# **EUROPEAN PARLIAMENT**

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Committee on Regional Development

2007/0013(COD)

17.9.2007

# **OPINION**

of the Committee on Regional Development

for the Committee on Transport and Tourism

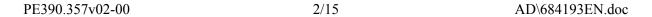
on the proposal for a directive of the European Parliament and of the Council on airport charges

(COM(2006)0820 - C6-0056/2007 - 2007/0013(COD))

Draftsman: Antonio De Blasio

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#### SHORT JUSTIFICATION

The Commission is proposing a directive on airport charges, to be seen as part of an 'airport package' with the overall goal to increase the vital role of Europe's airports, in compliance with the Lisbon agenda objectives, as a key driver for ensuring the economic and social competitiveness of Europe. Until now European airports have been faced with diverse regulatory, commercial and external challenges regarding issues such as capacity, financing and the environment. The aim of these new measures is to offer a common set of rules to be applied and enforced uniformly. The proposal focuses on the role of airports in the further development and competitiveness of the European internal aviation market and will mark the future of airport regulation in Europe by ensuring regulatory convergence between Member States as well as to create an independent national authority to resolve disputing issues.

Your draftsman's objective concerning the scope of the opinion was to concentrate on the regional development aspects and the administrative dimension of the issue, the role of the regulatory authority. Many other questions, such as the transparency article, the issue of non-aviation revenues and security charges were also examined in detail but were not considered to be the responsibility of the Regional Development Committee.

Air transport within Europe provides economic value and meets social needs for the communities it serves. Your draftsman is underlining the fact that nine in ten EU citizens live outside the capital cities. Air transport connects major EU centres with the regions which facilitate the living of 90% of EU's citizens outside capital cities thus supporting the important attractiveness of EU regions which reduce the tendencies of movements away from EU's remote areas. The accessibility of all regions and the interests of air passengers are of crucial importance. Also essential to include in the Directive is the role to be played by air transport, not at least, in increasing social and economic cohesion throughout the Union since airports contribute to the creation and development of enterprises, the movements of mail and urgent freight as well as the delivery of just-in-time goods serving especially EU's regional development. Moreover, air transport generates employment at and near airports. To further support investment in European regions' high quality transport links are therefore necessary.

Airport charges are usually established and levied in accordance with a set of principles and criteria which make up the airport charging system. By varying certain charges, airports can try to increase the use of airport infrastructure and reduce the environmental impact of aviation. The Commission's wish to re-define the relationship between airport operators and airport users by requiring total transparency, user-consultation and the application of the principle of non-discrimination when calculating charges levied on users for the same service provided is welcomed by your draftsman. In order to eliminate administrative burdens, consultations between airport and airport users over airport charges should be held only in case there is a ground for discussion, such as the revision of charges or the imposition of new charges.

At the same time, it should be ensured that airports and airport users only turn to the independent regulatory authority when all dialogue possibilities have been exhausted and only

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<sup>&</sup>lt;sup>1</sup> Including: a proposal for a directive on airport charges, a communication on airport capacity, efficiency and safety in Europe and a report on the implementation of the ground handling directive. (adopted 24 January 2007).

if there are serious grounds that justify an appeal. Thus Member States should have the possibility to establish certain criteria when parties are entitled to seek intervention.

With regard to improving the capacity of the European airport system there is a potential to develop regional airports which can play a role in relieving congestion at Europe's major hub airports. Regional airports should not be under the scope of the directive as additional regulations would only mean administrative burden for regional airports, which would hamper their development and thus the accessibility of the region. However, the largest transfer hubs and main European and national airports should be regulated along with any other airport if it operates on a monopolistic market. Many of the smaller airports already face competition, which has a downward effect on airport charges levels.

Furthermore, national authorities need to understand the exact situation of their airport in order to be able to draw up the relevant regional development plans. Partnerships between public authorities and regional airports could therefore be established to promote the region and develop joint commercial activities.

#### **AMENDMENTS**

The Committee on Regional Development calls on the Committee on Transport and Tourism, as the committee responsible, to incorporate the following amendments in its report:

Text proposed by the Commission<sup>1</sup>

Amendments by Parliament

## Amendment 1 Recital 2

(2) It is necessary to establish a common framework regulating the essential features of airport charges and the way they are set, as in the absence of such framework, basic requirements in the *relation* between airport managing bodies and airport users may not be respected.

(2) It is necessary to establish a common framework regulating the essential features of airport charges and the way they are set, as in the absence of such a framework, basic requirements in the relations between airport managing bodies and airport users may not be respected. That framework should acknowledge the importance regional airports have for the social and economic development of regions, especially those which depend heavily on tourism as well as those that suffer geographical and natural handicaps, such as the outermost regions and islands.

<sup>&</sup>lt;sup>1</sup> Not yet published in OJ.

#### Justification

The role of air transport for EU's economic and social cohesion must be recognised in the Directive and the development of regional airports throughout the Union should be encouraged.

Amendment 2 Recital 2 a (new)

(2a) Airports, airlines and their accompanying infrastructure make a major contribution to social, economic and territorial cohesion in the European Union by connecting regions, creating employment and attracting businesses.

#### Justification

Air transport within Europe provides economic value and meets social needs for the communities it serves. Nine out of ten EU citizens live outside capital cities. Air transport connects major EU centres with the regions and thus keeps EU regions attractive and reduces the tendency to move away from the more distant areas.

As the two most important added value creators in the air transport sector, airports and airlines contribute jointly to development in the EU.

A good airport network fosters not just social and economic cohesion but also territorial cohesion within the EU.

Amendment 3 Recital 2 b (new)

(2b) Partnerships should be established between the various local and regional authorities, airlines and regional airports with a view to promoting the region in which the airport is located and developing joint economic activities.

#### Justification

National authorities need to understand the exact situation of their airport in order to be able to draw up the relevant regional development plans. Partnerships between public authorities and regional airports could, therefore, be established to promote the region and develop joint commercial activities.

The national authorities need to understand the exact situation of their airport in order to be able to draw up the necessary regional development plans. To that end, partnerships could be

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formed between local and regional authorities and regional airports in order to promote the region and develop joint commercial activities. Since airlines are the next most important added value creators after airports in the air transport sector, they should also be included in these partnerships.

The term 'economic activities', which is broader in scope than 'commercial activities', is used because science and technical parks are often set up in the close vicinity of airports and other types of businesses can work directly with an airport.

#### Amendment 4 Recital 3

- (3) This Directive should apply to airports located in the Community territory that are above a minimum size, as the management and the funding of small airports do not call for the application of a Community framework.
- (3) This Directive should apply to airports located in the Community territory that are above a minimum size, as the management and the funding of small airports do not call for the application of a Community framework, as most of them operate in an increasingly competitive business environment and such competition tends to exert downward pressure on airport charges.

## Justification

Many of the small airports are privately owned, and in many cases they are not the only operators in the region, so they face severe competition, which has a downward effect on airport charges levels.

## Amendment 5 Recital 4 a (new)

(4a) The framework for regulating the income of airport operator should be determined by the Community guidelines on financing of airports and start-up aid to airlines departing from regional airports<sup>1</sup>.

<sup>1</sup> OJ C 312, 9.12.2005, p. 1.

#### Justification

In order to guarantee fair competition and reflect actual costs, account must be taken not only of airport operators' income from airport charges but also of income from the public purse (e.g. state aids, grants and subsidies). This is particularly important in order to boost the efficient deployment of European funding.

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#### Amendment 6 Recital 5

- (5) Airport charges should be non-discriminatory. A compulsory procedure for regular consultation between airport managing bodies and airport users should be put in place with the possibility for either party to have recourse to an independent regulatory authority whenever a decision on airport charges or the modification of the charging system is contested by airport users.
- (5) Airport charges should be non-discriminatory and should reflect real costs. A compulsory procedure for regular consultation between airport managing bodies and airport users should be put in place with the possibility for either party to have recourse to an independent regulatory authority whenever a decision on airport charges or the modification of the charging system is contested by airport users. The independent regulatory authority should have precise terms of reference clearly defined including in particular any powers they may have to take punitive action.

#### Amendment 7 Recital 6

- (6) An independent regulatory authority should be established in every Member State so as to ensure the impartiality of its decisions and the proper and effective application of this Directive. The authority should be in possession of all the necessary resources in terms of staffing, expertise, and financial means for the performance of its tasks.
- (6) An independent regulatory authority should be *nominated or* established in every Member State so as to ensure the impartiality of its decisions and the proper and effective application of this Directive. The authority should be in possession of all the necessary resources in terms of staffing, expertise, and financial means for the performance of its tasks.

## Justification

With the amendment the recital is in line with Article 10 (1). Wherever it is possible the independent regulatory authority should be nominated in order to avoid further extension of burocracy in Member States.

#### Amendment 8 Recital 9

- (9) Due to the emergence of air carriers operating air services at low costs, airports served by these carriers should be enabled to apply charges corresponding to the infrastructure and/or the level of service provided as air carriers have a legitimate interest to require services from an airport
- (9) Due to the emergence of air carriers operating air services at low costs, airports served by these carriers should be enabled to apply charges corresponding to the infrastructure and/or the level of service provided as air carriers have a legitimate interest to require services from an airport

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that correspond with the price/quality ratio. However, access to such reduced level of infrastructure or services should be open to all carriers that wish to avail of them on a non-discriminatory basis. In case demand exceeds supply, access must be determined on the basis of objective and non-discriminatory criteria to be developed by an airport managing body.

that correspond with the price/quality ratio. However, access to such reduced level of infrastructure or services should be open to all carriers that wish to avail of them on a non-discriminatory basis. In case demand exceeds supply, access must be determined on the basis of objective and nondiscriminatory criteria to be developed by an airport managing body. Any differentiation and/or increases in charges should be transparent, objective and based on clear criteria. Differentiation might be considered an incentive for the opening up of new routes and thus aid regional development in regions which suffer geographical and natural handicaps, including the outermost regions.

#### Justification

The amendment is intended to clarify the conditions under which differentiation may be made.

## Amendment 9 Article 1, paragraph 2

2. This Directive applies to any airport located in a territory subject to the provisions of the Treaty and open to commercial traffic whose annual traffic is over 1 million passenger movements or 25 000 tonnes of cargo.

- 2. This Directive applies to any airport located in a territory subject to the provisions of the Treaty and open to commercial traffic whose annual traffic represents more than 0.5% of total passengers handled yearly within the Union.
- 3. Without prejudice to paragraph 2, a Member State may:
- i) apply this Directive to any airport located in its territory and open to commercial traffic whose annual traffic represents more than 10% of total passengers handled yearly in that Member State;
- ii) apply this Directive to any airport located in its territory and open to commercial traffic on the basis of a market survey conducted by its competent national authority. Such market survey shall be carried out after full consultation with the airport managing body and users of the

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airport concerned.

- 4. Every Member State shall publish a list of its airports to which this Directive applies and ensure access to the results of any market survey as referred to in paragraph 3(ii) to any interested party, albeit without disclosing confidential business information.
- 5. This Directive shall not apply to the charges collected for the remuneration of en-route and terminal air navigation services in accordance with Commission Regulation (EC) 1794/2006 laying down a common charging scheme for air navigation services, or to the charges collected for the remuneration of groundhandling services referred to in the Annex of Council Directive 96/67/EC on access to the groundhandling market at Community airports
- 6. This Directive is without prejudice to the right of each Member State to apply additional regulatory measures that are not incompatible with this Directive or other relevant provisions of Community law with regard to any airport managing body established in its territory. This may include in particular the approval of charging systems and/or the level of charges based on competition law.

This Directive shall not apply to the charges collected for the remuneration of en-route and terminal air navigation services in accordance with Commission Regulation (EC) 1794/2006 laying down a common charging scheme for air navigation services, or to the charges collected for the remuneration of groundhandling services referred to in the Annex of Council Directive 96/67/EC on access to the groundhandling market at Community airports.

This Directive is without prejudice to the right of each Member State to apply additional regulatory measures that are not incompatible with this Directive or other relevant provisions of Community law with regard to any airport managing body established in its territory. This may include in particular the approval of charging systems and/or the level of charges based on competition law.

#### Justification

Regional airports should not be under the scope of the directive as additional regulations would only mean administrative burden for regional airports, which would hamper their development and thus the accessibility of the region. However, the largest transfer hubs and main European and national airports should be regulated along with any other airport if it operates on a monopolistic market. Many of the smaller airports already face competition, which has a downward effect on airport charges levels.

Amendment 10 Article 2, point (e a) (new)

> (ea) 'consumer' means any natural person or legal entity that purchases a transport

#### service from an airport user.

# Amendment 11 Article 3

Member States shall ensure that airport charges do not discriminate among airport users or air passengers.

Member States shall ensure that airport charges do not discriminate among airport users or air passengers *using the same service.* 

## Justification

In case airport users use different airport infrastructure and services the level of airport charges can be different. For the same service there must be no discrimination among airport users or air passengers.

## Amendment 12 Article 4, paragraph 1

- 1. Member States shall ensure that at each airport a compulsory and regular procedure for consultation between the airport management body and airport users or representatives of airport users is established with respect to the operation of the system of airport charges and the level of such charges. Such consultation shall take place *at least once a year*.
- 1. Member States shall ensure that at each airport a compulsory and regular procedure for consultation between the airport management body and airport users or representatives of airport users is established with respect to the operation of the system of airport charges and the level of such charges. Such consultation shall take place when a revision of charges or the imposition of new charges is contemplated, and in any event at least once every two years.

#### Justification

The purpose of the amendment is to eliminate administrative burdens by holding consultations over airport charges issues in case there is a ground for discussion. It also takes into account the situation where prices have been agreed between airports and airlines for several years.

## Amendment 13 Article 4, paragraph 2

- 2. Member States shall ensure that, wherever possible, changes to the airport charges system or to the level of charges are made in agreement between the airport managing body and the airport users. To that end, the
- 2. Member States shall ensure that, wherever possible, changes to the airport charges system or to the level of charges are made in agreement between the airport managing body and the airport users. To that end, the

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airport managing body shall submit any proposal to modify the airport charges system or the level of airport charges to the airport users no later than 4 months before they enter into force, together with the reasons for the proposed changes. At the request of any airport user, the airport managing body shall hold consultations on the proposed changes with the airport users and take their views into account before the final decision is taken. The airport managing body shall publish its final decision no later than 2 months before it enters into force. The airport managing body shall justify its decision with regard to the views of the airport users in the event no agreement on the proposed changes is reached between the airport managing body and the airport users.

airport managing body shall submit any proposal to modify the airport charges system or the level of airport charges to the airport users no later than 4 months before they enter into force, together with the reasons for the proposed changes. At the request of any airport user, the airport managing body shall hold consultations on the proposed changes with the airport users and take their views into account before the final decision is taken. The airport managing body shall publish its final decision no later than 6 months before it enters into force. The criteria for publication shall be defined by the regulatory authority. The airport managing body shall justify its decision with regard to the views of the airport users in the event no agreement on the proposed changes is reached between the airport managing body and the airport users.

## Justification

This period of 2 months is to short. Regions that depend on tourism could be greatly affected as tour operators need more time to accommodate to the decision because they often have reach agreements to provide services way before.

## Amendment 14 Article 5, paragraph 1

- 1. Member States shall ensure that the airport managing body provides each airport user, or the representatives or associations of airport users, *once a year* with information on the components serving as a basis for determining the level of all charges levied at the airport. This information shall at least include:
- 1. Member States shall ensure that, when a revision of charges or the imposition of new charges is contemplated, the airport managing body provides each airport user, or the representatives or associations of airport userswith information on the components serving as a basis for determining the level of all charges levied at the airport. This information shall at least include:

Justification

*In line with Article 4 paragraph 1.* 

Amendment 15 Article 5, paragraph 2

- 2. Member States shall ensure that airport users submit information to the management body *on a regular basis*, concerning in particular:
- 2. Member States shall ensure that airport users submit information to the management body when a revision of charges or the imposition of new charges is contemplated, concerning in particular:

#### Justification

*In line with Article 4 paragraph 1.* 

# Amendment 16 Article 6

Member States shall ensure that the airport managing body consults with airport users before plans for new infrastructure projects are finalised. Member States shall ensure that the airport managing body consults with airport users before plans for new infrastructure projects are finalised. The criteria for introducing new charges should reflect the core operations of the airport that might affect airport users and consumers.

## Amendment 17 Article 7, paragraph 2

- 2. Member States shall ensure that, in the event no agreement on service levels is reached, either party may seek intervention of the independent regulatory authority.
- 2. Member States shall ensure that, in the event *that* no agreement on service levels is reached, either party may seek *the* intervention of the independent regulatory authority. *Member States shall define the precise conditions under which either party may seek the intervention of the independent regulatory authority.*

#### Justification

It should be ensured the parties only turn to the independent regulatory authority when all dialogue possibilities have been exhausted and only if there are serious grounds that justify an appeal.

## Amendment 18 Article 8, paragraph 1

- 1. Member States shall take the necessary measures to allow the airport managing body to vary the quality and scope of particular airport services, terminals or parts of
- 1. Member States shall take the necessary measures to allow the airport managing body to vary the quality and scope of particular airport services, terminals or parts of

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terminals, with the aim *to provide* tailored services or a dedicated terminal or part of a terminal. The level of airport charges may be differentiated according to the quality and scope of such services.

terminals, with the aim of providing tailored services or a dedicated terminal or part of a terminal and to the extent necessary to ensure compliance with public service obligations. The level of airport charges may be differentiated according to the quality and scope of such services and, in the case of the regions mentioned in Article 299(2) of the Treaty, enable all consumers to benefit from universal access to the services provided.

#### Justification

The purpose of the amendment is to ensure compliance with public service obligations and, as far as the outermost regions are concerned, give all consumers access to air transport, bearing in mind that the islands in question are a very long way from the mainland and therefore have to rely on this particular transport mode.

## Amendment 19 Article 8, paragraph 2

- 2. Member States shall ensure that any airport user wishing to use the tailored services or dedicated terminal or part of a terminal, shall have access to these services and terminal or part of terminal.
- 2. Member States shall ensure *non-discrimination so* that any airport user wishing to use the tailored services or dedicated terminal or part of a terminal, shall have access to these services and terminal or part of terminal.

## Amendment 20 Article 10, paragraph 4

- 4. Whenever an airport managing body or an airport user has a complaint with regard to any matter within the scope of this Directive, it may refer the complaint to the independent regulatory authority which, acting as dispute settlement authority, shall issue a decision within two months after receipt of the complaint. The independent regulatory authority shall have the right to request the necessary information from the parties for the decision. The decisions of the regulatory authority shall have binding effect.
- 4. Without prejudice to existing dispute resolution mechanisms or statutory appeal procedures, where an airport managing body or an airport user has a complaint with regard to any matter falling within the scope of this Directive, it may, on conditions determined by the Member State concerned, refer the complaint to the independent regulatory authority which, acting as dispute resolution authority, shall issue a decision within two months after receipt of the complaint. The independent regulatory authority shall have the right to request the necessary information from the parties for the decision. The decisions of the

regulatory authority shall have binding effect.

#### Justification

It should be ensured the parties only turn to the independent regulatory authority when all dialogue possibilities have been exhausted and only if there are serious grounds that justify an appeal. The right to appeal should be ensured according to each Member States' legal system.

## Amendment 21 Article 10, paragraph 5

- 5. The independent regulatory authority shall publish an annual report concerning its activities.
- 5. The independent regulatory authority shall publish an annual report concerning its activities in the fifth month of each year. It should make its report available to users, the Commission and the general public.

## Amendment 22 Article 11, paragraph 1

- 1. The Commission shall submit a report to the European Parliament and the Council on the operation of this Directive no later then 4 years after its entry into force as well as, when appropriate, any suitable proposal.
- 1. The Commission shall submit a report to the European Parliament and the Council on the operation of this Directive, assessing progress made in attaining the objectives of this regulation, no later then 4 years after its entry into force as well as, when appropriate, any suitable proposal.

#### Justification

An independent evaluation of the operation of the directive should be linked to the progresses made in relation to the set objectives.

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## **PROCEDURE**

	<u> </u>
Title	Airport charges
References	COM(2006)0820 - C6-0056/2007 - 2007/0013(COD)
Committee responsible	TRAN
Opinion by Date announced in plenary	REGI 13.3.2007
Drafts(wo)man Date appointed	Antonio De Blasio 20.3.2007
Discussed in committee	12.4.2007 7.6.2007
Date adopted	13.9.2007
Result of final vote	+: 36 -: 2 0: 2
Members present for the final vote	Elspeth Attwooll, Jean Marie Beaupuy, Rolf Berend, Jana Bobošíková, Antonio De Blasio, Bairbre de Brún, Vasile Dîncu, Iratxe García Pérez, Eugenijus Gentvilas, Ambroise Guellec, Mieczysław Edmund Janowski, Rumiana Jeleva, Gisela Kallenbach, Miloš Koterec, Constanze Angela Krehl, Jamila Madeira, Mario Mantovani, Sérgio Marques, Miguel Angel Martínez Martínez, Yiannakis Matsis, Miroslav Mikolášik, Jan Olbrycht, Markus Pieper, Pierre Pribetich, Wojciech Roszkowski, Elisabeth Schroedter, Grażyna Staniszewska, Margie Sudre, Kyriacos Triantaphyllides, Oldřich Vlasák
Substitute(s) present for the final vote	Jan Březina, Den Dover, Emanuel Jardim Fernandes, Louis Grech, Ljudmila Novak, Zita Pleštinská, Richard Seeber, László Surján, Nikolaos Vakalis
Substitute(s) under Rule 178(2) present for the final vote	Olle Schmidt