

Air transport within Europe provides economic value and meets social needs for the communities that it serves. The European Union's approach to regulation of the air transport industry repeatedly fails to take these benefits fully into account. "A Vision for European Air Transport", published in 2004 by the European Regions Airline Association (ERA), calls for a new approach to transport policy and regulation to replace the European Commission's 2001 White Paper on "European Transport Policy for 2010: time to decide".

Recognising that:

- Nine in ten EU citizens live outside the capital cities
- Good transport links are necessary to support investment in the EU's regions
- All motorised public and private transport causes some environmental damage
- Any government subsidy given to any public transport operator allows customers to be charged artificially low fares, thus creating additional demand and causing increased environmental damage
- Air transport is the only mode of public transport for which users currently pay virtually all infrastructure costs

ERA observes that EU transport policy should:

Recognise the value of air transport

- Air transport links between major centres and EU regions facilitate 90% of Europe's citizens to live outside capital cities, thus reducing population drift to Europe's major centres
- Air transport brings inward investment to Europe's regions thus producing significant economic and social benefits to Europe's citizens living in the regions
- Air transport increases social cohesion throughout the EU and between the EU and other European states
- Air transport is essential for the movement of mail and urgent freight, taking a vital role in the delivery of just-in-time goods and perishables including vegetables and human organs
- Air transport generates employment at and near airports: for every million passengers moving through an airport, approximately 3000 jobs are created, half of which are at or near airports

Ensure adequate investment in infrastructure

- EU expenditure on Trans European Transport Networks (TENs) has virtually ignored air transport, focusing instead on long-distance rail and road corridors, but taking little account of the needs of regional communities
- However, the Single European Sky project, designed to increase capacity for air traffic, is attracting EU funds
- Additional well-targeted investment in air transport would produce a valuable return for the EU through reduced congestion, increased safety, and reduced environmental damage

Mitigate environmental damage

- The users of each mode of transport should pay the full cost of environmental damage without distortion by government subsidy
- Regulators and transport industries should be encouraged to work together to create and achieve challenging non-legislative environmental targets



Ensure fair competition

- All modes of public transport, and their users, should pay equivalent taxes
- Subsidies for all modes of public transport should be eliminated, except on commuter routes or where transport operators are unable to fulfil public service requirements and return an adequate profit
- All businesses (independent of ownership) involved in public transport should be subject to equivalent rules in areas such as safety and passenger rights

Consider safety and security to be paramount

- Safety is an airline responsibility, security is a state responsibility
- Safety regulators must ensure that the maximum benefit is gained from each Euro invested in safety and proposals must therefore be subject to impact analysis
- The EU should consider establishing a European Transport Safety Board to facilitate easier and faster transfer of safety knowledge between transport modes

ERA concludes that the European Commission 2001 White Paper on Transport should be amended or withdrawn as:

- The White Paper contains many unjustified and unjust propositions that are not supported by facts
- Conclusions based on unjustified propositions in the White Paper are currently used as a basis, and sometimes the only basis, for new regulatory action but, as there is no firm foundation for the propositions, they are not a reasonable basis for action
- The White Paper proposes “constraining the growth of air transport” but presents no objective analysis or impact assessment of the consequences

ERA has identified seven keys to better regulation – ERA believes that for all regulatory proposals, regulators should:

- Identify the problem
- Assess whether industry self-regulation would be adequate to solve the problem
- If regulation is needed, ensure that proposed rules are the minimum necessary to solve the identified problem
- Develop proposals in conjunction with government and industry experts
- Accompany all proposals with a rigorous impact assessment
- Ensure that regulations do not discriminate between transport operators, irrespective of public or private ownership
- Ensure that regulations are sufficiently well prepared so that they can be enforced on all transport operators covered by the legislation, and ensure that the responsible bodies enforce regulations in an even-handed manner on all operators (independent of ownership and nationality)

