

Airport experience with EU State Aid

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Croatian Transport Law Association

Zagreb (virtual), 14 October 2021



→ Traffic free fall



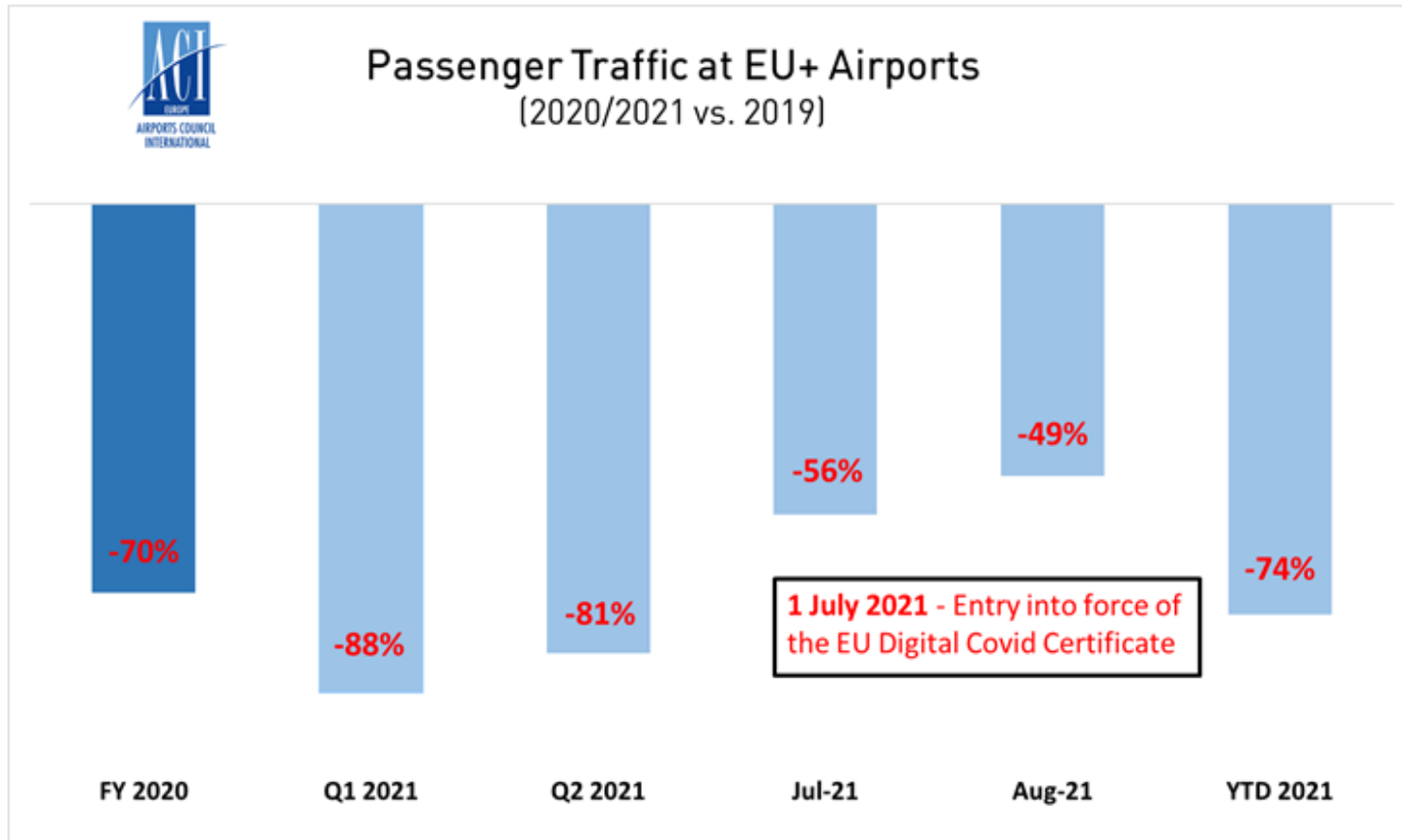
-1.7 billion

**passengers lost for European Airports
(YTD)**

As of 31 December 2020



→ Airports: Passengers Lost

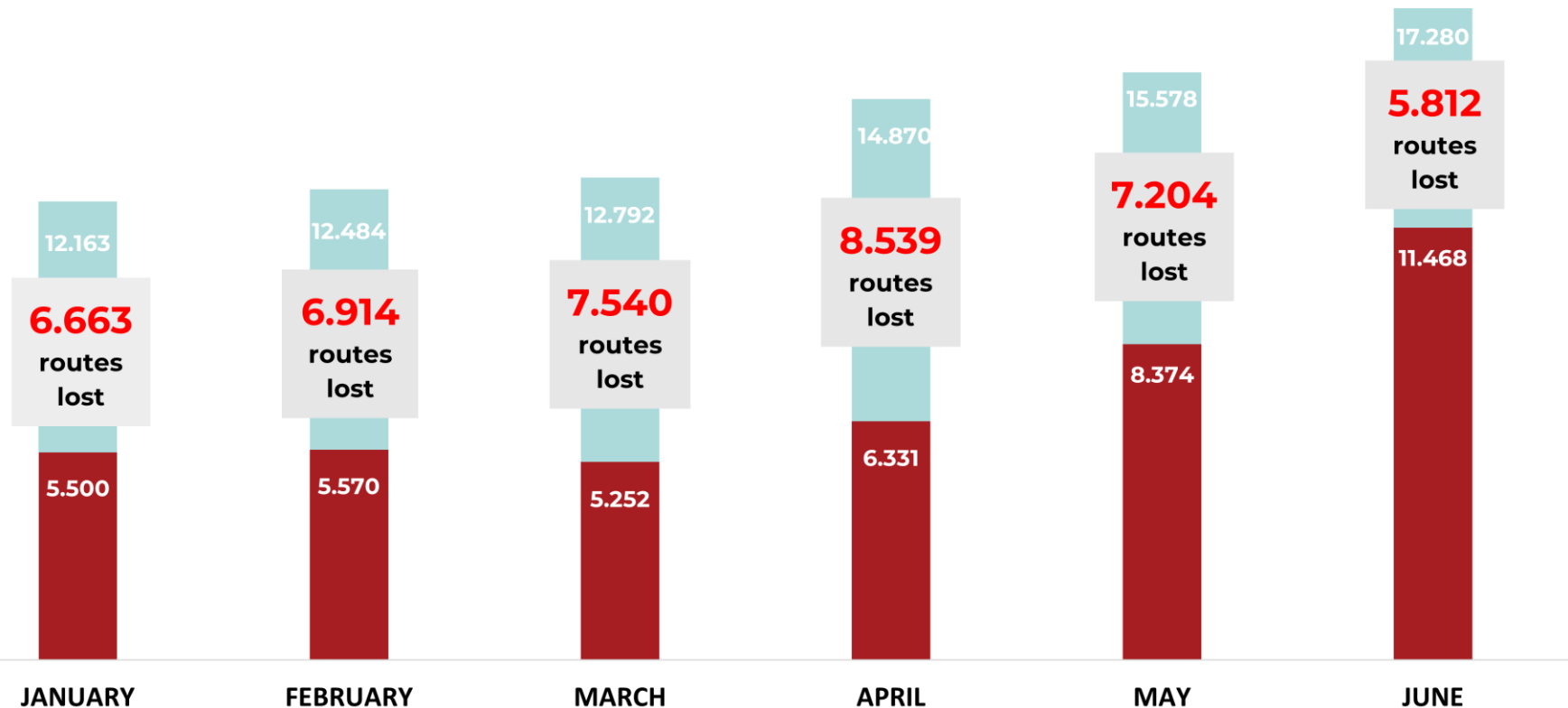


→ Connectivity: Routes Lost

TOTAL NUMBER OF AIR ROUTES SERVED BY EUROPEAN AIRPORTS

(JANUARY-FEBRUARY-MARCH-APRIL-MAY-JUNE 2019) + % DECREASE IN 2021

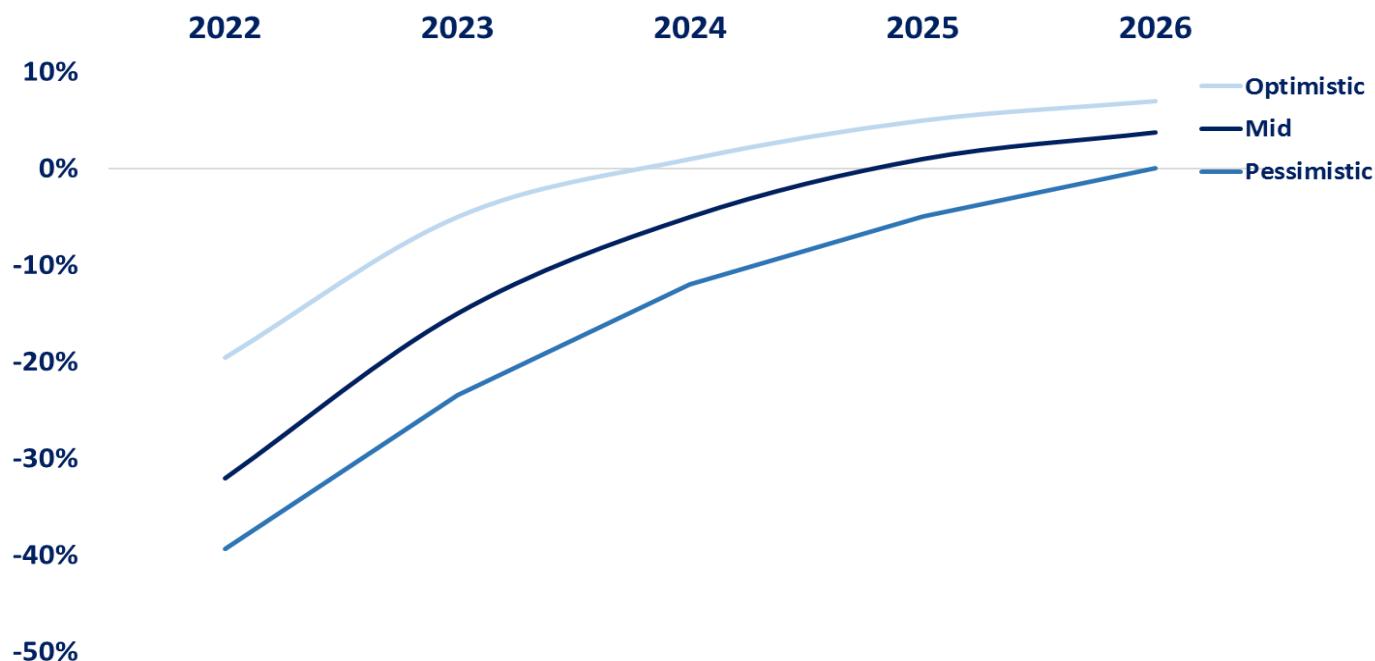
■ 2019 ■ 2021



Methodology: 3rd week of month, departing flights from ACI EUROPE airport members.

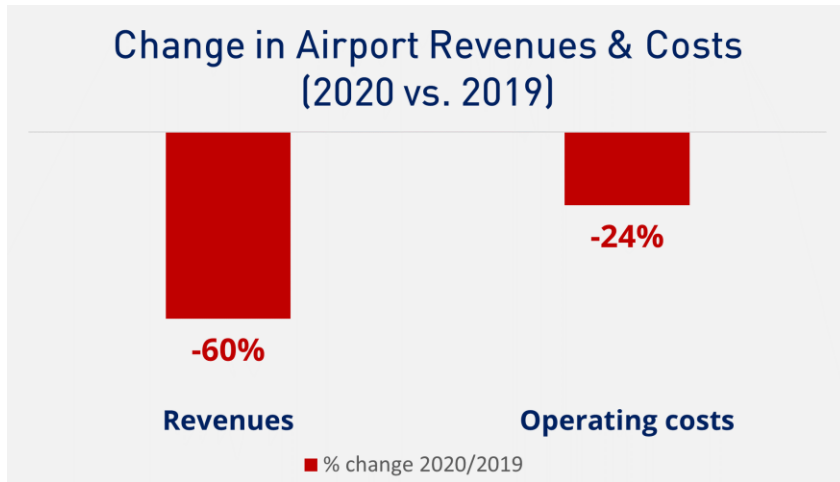
→ Forecast: Airport Passengers

European Airport Passenger Traffic 5-year Forecast



→ Financial impact: losses & debts

- Top 20 Airports: **€16 billion added debt** – 5 to 10 ‘normal’ years to repay
- 70% Airports providing discounts: **loss making airports**
- Less traffic & lower income but investments needed: **investment crunch**



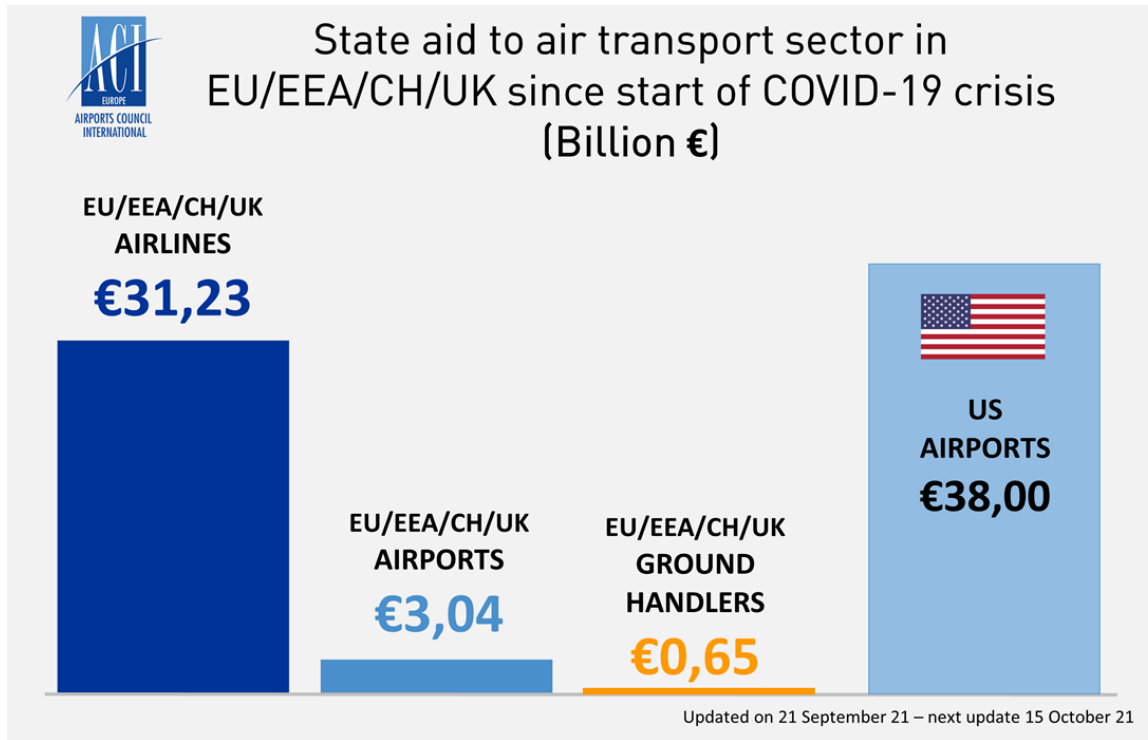
REUTERS

Almost 200 European airports face insolvency, airports body ACI Europe says

By Marine Strauss



→ State Aid – imbalanced...



FINANCIAL TIMES

Deutsche Lufthansa AG

Lufthansa chief says €9bn bailout larger than needed for survival

Rescue package aims to cement group's position as 'German global champion', admits Carsten Spohr



→ Twin Challenge: Recovery & Greening

- **Recovery:** a new competitive landscape for airlines & airports

EU court rejects Ryanair challenge to state aid for rival airlines

Low-cost airline argues support given to national carriers is discriminatory

- **Greening:** EU aviation needs to reach net zero CO2 by 2050



FINANCIAL TIMES

Climate Capital Airlines

European airlines face big hit as cost of polluting soars

Carbon allowance prices have been on record breaking rally

FINANCIAL TIMES

Climate Capital Climate change

Shell verdict sets scene for more corporate climate cases

Ruling establishing duty of care on human rights grounds suggests more companies will face litigation



→ EU State aid developments

- **EU Recovery Funding** not for Airports (except Zadar)
- **Temporary Framework (final) prolongation until 30 June 2022**
& expanded with 'sustainable recovery measures' in phase-out period
- **Compensation for Damages** continues – beyond Summer 2020!

EU state aid

+ Add to myFT

European airports urge EU to loosen state aid rules

Plea comes as industry cuts its forecast for passenger numbers amid Covid crisis



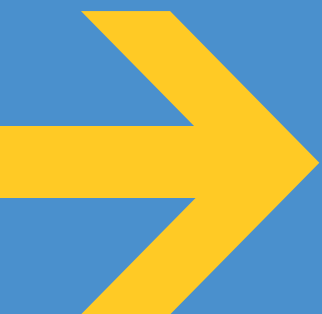
→ EU State aid developments (2)

- Green Agenda: **‘Climate & Environment State aid Guidelines’** – including support for zero-emission transport & Green Airports



- State aid for Airports: **Aviation State aid Guidelines** – EC should prolong support for Regional Airports beyond 2024 (especially after pandemic)





THANK YOU

www.aci-europe.org

www.airportcarbonaccreditation.org

