WRITTEN QUESTION E-2903/01 by Gunilla Carlsson (PPE-DE) to the Commission

Subject: Belgian State aid to Sabena

The terrorist attacks in the USA have plunged European airlines into financial difficulties. The Council has discussed measures to deal with the problems of insurance, but has ruled out direct State financial aid to crisis-hit undertakings. The Commission has for a long time been seeking to eliminate subsidies of this nature, which distort competition.

It is therefore remarkable that Belgium, which currently holds the Presidency, is providing cash and guarantees for Sabena, in which airline the Belgian State has a majority holding. Sabena's financial problems are certainly not new, and cannot be blamed on the crisis now affecting the industry as a whole. The Belgian Government's actions will exclusively benefit narrow national interests and eliminate competition, which will further reduce other European airlines' ability to survive.

What action does the Commission intend to take to prevent the Belgian State from giving Sabena financial aid?

451293.EN PE 310.550