs) fully accountable for their operational performance. **Achieving a genuine Single European Sky** is a competitiveness, climate and capacity priority. Accelerated implementation of airspace reform – including the timely, harmonised deployment of SESAR

technologies and improved civil/military coordination – will reduce delays, cut emissions, and bolster network resilience in the face of disruptions. Given the clear benefits, renewed political commitment is needed to overcome longstanding obstacles and physically deliver the Single European Sky.

- **Tackle airport monopolies to boost the efficiency of airport services with a revision of the Airport Charges Directive** (building on the objectives of the 2015 Aviation Strategy), so that future investments in airport infrastructure – and their financing models – are transparent, cost-effective, and aligned with the requirements of airlines and customers. The majority of EU airports already set charges based on market conditions. However, a small but highly relevant number of airports with significant market power do not adhere to this principle. Strengthening Independent Supervisory Authorities with greater powers over the setting of charges, especially at airports with significant market power, is critical to curb inefficiencies and promote a fairer system (particularly under dual-till regimes), while safeguarding high service quality.
- **Address persistent market fragmentation in airport governance by establishing more standardised and stringent EU requirements** for airline consultation and transparency in capacity decisions.
- Ensure the integrity of the Single Market by reaffirming that any local operating restrictions (e.g. airport traffic or capacity caps) must **adhere to the ICAO Balanced Approach for noise management**. Unilateral measures in breach of the Balanced Approach undermine legal certainty, distort competition, and fragment the EU's air transport market. The Strategy should emphasise that noise-related restrictions must be a last resort, based on robust evidence and proper consultation, and that the Commission will enforce compliance to prevent undue limitations on connectivity.

IV. Foster digitalisation and innovation in aviation

- Facilitate a **seamless passenger journey by supporting the efficient implementation of EU-wide electronic travel systems (such as the Entry/Exit System) to enhance border security**. These initiatives must be rolled out in a coordinated and flexible way to minimise operational disruptions and ensure a smooth experience for travellers, thus maintaining Europe's attractiveness for tourism and business travel.
- Enable **further digitalisation and the use of biometrics in air travel through coherent data-protection and data-sharing frameworks**. The EU should support secure, interoperable and passenger-centric digital identity solutions that enhance security and streamline airport processes, while respecting data privacy. For example, with appropriate safeguards, passengers could use their biometric identifiers or mobile devices as trusted digital travel credentials, allowing for faster and more seamless identity verification across check-in, security, border control and boarding. Encouraging such innovation, alongside better real-time data sharing between airlines, airports, and relevant authorities (including civil and military airspace management), will improve efficiency, reduce congestion and help aviation meet rising demand.

- **Promote a data-driven, connected aviation ecosystem.** The Strategy should widen support for the adoption of digital enabling technologies across the aviation sector. This includes fostering a more connected and predictive operations environment – where real-time data flows between aircraft, airports and ground systems support smoother end-to-end processes (e.g., baggage handling, gate coordination, cargo and maintenance operations, flight trajectories) and allow quicker recovery from disruptions. Achieving this depends on interoperability, scalable implementation, and a regulatory approach that encourages controlled trials, cross-border data sharing, and timely certification of new technologies.
- **Enhance safety through digital innovation.** The EU and EASA should leverage available data and advanced analytics to improve aviation safety performance further, enabling faster identification of risks, sharing of safety information across stakeholders, and streamlining of safety-related processes without compromising robust standards.
- **Embed monitoring and review mechanisms for major initiatives.** To improve governance and adaptability, the Strategy should commit to building in periodic impact reviews and adjustment mechanisms for significant new aviation policies. This will allow the Commission to assess actual outcomes and fine-tune or recalibrate measures if real-world impacts differ from expectations – ensuring that regulatory interventions remain effective, proportionate and free of unintended consequences.

V. Safeguard security

The EU Aviation Strategy should also reflect the nexus between civil aviation and security/defence considerations.

- Encourage Member States to **invest in SAF for their own aviation operations (e.g. military training fleets)**, which can help scale production and contribute to Europe's energy strategic autonomy.
- **Enhance civil/military cooperation in airspace management by leveraging digital tools** to accommodate military training and security requirements with minimal disruption to civilian flights. Strengthened coordination (e.g. flexible use of airspace) will allow essential defence exercises to take place while reducing their impact on commercial aviation capacity and schedules.
- **Ensure secure and diversified supply chains.** Recognise that sourcing and maintenance of critical aviation materials and components is a global endeavour. Any strategic autonomy measures should thus include provisions to reinforce supply chain resiliency – for instance, by identifying key dependencies and facilitating alternative sourcing or stockpiling for essential parts – to enable airlines to continue passenger operations even during geopolitical tensions or trade disruptions.

Conclusions

The revision of the EU Aviation Strategy must **strengthen the competitiveness of European airlines, secure Europe's aviation sector and the socio-economic benefits it provides, and protect citizens' ability to travel and exercise free movement** in an increasingly complex and competitive environment.

A4E urges the European Commission to adopt a balanced and forward-looking strategy that reinforces Europe's strategic autonomy, ensures a level global playing field, and enables the airline sector to continue contributing to Europe's growth and connectivity.

To be effective, the new Strategy should incorporate clear monitoring and review mechanisms, so that measures can be adjusted if implementation leads to unintended distortions, excessive costs, overlapping obligations or operational constraints.

Moreover, the principle of assigning regulatory responsibility to the party that controls the relevant customer interface or operational process should be observed. This will prevent airlines being held accountable for failures that lie outside their control and ensure balanced incentives across the aviation ecosystem.

A competitive, resilient and investable European airline sector is essential to delivering connectivity, decarbonisation and strategic autonomy together. By explicitly addressing competitiveness and coherence across all policy areas – in tandem with ambitious but realistic sustainability and consumer protection goals – the EU can craft an Aviation Strategy that positions European aviation to thrive in the decades ahead.