

Press release

# For the 1<sup>st</sup> time

# BAR-France, CSTA-FNAM, IATA and SCARA file a complaint against France to the European Commission

All protest against the lack of transparency and the arbitration process on the evolution of airport charges

# Paris, 02 September 2015

The main air transport airlines associations protest against the lack of transparency and the arbitration process by the French Government on Aéroports de Paris airport charges. All filed a complaint to the DG MOVE of the European Commission against France for failing to comply with the European Directive 2009/12/EC on the independence of the regulatory authority.

In the governmental arbitration made in the end of the month of July 2015 on the CR3\* on the evolution of airport charges at Paris-Charles de Gaulle (CDG) and Paris-Orly (ORY) airports, the recommendations of the independent and neutral Airport Consultative Commission were disregarded. The final decision of the French government ignores the recommendation to decrease airport charges and rather allows an increase in charges. The French Government has clearly favored its shareholder's role rather than the independent economic regulator's role established by the Directive.

The charges determination process also highlights that the Directorate General for Civil Aviation does not play any significant role. The final decision on charges came from the Prime Minister's Office, which is not consistent with the provisions contained in the Directive.

The Government's decision on the CRE3 demonstrates for the third time that the recommendations of the independent and neutral Airport Consultative Commission for a decrease in charges are disregarded. In its decisions on the CRE of Lyon Airport (2015-2019) and Toulouse Airport (2014-2018), the Government also allowed important increase in airport charges.

In a context where the economic regulation of charges' financial parameters is imposed by the government, Paris-CDG and Paris-ORY are now among the most expensive airports in Europe. Meanwhile, decrease or freeze in charges implementation is a trend throughout Europe, allowing other European airports to boost traffic development and connectivity.

Business in France needs an improving connectivity through air transport to gain access to global markets. The never-ending increase in airport charges just penalizes traffic growth. The continuing increase in charges also adds to the proliferation of sectoral taxes and charges criticized in the report of MP Bruno Le Roux on air transport competitiveness in an increasingly complex environment and fierce competition within and outside Europe.

The signing airlines associations request from the European Commission to guaranty a change to occur in the French airport regulation regime to ensure a final validation of airport charges by a neutral and independent regulator – free from any political interference – in line with the European Directive.

### For reference:

The chart below summarizes the differences between the French Government's final decision on the maximum level of airport charges contained in the CRE of Aéroports de Paris, Lyon Airport and Toulouse airport and the recommendations of the Airport Consultative Commission:

CRE	Maximum level of charges recommended by the Airport Consultative Commission (excl. inflation)	Government's decision on the maximum level of charges (excl. inflation
Aéroports de Paris 2016-2020	Annual evolution between	Freeze in 2016 and annual increase
(CRE3)	+/-0.3% a decrease from -0.7% to -1%	of 1.25% in 2017-2020
Lyon Saint-Exupéry 2015-2019	Annual decrease between -0.5% and	Freeze in 2015 and annual increase
	-1%	of 0.5% in 2016-2019
Toulouse-Blagnac 2014-2018	Annual decrease of 0.5%	Freeze in 2014 and annual increase
		of 0.5% in 2015-2018

<sup>\*</sup> CRE3: Economic Regulation Agreement signed between the State and ADP which sets the airport charges price cap paid by the airlines for CDG and Orly for the years 2016-2020.

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