

Europe on course for becoming aviation-disabled, say airports

For immediate release

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Madrid, 21 June 2012: On the occasion of the 22nd ACI EUROPE Annual Assembly, Congress & Exhibition, taking place in Madrid today, **Declan Collier, President of ACI EUROPE** and **CEO of London City Airport** shared his reading of aviation policy in the current climate.

IN THE SHADOW OF THE EUROZONE CRISIS

Reviewing the current trading conditions for Europe's airports, Collier made it clear that this was not just another recession in the usual aviation industry cycle of boom or bust. This is about the impact of structural shifts in the global and European economy and their impact on aviation.

Calling on policy makers and regulators to take stock, **Collier** said: *"In the same way as it is not business as usual for our industry, it cannot be business as usual for policy makers and regulators. Yet, in terms of policy making, no sense of the urgent need for change is apparent. The disconnect between the economic reality we are now facing and where policy making keeps focusing is worrying."*

STATE AID - ONE RULE FOR RAIL, ANOTHER FOR AIR?

One particularly relevant example is the review of EU State aid guidelines for the aviation sector. Speaking for the nearly 500 airports that compose the European aviation network, **Collier** expressed concerns as regards the fact that the European Commission wants to curb public financing of airport infrastructure: *"The Commission seems to believe that airports can recover their full cost from users and that this will stimulate more private investment in regional airports. These objectives are laudable, but they ignore the blunt economic and social reality of these airports. Many regional airports depend on public financing for survival and for keeping their communities connected."*

While airport competition is intensifying and there is a need to ensure a level playing field with regard to start-up aid given to airlines, the financing of airport infrastructure needs to be considered in a wider context. This is not just about the fact that the rail sector gets an astonishing €42 billion of public money each year. This is also about what happens outside Europe – with airports in the US getting almost unlimited access to public funding or Asia relying on State capitalism to develop airports as a way of establishing its global relevance.

Collier said *"the increasing dependence of the European economies on external trade must serve to reinforce the strategic role of airports for economic development. You do not take a train to go and look for business in Sao Paulo, Shanghai or Bangalore!"*.

RESETTING AVIATION POLICY FOR GROWTH

Taken together with national aviation taxes, the recent night flight bans in Germany and the on-going paralysis of airport policy in the UK, Europe is on course to becoming aviation-disabled, failing to capitalise on a sector that is a formidable source of economic growth.

Airports largely define the economy of the communities they serve. As employers, they are often the biggest local employment sites, hosting more than 1.3 million jobs on their premises and supporting an additional 3 million jobs throughout their wider communities.

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Collier commented: *"What should be blindingly obvious is that there is every reason to include airports and aviation in Europe's growth strategy. There is not a single one not to. This requires a visible reset of aviation policy – based on a system partnership between Governments, regulators and our industry".*

ENDS

Note to editors:

The full speech of ACI EUROPE President Declan Collier can be downloaded from:
<http://www.aci-europe.org/component/downloads/downloads/3272.html>

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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 400 airports in 46 European countries. Member airports handle 90% of commercial air traffic in Europe, welcoming nearly one and a half billion passengers each year.

EVERY FLIGHT BEGINS AT THE AIRPORT.