

Position Paper

June 2007

AEA POSITION PAPER ON AIRPORT CAPACITY

INTRODUCTION

There is a general consensus within the aviation community and among regulators that airport capacity shortages will be a serious obstacle to the future development of the European air transport industry. AEA acknowledges that the Commission presented a good analysis of the situation in its 'Communication on airport capacity', of 24th January 2007 and agrees with the Commission on the issue of the so-called "capacity crunch". AEA is encouraged by this good first step, but is anxious to see further developments as it believes that Europe is in need of a long-term airport capacity strategy.

The consequences of the "capacity crunch" are that hub airports will not be able to grow according to market demand and access to the hub airports from the regions and periphery is likely to be diminished. As air transport provides for mobility, prosperity and political cohesion and also stimulates economic growth and social inclusion it goes without saying that such a situation will seriously affect Europe's economic potential and its worldwide competitiveness (USA, Middle East, Far East).

Therefore AEA finds it unfortunate that the measures set out in the paper indicate that the Commission is continuing to pursue its policy of managing scarce resources instead of also exploring ways to expand existing capacity in order to meet market demand. AEA is disappointed by the lack of a strategic vision and the failure to identify a long-term strategy on airport capacity expansion as a key objective. There is a strong need for a pro active and visionary policy on capacity expansion. AEA therefore calls on the Commission to urge Member States to take the necessary steps.

In general AEA believes that it is better to expand existing airports than to build more airports. From an operational/economic point of view bigger airports will become more efficient through economies of scale and scope. Concentration also aids the provision of viable local rail services/public transportation by generating a critical mass of demand. From an environmental point of view, noise and pollution constraints can be managed better within a limited area, provided that appropriate land-use planning and control measures are in place.

Also, AEA believes there are numerous benefits to be found in linking capacity expansion and environmental issues. A successful implementation of the 'Single European Sky' initiative combined with significant capacity expansions at economically important hubs would lead to considerable reductions in emissions. According to scientific reports improvements in air traffic management could lead to a reduction in CO₂ emissions of up to 12 % and the elimination of unnecessary delays could bring savings of up to €6m per year.

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ACTIONS PROPOSED BY THE EUROPEAN COMMISSION

Although generally speaking the five proposed actions could be helpful, they are not sufficient given the size of the anticipated problem. The crucial point is that in order to formulate a sustainable and long term perspective the Commission should move from its policy of management of capacity shortages to facilitating new infrastructure and airport capacity expansion, which are desperately needed, especially at hub airports.

1. Making better use of existing airport capacity

The European Commission proposes to develop harmonized methodology tools to design and assess airport capacity. AEA would only be in favour of this if the methodology tools were applicable in a flexible manner to the different infrastructures in order to take different local conditions of the airports into account. AEA proposes to distinguish between gateways to Europe, gateways to capitals and accessibility to the regions. Each of these categories is encountering a range of infrastructure and organizational problems which require individually adapted solutions rather than 'one size fits all' remedies.

We therefore propose to introduce a survey of actual demand for infrastructure. This would enhance a comprehensive European airport capacity plan and could become an accepted EU-wide air transport forecast which can be used by airports as a planning framework for capacity improvement. The advantage of a demand based forecast is that it provides a realistic market picture for the development of air transport.

The European Commission further proposes to give a mandate to Eurocontrol in order to elaborate solutions on ATFM measures. These measures could then ensure consistency between airport slots and flight plans. However, due to external and uncontrollable circumstances and the discrepancy between daily operations and their airport slots, the benefits of verification of flight plans against airport slots in terms of capacity increase is regarded as limited. In addition, Eurocontrol is working on a capacity tool but AEA doubts whether Eurocontrol is the right body to assess the need for infrastructure on the ground.

AEA considers that the Commission's proposal to institutionalize the information sharing process at airports (Collaborative Decision Making, CDM) is a reasonable approach in terms of operational improvements. A more accurate exchange of information would avoid inaccuracies in the system. However, here again the benefits for capacity increases are limited since improved information sharing will not lead to more flight movements given the already existing capacity limitations.

It is also worth noting that recourse to market mechanisms such as slot allocation to make better use of existing airport capacity would not address infrastructure shortages, as such a mechanism would not create a single additional slot. Besides, consistency between airport slots and ATFM slots has very limited benefits and will not solve the capacity problem. Moreover, this inconsistency will always exist.

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2. Maintaining a consistent approach to air operators safety at aerodromes

In AEA's view Global Navigation Satellite Systems could have limited effects in terms of capacity improvements. This would require the development and certification of new systems for low visibility operations. Unlike the instrument landing systems that are currently in use, satellite systems do not depend on a cleared deflection area. Therefore the development and certification of such a system could increase the number of flight movements.

3. Promoting "co-modality", the integration and collaboration of transport modes

The Commission's proposal for reducing airport congestion also covers the so-called modal shift. Here the objective is to replace the airplane with the train on as many short and medium-haul routes as possible. In that scenario, the subsidized high-speed train is expected to provide an alternative solution to air transport, with the railways being granted exclusive access to certain markets. However, this solution could only absorb aviation growth for one or two years. The costs would outweigh the benefits and the key problem of airport expansion would remain unresolved.

Furthermore, the operational integration of air transport and rail should be effected in a way that guarantees the level playing field between the two modes. Although air and rail could be complementary, they do compete with each other in certain circumstances. European railways have announced their intention to cooperate in high speed rail alliances in order to compete more strongly against airlines. It is very important to avoid market distortions so that rail is not given public money and other advantages to the detriment of airlines.

Besides, AEA submits that co-operation between the two modes should be based on commercial conditions and expectations and should therefore not be imposed by the regulator. Rail expansion by itself will not work. Europe can increase its competitiveness through the combination of modalities, thus enhancing connectivity.

AEA is in favour of incentives for direct rail connections to airport hubs. In order to ensure adequate funding for co-modality projects, aviation should be included in the TEN programme.

4. Improving the environmental capacity of airports and improve the planning framework for new airport infrastructure

The European airlines make every effort to optimize operational procedures on noise abatement by investing in modern aircraft and by using innovative approach and departure procedures. Moreover, the European airlines' commitment to noise insulation programs at airports often goes far beyond their legal obligations. Therefore, it is essential that environmental benefits brought about by airlines' investments lead to more capacity for those airlines.

AEA welcomes the proposal to improve the planning framework for new infrastructure. Naturally, the stakeholders would have to be part of this process. Taking into account global competition, a simplification and acceleration of the EU's complex planning procedure is an absolute necessity for the competitiveness of the European air traffic sector. A harmonized application of the balanced approach is important though. Land use planning should also benefit aviation as well as the neighbouring communities.

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In order to achieve a harmonisation of land use planning throughout Europe, the Commission should provide common guidelines for national regulators. This would enhance a European approach and at the same time maintain a level playing field.

5. Developing and implementing cost efficient new technological solutions.

In general technological measures will be able to enhance the optimal and maximal use of existing capacity. New technologies such as SESAR will also help to reduce environmental burdens such as noise and emissions. However, relying too much on technological improvements for capacity reasons could be unrealistic. As an example, SESAR is a vital project that will provide capacity in the air, and also has a role on the ground. However, this new capacity in the air must be complemented by new capacity on the ground in order to maintain a balance between the two and to provide an efficient operational air transport system.

AEA supports the development and implementation of new technologies such as Advanced-Surface Movement Guidance and Control Systems (A-SMGCS) and further new instruments and systems within the framework of the SESAR program. However, these systems only concern apron capacity and will not enhance movement rates on runways.

CONCLUSION

Airport capacity could become the most restricting factor in the air transport value chain and could also undermine the overall competitiveness of the European economy. The EC, as well as the Member States, should take action on the expansion of capacity at European airports.

AEA therefore urges the European Community and the Member States to make every effort to promote the expansion of the economically important airports.