

UK airport capacity announcement: swift implementation & more needed

For immediate release

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ACI EUROPE

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Brussels, 25 October 2016: The UK Government has today announced a tentative approval for an additional runway at London-Heathrow airport - subject to another public consultation and parliamentary vote. This announcement points to a timeline for final approval that could extend to the end of 2017.

Reacting to the news, ACI EUROPE - the voice of Europe's airports - welcomed the fact that the UK government has finally clarified its position on expanding airport capacity in the UK. ACI EUROPE called for this additional capacity to be delivered swiftly, as well as for further airport capacity development and legal certainty on the future of the UK-EU aviation relationship.

Olivier Jankovec, Director General ACI EUROPE commented "*This announcement brings us closer to the end of one of the longest, most publicly-consulted infrastructure planning processes, anywhere in the world. While a positive development in itself, this is just a first step requiring both swift implementation and a plan for further airport capacity development – not least because this new runway at Heathrow will not be enough to meet future demand for air transport. An island economy lives or dies by its air connectivity. If the UK Government is serious about its focus on economic growth and preserving the country's global positioning, it needs to truly embed air connectivity and sustainable airport development in its economic strategy. This has become a common feature of some of the world's most dynamic and forward-looking economies*".

He added "*Last but not least, today's announcement can be no substitute for much needed legal certainty over the future of the UK-EU aviation relationship. There must be quick reassurances that as part of its Brexit strategy, the UK Government will seek to ensure that the UK and EU aviation market will remain closely integrated - with EU and UK airlines continuing to enjoy free market access.*"

As recognised by the EU Aviation Strategy launched last year, the lack of sufficient airport capacity remains one of the main challenges faced by European aviation – with the situation being particularly acute in the UK. EUROCONTROL has forecast¹ that insufficient levels of airports capacity will result in 12% of demand for air transport not being accommodated by 2035 – or 1.9 million flights not taking place. The lack of airport capacity will mainly affect medium-sized and larger airports – reflecting a trend of air traffic concentration as airlines tend to focus on primary markets & higher yields. Along with Turkey², the Netherlands and Belgium, the UK is expected to face a significant shortage of airport capacity³.

Jankovec commented: "*Europe continues to face an airport capacity crunch over the next 20 years. This will obviously hurt aviation – with delays & flight cancellations expected to reach unprecedented levels throughout the entire network and also generating huge environmental inefficiencies. In addition, this will damage our economies with the resulting weakened air connectivity costing €97 billion in lost GDP annually and nearly 2 million jobs missed out on by 2035.*"

ENDS

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° Between 2000 and 2020, China is building and opening more than 75 new airports.

The United Arab Emirates has invested heavily in adequate infrastructure for the cities of Dubai, Abu Dhabi and Oman. 2 years ago, Dubai DXB eclipsed Heathrow as the world's busiest airport for international passenger traffic. It is the now the 3rd busiest airport in the world and 6th busiest cargo airport.

The New Mexico City International Airport is due to open in 2020, with initial operations on 3 runways, ultimately expanding to 6 runways and an eventual capacity of 120 million passenger a year.

¹ EUROCONTROL's *Challenges of Growth 2013* - available online at:
<http://www.eurocontrol.int/articles/challenges-growth>

² In line with EUROCONTROL's previous warnings, in March 2013, the Turkish government announced a brand new airport for Istanbul, IGA Airport. Over 25% of the airport has already been built and it will open at the end of 2018, with an eventual capacity of 150 million passengers a year.

³ Flight demand is expected to exceed available airport capacity by 15%.

On 10 November, ACI EUROPE will host a special **Airport Investment Symposium** in Brussels, featuring the EU Transport Commissioner Violeta Bulč, Wim van de Camp MEP, various airport CEOs and prominent experts on air transport economics and airport investment.

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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 45 European countries. In 2015, our member airports handled over 90% of commercial air traffic in Europe, welcoming more than **1.9 billion passengers, 18.9 million tonnes of freight and 22.8 million aircraft movements**. These airports contribute to the employment of **12.3 million people**, generating **€675 billion each year (4.1%) of GDP** in Europe.*

EVERY FLIGHT BEGINS AT THE AIRPORT.