

ACI EUROPE

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Recovery Fund at odds with EU green airport agenda

Brussels, 16 March 2021: Airport trade body ACI EUROPE has called on the European Commission to urgently ensure that airports can effectively benefit from the €672.5 billion EU Recovery and Resilience Facility (RRF) to finance their sustainability and digitalisation projects.

As made clear by the EU Regulation establishing the RRF¹, airport investment under the RRF must comply with the 2014 EU Aviation State aid Guidelines. Since these Guidelines forbid all investment aid to medium-sized and larger airports, and even set stringent limits for such aid to smaller airports, **most EU airports will not be able to access RRF financing**.

In a <u>letter</u> sent to the European Commission's Director General for Competition, ACI EUROPE exposes the fact that these restrictions are "*at odds with the objectives of the EU Green Deal and Commission's own agenda for the greening of airports – as set out by the Sustainable and Smart Mobility Strategy adopted last December"*. The letter urges the Commission to immediately revise the State aid Guidelines to permit the funding of sustainability projects – and in particular those aimed at decarbonisation.

The European airport industry is fully aligned with the EU's Climate goal, having committed in 2019 to Net Zero for CO_2 emissions under its control at the latest by 2050. Close to 170 airports in Europe are currently working on reducing their carbon footprint under *Airport Carbon Accreditation*, with 52 of them already being carbon neutral. But further progress towards Net Zero will require continued investment – to the tune of ≤ 25.9 billion just for the decarbonisation of terminals at the top 50 European airports alone. While airports would have financed these investments in normal times, the COVID-19 pandemic has turned this assumption on its head – especially given the limited financial support granted so far to airports by European Governments. Hence the unequivocal need for airports to be eligible under RRF funding.

Olivier Jankovec, Director General of ACI EUROPE said: "You can't just tell an industry that decarbonisation must be the way forward if we then can't even access RRF financing due to State aid rules. The Commission must come to terms with the material impact of the COVID-19 pandemic on our industry. Airports are in a survival mode, with negative cash flow, daily operations financed through debt, and a weak revenue outlook once travel can restart. All this means many airports will simply not be able to consider investments in the coming years. What we are facing is an unprecedented airport investment crunch."

ACI EUROPE also urged EU States to ensure that airport sustainability and digitalisation projects are being considered under national recovery and resilience plans. Investment in airport infrastructure during economic crisis has strongly positive multiplier effects, bringing employment and economic stability to their regions.

ENDS

¹ EU Regulation 2021/241 of 12 February 2021

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ACI EUROPE is the European region of Airports Council International (ACI), the only worldwide professional association of airport operators. ACI EUROPE represents over **500 airports** in 46 European countries. Our members facilitate over 90% of commercial air traffic in Europe: **2.5 billion passengers**, **20.7 million tonnes of freight** and **25.7 million aircraft movements** in 2019. In response to the Climate Emergency, in June 2019 our members committed to achieve **Net Zero** carbon emissions for operations under their control **by 2050**, without offsetting.