

## Speech

### Aviation Leaders Forum on Airports and Airlines Winter Operation 10 Oct 2011, Reykjavik, Iceland

#### Address by Ulrich Schulte-Strathaus, Secretary General of the Association of European Airlines

#### WINTER 2010 DISRUPTIONS: EXCEPTIONAL? FORESEEABLE? AVOIDABLE?

Good morning ...

May I begin by congratulating the event organisers on assembling a stellar gathering for this conference; I very much appreciate the opportunity to represent the network airlines of Europe in front of such an important audience.

The Association of European Airlines plays a specific and important role in airline Winter operations; for many years we have published *Recommendations for De-icing/Anti-Icing of Aircraft on the Ground* – we are into our 26<sup>th</sup> edition – which is accepted around the world as a standard reference document on the subject.

But this is a very technical document and I do not intend to take a technical approach to the subject today. Instead I shall look at the economic and commercial consequences when a Winter event occurs that exceeds the capability of our infrastructure to deal with it – as happened, exceptionally, in December 2010.

I said that AEA represents the network airlines of Europe. These airlines typically operate out of hub airports to a wide range of spoke destinations, and derive their market strength through the connectivity between the spokes. It can happen, especially in Winter, that local weather conditions can disrupt operations at some of the remoter spoke airports. What happened last December was that some of Europe's busiest hubs were paralysed, for extended periods. Thousands of flights were cancelled and more than a million passengers had their journey plans disrupted.

Our calculations show that in the ten days 30 November to 9 December, and the 12 days between 17 and 28 December, 13,777 departures from European airports were cancelled, affecting 1.1 million passengers.

Almost one-third of the cancellations occurred at just three airports, which just happened to be Europe's three busiest: almost a thousand flights at Paris Charles De

Adria Airways  
Aegean Airlines  
AeroSvit  
airBaltic  
airberlin  
Air France  
Air Malta  
Alitalia  
Austrian  
British Airways  
British Midland International  
brussels airlines  
Cargolux  
Croatia Airlines  
Cyprus Airways  
Czech Airlines  
DHL  
Finnair  
Iberia  
Icelandair  
Jat Airways  
KLM  
LOT  
Lufthansa  
Luxair  
Malev  
Olympic Air  
SAS Scandinavian Airlines  
SWISS  
TAP Portugal  
TAROM  
TNT Airways  
Turkish Airlines  
Ukraine International Airlines  
Virgin Atlantic Airways

Gaulle, over a thousand at Frankfurt and well over two thousand at London Heathrow. Single-runway airports, such as Geneva and London Gatwick, were also especially vulnerable.

There is no doubt that the weather in mid December was severe – but was it genuinely severe enough to close major installations on the scale that it did? Were the airports prepared? Did they have adequate resources at their disposal? Were there design flaws in their cold-weather procedures which reduced their effectiveness?

At Heathrow, the runways and taxiways were clear; aircraft were snowed-in to their parking stands. At Frankfurt and several other airports it was the de-icing facilities which were inadequate. A common occurrence during this period was that de-iced aircraft would re-freeze before they were able to reach their take-off point, causing further saturation of the facilities.

The Winter 2010 cancellations provided a ‘sting in the tail’ of a year which also saw the volcanic ash debacle. Again, flights were grounded and passengers stranded in huge numbers. The media reports were filled with the now-familiar images of airport terminals as refugee camps.

This reminds us that these events have overwhelmingly a human dimension. The Winter disruptions caused the airlines revenue losses estimated at €54 million, and substantial costs adding up to tens of millions more – but that is of little interest to a passenger who failed to get home for Christmas.

The airlines represented by AEA are premium brands with excellent reputations built up over long histories of customer service. Any weakness in the aviation value chain which affects service delivery is damaging to perceptions of air travel in general, and to the reputation of the individual airline which is affected.

These perceptions are reinforced by the consumer-protection legislation in the aviation sector which places the responsibility for service delivery solely on the operating airline. This legislation – specifically EU Regulation 261 on compensation and assistance to passengers – was designed to deal with events at a micro level; for example a passenger who has a reservation but not a seat, or a flight which has been cancelled or delayed for a specific reason. It was never designed to deal with instances to mass disruption to travel, where airspace is closed for several days due to ash contamination, or where airports are closed for several days due to snow contamination.

To put it bluntly: how are airlines expected to comply with a legal requirement to accommodate thousands of stranded passengers when there is not an available hotel room within 30km of the airport? How are airlines expected to feed thousands of passengers when the airport catering facilities have long since run out of supplies? In the case of the Winter disruptions, as with the ash cloud, the European Commission was very quick to announce that these were exceptional circumstances, and that the

- Adria Airways
- Aegean Airlines
- AeroSvit
- airBaltic
- airberlin
- Air France
- Air Malta
- Alitalia
- Austrian
- British Airways
- British Midland International
- brussels airlines
- Cargolux
- Croatia Airlines
- Cyprus Airways
- Czech Airlines
- DHL
- Finnair
- Iberia
- Icelandair
- Jat Airways
- KLM
- LOT
- Lufthansa
- Luxair
- Malev
- Olympic Air
- SAS Scandinavian Airlines
- SWISS
- TAP Portugal
- TAROM
- TNT Airways
- Turkish Airlines
- Ukraine International Airlines
- Virgin Atlantic Airways

airlines were freed from the *compensation* provisions of Regulation 261, but they were still bound by the *assistance* provisions. This was scarcely helpful to us.

And, in the event that airlines were able to secure accommodation and refreshment for substantial numbers of their passengers – at substantial cost – to whom could they present the bill? Not all the airport closures of December 2010 were unforeseeable nor unavoidable. We saw some airports clearly unprepared and ill-equipped to deal with seasonal weather. We also saw examples of best practice, where some airports were alert to the deteriorating conditions, implemented crisis command and control structures, communicated and consulted with stakeholders and ensured that they had the resources of manpower and equipment to deal with the weather.

I hope, in the course of this important conference, we shall establish guidelines that will help to minimise the impact of such occurrences in the future – at the technical and logistical, but also at the regulatory level.