Airports set out plan for urgent EU and Government support as financial crisis worsens

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Brussels, 05 November 2020: ACI EUROPE today called on the European Commission to urgently adopt an **EU Recovery Framework for Aviation** and for Governments to provide the requisite funding to support airports - and the recovery of air connectivity.

With close to 200 airports already facing the risk of insolvency, the financial situation of the European airport industry will further worsen in the coming weeks. This is due to the reinstatement of local restrictions and lockdowns in several countries. These will now directly impact domestic air travel, which until now proved more resilient - and further discourage all but strictly essential international air travel.

While sustained air freight traffic remains a bright financial spot for airlines, its impact on airports is marginal, as the bulk of their revenues is linked to and dependent upon passenger traffic. Also, unlike airlines, airports do not get advance revenues as they are only paid after the service is provided and their facilities used. Finally, in contrast to airlines which have benefitted from more than **€31.8 billion** in financial aid from European Governments, the support extended to airports has so far remained limited – reaching **€840 million**.

All this means that cash burn by airports, already at unsustainable levels, will only accelerate along with further job losses without urgent intervention.

While the European Commission has extended its Temporary Framework enabling EU States to support the companies affected by the pandemic until June 2021, this is insufficient to address its devastating and lasting impact on aviation and airports in particular. The Temporary Framework should be extended to the end of 2021 and must be supplemented by a **Recovery Framework for Aviation** including the following key measures:

- Compensation for damages due to covid-19 to remain available for airports for as long as travel restrictions by Member States are preventing the recovery of air traffic.

- A common framework allowing States to establish *Air Connectivity Restart Schemes*. These targeted and time limited schemes would allow support for the resumption of air routes suspended due to the pandemic until 2023 through a degressive per passenger contribution - on a non-discriminatory basis.

- Emergency Public Service Obligation to remain in place until the end of 2021.

- Immediate and longer-term adjustments to the 2014 Aviation State aid guidelines to extend the possibility for airports to receive both operating and investment aid - with a particular focus on the financing of climate action and sustainability projects.

Olivier Jankovec, Director General of ACI EUROPE, said, *"Large scale job losses and insolvency are no longer worst case projections for Europe's airports. We're already looking down the barrel of the gun, and the crisis continues to deepen. The situation requires urgent and decisive action with an ad hoc Recovery Framework for Aviation at EU level enabling support beyond 2021 and Governments providing financial support accordingly. That should include as a priority extending supportive unemployment schemes for all staff working at airports, compensating airports for lost revenues and supporting the rebuilding of air connectivity up to 2023."*

He added: *"Helping airports to stay afloat and supporting air connectivity means protecting livelihoods in countless local and regional communities across Europe. Industry is playing its part to the fullest, but it ultimately falls to Governments to act now to avoid the irreversible".*

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*ACI EUROPE is the European region of Airports Council International (ACI), the only worldwide professional association of airport operators. ACI EUROPE represents over **500 airports** in 46 European countries. Our members facilitate over 90% of commercial air traffic in Europe: **2.5 billion passengers**, **20.7 million tonnes of freight** and **25.7 million aircraft movements** in 2019. In response to the Climate Emergency, in June 2019 our members committed to achieve **Net Zero** carbon emissions for operations under their control **by 2050**, without offsetting.*