AIRPORTS COUNCIL INTERNATIONAL

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Director General

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The Rt Hon David Davis MP
Secretary of State for Exiting
Department for Exiting the European Union
9 Downing Street
London
SW1A 2AS
UNITED KINGDOM

CC: The Rt Hon Chris Grayling MP, Secretary of State for Transport, Department for Transport
Ms Karen Dee, CEO, Airport Operators Association

Dear Secretary of State,

ACI EUROPE (Airports Council International) is "The Voice of Europe's airports" – the only European-wide association representing Europe's airports with over 500 airport members in 45 countries – including the United Kingdom. Our members last year welcomed more than 2.23 billion passengers and their total economic impact is estimated at 4.1% of European GDP, with more than 12.3 million jobs being supported directly.

As the social and business mandates of Europe's airports is focused on developing air connectivity, ACI EUROPE has closely followed the Brexit negotiations since they started 12 months ago. Cooperating closely with the AOA (UK Airport Operators Association), which is affiliated to ACI EUROPE, we have been liaising with both the EC Task Force 50 and the UK Government, conveying the common and fully aligned position of the European airport industry.

This has involved analysing the connectivity and wider economic impacts of the different possible scenarios for the future aviation relationship between the EU27 and the UK – as well as ensuring that the risks involved in a no-deal scenario for airports and their communities on both sides are well understood.

As repeatedly, stated, ACI EUROPE considers that today's levels of air connectivity and associated economic benefits are a direct result of the Single European Aviation Market, which ensures the most liberal aviation regime between the UK and the EU. Anything more restrictive than the current Single Aviation Market Regime will come at a cost – there is just no winning alternative.

However, at this point in time – 9 months before the UK becomes a third country and taking into account:

i) the lack of definitive progress on the Withdrawal Agreement, and

ii) the continued uncertainties regarding not only the future (post-transition) aviation regime between the UK and the EU27, but also the move towards a transition period based on the status quo as of 30 March 2019,

Europe's airports consider that - as a matter of urgency - there is now a need for both the UK and the EU27 to develop and agree on adequate contingencies for aviation, should a no-deal scenario materialise.

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While these contingencies need to cover the whole spectrum of the aviation relationship between the UK and the EU27, I would like to draw your attention to the direct impact of a no-deal scenario on the continuation of air services between the UK and the EU27.

ACI EUROPE has welcomed previous statements from Brexit negotiators that in the case of a no-deal scenario, "essential air connectivity" would need to be safeguarded through ad hoc contingencies. However, what exactly would be considered "essential air connectivity" remains to be defined. Providing for adequate contingencies therefore requires a clarification and explanations as to what "essential air connectivity" would involve in particular for market access (traffic rights) and airline ownership & control rules.

As regards traffic rights in particular:

i) Would "essential air connectivity" be limited to 3rd & 4th freedom rights for passenger/cargo or could it go further than that – especially for cargo?

ii) Would the exercise of those traffic rights as part of "essential air connectivity" be uncapped/unrestricted – i.e. open routes & designation and unlimited frequencies & capacity?

Providing adequate contingencies also requires the identification of the legal instrument which can be used to achieve the goal of preserving essential air connectivity. Such instrument will need to provide the necessary flexibility to apply as of 30 March 2019.

It is now becoming urgent to obtain clarification on the rules that will apply to allow the aviation industry to prepare and anticipate the impact of a no-deal scenario. As already indicated by ACI EUROPE and other aviation industry stakeholders, air route network planning takes place up to 2 years in advance (sometimes even more).

A similar letter, asking for such contingencies to be made, has also been sent to the EU Task Force 50.

I thank you for your attention and remain at your disposal for any further information.

Yours sincerely,

