

ERA's position on the fitness check of EU Airport legislation

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This document presents the position of the European Regions Airline Association (ERA) in response to the European Commission's fitness check of EU Airport legislation. ERA welcomes the opportunity to contribute directly to this public consultation, which reviews three key instruments governing airport operations: the Slots Regulation (EEC) No 95/93, the Airport Charges Directive 2009/12/EC, and the Ground Handling Directive 96/97/EC.

ERA is the trade association representing over 55 airlines and 170 associate members - including manufacturers, airports, suppliers and service providers. Together, they form the backbone of regional aviation. The Association works on behalf of its members to enhance regional connectivity, safeguard competitiveness and promote social, environmental and economic responsibility, while maintaining a strong focus on safety, operational performance and air traffic management. ERA's member airlines provide vital links that connect Europe's regions to national and international networks, supporting social and territorial cohesion and driving business development, tourism, investment and employment across the continent.

Slots Regulation

Airports are not only commercial assets; they are **essential infrastructure that keep Europe connected**. The slot system is the mechanism that ensures this infrastructure serves citizens, businesses and communities fairly. For regional airlines, access to slots is not a matter of market convenience but a matter of connectivity and continuity. Slots determine whether communities remain linked to national, European and global networks, enabling mobility, connectivity and economic development across regions.

ERA acknowledges that the current slot allocation framework, which combines the EU Slots Regulation (EEC No 95/93) with the globally recognised Worldwide Airport Slot Guidelines (WASG), has proven effective in managing airport capacity while maintaining predictable access for operators. The WASG, although not legally binding, serve as the global operational reference for slot allocation and coordination. Their use across the industry has been essential in ensuring predictability and consistency in day-to-day operations.

The use-it-or-lose-it rule achieves the right balance between efficiency and operational flexibility, and ERA does not support reopening or tightening this rule. Operational flexibility is essential for regional operators managing thinner markets, multiple daily rotations, and greater exposure to weather and airspace restrictions. Short-haul regional operations are inherently more sensitive to disruption, and even minor delays can affect several rotations within the same day. The COVID-19 crisis demonstrated this clearly: when traffic collapsed and the rigid legal framework offered no built-in flexibility, airlines faced immense operational and financial pressure, with some unable to survive. The temporary alleviation measures introduced by the European Commission were therefore crucial to preserve connectivity and prevent long-term structural damage. This experience confirmed that **measured flexibility is not a weakness but a vital safeguard** - allowing the system to adapt in exceptional circumstances while maintaining fairness and efficiency in normal operations.

Proposals to tighten the 80/20 rule on the grounds of increasing airlines' "commitment" to their schedules risk misunderstanding how the aviation sector operates. Airlines are inherently committed to flying; their business depends on transporting passengers and goods safely and reliably. When flights are reduced or cancelled, it is almost always due to operational constraints, not a lack of willingness to serve the market. The flexibility embedded in the current rule ensures that airlines can continue to meet their obligations while responding responsibly to circumstances beyond their control. Preserving this balance



is essential to safeguard both operational resilience and passenger confidence across Europe's air network.

The system functions effectively in practice largely because the industry applies the WASG as the common operational rulebook. The WASG provides the operational backbone of the slot system. It sets out detailed processes that make the Regulation function in practice – including the global scheduling calendar, the format for slots requests, the rules for allocation and monitoring, and the standards for capacity declaration and transparency. However, the EU Regulation itself has not been substantially updated since the 1990s, while the WASG has evolved repeatedly to reflect modern operations. This has created a **misalignment between law and practice, leading to differences in interpretation among Member States**. The future Slot Regulation should therefore remain sufficiently flexible to evolve in line with the Worldwide Airport Slot Guidelines, ensuring global alignment, regulatory coherence and the competitiveness of European operators.

In the context of regional aviation, grandfather rights are not a privilege or protection – they are a public service tool that enables airlines to maintain essential air links year-round, even where market demand is limited but a strong need. This continuity allows regional carriers to plan operations, invest in staff and aircraft, and provide reliable services that keep communities connected. Without this predictability, many regional routes would simply disappear, weakening the cohesion of the European transport network. Grandfather rights should therefore be preserved and applied transparently, ensuring they continue to serve their intended purpose: supporting connectivity, not distorting competition.

At the same time, ERA recognises that the way grandfather rights are used can have implication for market fairness. In some congested airports, slot holdings and series coordination are concentrated within some airline groups. While this may be operationally efficient, it can also make it more difficult for smaller regional players to gain or expand access, even when they offer clear connectivity benefits. Greater transparency on how slot series are held and transferred would help ensure that historic rights are not used in ways that unintentionally entrench dominance or restrict fair access. Oversight should focus on ensuring that grandfather rights continue to serve their original purpose of maintaining continuity, not conferring undue competitive advantage.

The current definition of “new entrant” in the EU Slots Regulation measures eligibility by the number of slots held at a single airport, overlooking the connectivity value of new routes. For regional airlines, access to a hub is not about market expansion but about maintaining and developing essential links between regions and Europe's main networks. Air connectivity depends on two ends of a route, not on activity within one airport. Yet an airline that already operates a few services at a hub may be prevented from launching a new route from another region, as it no longer qualifies as a new entrant there. This narrow interpretation limits the creation of new connections that strengthen Europe's cohesion. The Worldwide Airport Slot Guidelines (WASG) have already moved toward a more flexible approach, but EU rules should evolve further to reflect the value of regional connectivity and recognise genuine new entry at route level.

Public Service Obligations (PSOs) also require better integration with the slot allocation process. The current framework leaves room for different interpretations by Member States on how these routes are supported through slot access and how subsidies are calculated. In practice, airlines operating PSO routes have sometimes faced uncertainty in obtaining or retaining the necessary slots, particularly at congested hubs. ERA calls for greater coordination and transparency to ensure that PSO designations are applied consistently and that slot access for PSO routes is safeguarded. These routes are vital for territorial cohesion and should be prioritised in coordination decisions when justified by their public service nature.

To maintain confidence in the system, continuity must be matched by transparency and consistent oversight. ERA supports a pragmatic approach that enhances clarity without introducing unnecessary bureaucracy. Improvements should include the consistent application of existing rules across Member



States, full transparency from airport managing bodies in their capacity declarations, including clear methodologies and determining factors, and greater transparency from coordinators regarding slot hoarding and secondary trading (in aggregate form). These elements should be closely **monitored by independent slot coordinators and supervisory authorities** to ensure accountability and fairness throughout the system.

The creation of a European coordination forum for slot authorities could help exchange best practices and align interpretation, following models successfully used in other network industries such as telecommunications and energy. In telecommunications, the Body of European Regulators for Electronic Communications (BEREC) aligns national regulators through common guidance and peer review, while in energy, the Agency for the Cooperation of Energy Regulators (ACER) coordinates national regulators overseeing access to limited grid capacity. Ultimately, airport capacity is a limited resource, and it deserves the same level of coordinated oversight and transparency as other essential network sectors.

Recent consolidation cases highlight the urgent need for effective oversight. The Lufthansa-ITA merger and its effects on access to Milan Linate clearly demonstrate how slot coordination at capacity-constrained airports can limit opportunities for smaller and regional carriers. This example demonstrates that slot and competition policies must be better coordinated to **ensure remedies are timely, transparent and effective** in practice, preserving fair access and protecting regional connectivity.

Airport Charges

Airport charges are a critical element of the European aviation framework and play a decisive role in determining the affordability and sustainability of air connectivity. The current regulatory structure, established by the Airport Charges Directive (2009/12/EC), no longer reflects the economic reality of the sector or the need for consistent application across the Single Market. Airlines operate in a volatile, low-margin environment, exposed to fluctuating fuel prices, market conditions and regulatory costs. Airports, particularly larger hubs, benefit from a structurally more stable position, supported by long-term assets, predictable income and diversified commercial activities. This **asymmetry in risk and resilience** requires an updated and more harmonised approach to economic oversight.

Experience under the Directive has shown that its principles of transparency, cost-relatedness and non-discrimination are applied unevenly across Member States. National authorities interpret and enforce the framework in different ways, leading to diverging outcomes for comparable airports and uncertainty for airlines operating across borders. In several cases, airports with significant market power continue to determine charges with limited independent scrutiny, and consultation with users is often treated as a procedural formality rather than a substantive process of accountability.

A directly applicable Regulation would ensure consistent interpretation and enforcement throughout the Union. Such a framework should guarantee that charges are transparent, cost-related and proportionate, **reflecting genuine infrastructure costs rather than strategic or revenue-driven objectives**. All passenger-related commercial income - retail, parking, food and beverage, advertising and similar activities that exist only because airlines bring passengers to the airport - should contribute to offsetting aeronautical charges. This principle, commonly referred to in aviation as single-till, is consistent with approaches used in other regulated network sectors, where revenues from ancillary activities are reflected in tariff calculations to ensure that all income derived from essential infrastructure benefits users through lower charges. Dual-till structures, however, can favour practices where pricing is used as a tool to influence demand or manage capacity rather than to reflect underlying costs. Such approaches risk weakening the cost-relatedness principle and may disproportionately impact smaller markets and regional services, where affordability is key to maintaining connectivity.

Across sectors, the importance of transparency and balance in economic relationships has become increasingly recognised. Aviation is no different: airports are critical enablers of connectivity, forming the physical link between airlines, passengers and regions. The framework governing airport charges should



reflect this shared role by ensuring that the value created through air transport is distributed fairly and that the financial stability of airports and airlines alike supports sustainable and affordable mobility for all regions.

While large airports benefit from diversified and resilient revenue streams, smaller regional airports operate under far more limited conditions and depend on maintaining affordable access to sustain essential air services. Oversight must therefore be proportionate: strict where market power exists, and supportive where airports fulfil a public-service function in maintaining regional mobility.

Ground handling

The Ground Handling Directive (96/67/EC) was introduced to promote competition and improve quality of service through open and transparent market access. After more than twenty-five years of implementation, it has become evident that these objectives have not been achieved consistently across the Union. The Directive's flexible design and divergent national transposition have resulted in **varying degrees of market opening, differing interpretations of access conditions and uneven levels of competition between airports**.

In many airports, broad exemptions and the coexistence of regulatory and commercial roles have created structural conflicts of interest that can restrict access for independent handlers. The Directive permits limitations on the number of suppliers in cases of space or capacity constraints, but the absence of uniform criteria and consistent oversight has meant that, in practice, these exemptions have often become long-term features rather than exceptional measures. The resulting fragmentation has weakened the level playing field within the Single Market and reduced the effectiveness of the framework in ensuring that airlines can access high-quality and cost-efficient ground services on equal terms.

The lack of procedural clarity within the Directive has also led to **lengthy and contested tendering processes, delayed market entry, and uncertainty** for both airlines and service providers. The absence of clear timelines and transition guidance, together with limited regulatory oversight, has allowed repeated legal disputes and interim arrangements that undermine operational stability, workforce planning, and service reliability. These disruptions often leave employees in uncertain contractual situations and can lead to higher handling costs for airlines, ultimately reducing efficiency across the system. In practice, these shortcomings have created an unpredictable environment that discourages investment and fails to promote effective competition. At the same time, service quality at many airports has not yet returned to pre-pandemic levels, with persistent staffing shortages and recurrent disruptions that affect punctuality and passenger confidence.

Access to **fuel infrastructure presents an additional concern**. In many airports, exclusive concessions granted by airport operators have resulted in **single-supplier situations, limiting competition and transparency in fuel provision**. Such monopoly structures can lead to higher costs and **risk undermining the objectives of the ReFuelEU Aviation Regulation** by restricting fair access to Sustainable Aviation Fuel (SAF). Access to fuel systems should therefore be granted on transparent, cost-related and non-discriminatory terms, consistent with ICAO principles.

Beyond the issue of physical access, inconsistencies in how SAF is verified and documented create uncertainty for operators and limit the recognition of their contributions under instruments such as the ETS. Greater coherence between existing environmental and operational frameworks is essential to ensure effective implementation. Before introducing additional requirements, efforts should focus on making current systems work together transparently and efficiently to deliver genuine sustainability outcomes.

To restore efficiency and confidence, the current Directive should be replaced by a directly applicable Regulation. A Regulation would ensure consistent and enforceable rules across the Union, narrow the scope of exemptions that limit market access, and introduce clear standards for transparency, quality and



oversight. Charges and market access conditions should be aligned with ICAO provisions, ensuring fair competition, high service standards and operational predictability. A harmonised and effectively supervised framework is essential to strengthen Europe's ground handling market and support the reliability and sustainability of its air transport system.

Conclusion

Each of the three frameworks under review - the Slots Regulation, the Airport Charges Directive and the Ground Handling Directive - serves a distinct purpose within Europe's aviation system. Together they shape how airports function and how connectivity is delivered across the Union. But while their objectives are complementary, their challenges are different. Treating them as a single exercise risk oversimplifying complex issues that require individual attention, consultation and expertise.

Regional aviation is a vital part of Europe's air transport value chain - providing essential connectivity between regions and major hubs, and ensuring that all parts of Europe remain accessible and competitive. This role depends on well-designed rules for fair slot access, transparent and cost-related airport charges, and open, high-quality ground handling markets.

Aviation operates as a chain: when one link is weakened, the whole system feels the strain. Ensuring coherence between the three frameworks is therefore important, but **coherence must come from well-designed, effective instruments, not from a single, one-size-fits-all revision.** Regional aviation depends on regulation that is fair, proportionate and flexible enough to support both competitiveness and connectivity. A careful, separate and evidence-based review of each file is essential to achieve this.

