

June 2025

ERA calls on the European Commission to prioritise regional connectivity in the revision of the EU Air Services Regulation No. 1008/2008 (Reg. 1008/2008).

- **Supporting consumers to better informed choices**

ERA strongly supports the need for a high level of price transparency when it comes to disclosing what is included in the ticket price (airport taxes, air fare, luggage, extras, etc.) in a standard, clear and transparent way. Clear information on luggage policies should be available to passengers, and carriers should allow at least one under the seat baggage for free. Remaining luggage allowances should stay subject to commercial freedom, offering the choice for consumers to pay for what they need.

We believe in the principle of freedom of air carriers to set prices, but we are concerned about ongoing airfare “dumping” practices. In cases, these below-cost airfares do not even cover airport taxes. These practices are harming regional airlines’ competitiveness, and, ultimately, come at the expense of the consumer. ERA would support a proposal to prohibit price dumping, by at least setting a price always covering the variable charges, taxes and levies.

- **Simplification of the PSO rules**

The vast majority of PSO routes in Europe are operated by regional airlines (ERA airlines operate more than 100 PSO routes within the ECAC area¹). Although we believe PSOs should be the exception to the principle of free and fair competition, in some cases connectivity requirements are such that PSOs are the only alternative.

PSO practices highly differ between Member States. We would recommend the simplification of the PSO rules, including the adoption of EU standard harmonised PSO conditions and selection procedure for bidders, tenders to be issued and processed in English, greater flexibility for grouping routes, additional funding, the allocation of more powers to regions involved in the process, and ensuring that airlines’ investment in fleet renewal is facilitated, by allowing consideration of the duration of contracts. Airlines should also receive further benefits for the implementation of climate relevant measures, such as the use of cleaner aircraft and/or SAF.

- **Financial and regulatory resilience in the face of disruptions and crises**

The risk of airline insolvency in non-crisis times is low (0.04% of total EU passengers from 2011-2019²). On the other side, trends demonstrate that during the COVID-19, connectivity between regions has been more affected than between European capitals³. Simultaneously, Member States were not able to urgently adapt or put in place PSOs routes to sustain basic connectivity and avoid closure of essential routes.

Introducing an insolvency scheme for flight-only tickets would be disproportionate and would reduce the competitiveness of European airlines, especially regional ones which have lower profitability rates, resulting in less choice and flexibility and higher fares. Existing instruments (e.g. scheduled airline failure insurance) and voluntary measures (industry “rescue fares”) adequately protect passengers in the rare instance where an airline ceases operations. Finally, Member States should be allowed to launch new PSO routes more easily in the context of the crisis’ legal framework: qualification criteria, restrictions should be relaxed and cost drivers such as taxes and airport fees abandoned or reduced.

- **O&C rules clarification**

¹ ERA, [Study on the practice of Public Service Obligations in Europe](#), June 2024

² European Commission, [Study on the current level of protection of air passenger rights in the EU](#), January 2020

³ ERA, Study conducted on the basis of EUROCONTROL data on regional connectivity, comparing connectivity in 2019 and 2022



Ownership and control rules should be reviewed to attract non-EU capital and allow access to investment while preserving the high level of social and labour rules of the EU territory, safety, oversight, and strategic resilience.

- **Inefficiency of flight bans**

Restrictions of short-haul flights are not appropriate tools to target CO₂ emissions. They create a distortion of competition, threaten connectivity and risk leading to carbon relocation. Emissions reduction should be addressed through targeted measures such as EU ETS and SAF incentives.

