

## Speech

**Speech by AEA Secretary General  
Ulrich Schulte-Strathaus  
at the joint EUROCONTROL – AEA Press Conference  
Frankfurt Airport Center I, Airport Conference Center**

**Frankfurt, 16 March 2007**

Good morning, ladies and gentlemen. My thanks go to Victor Aguado and his team for putting together today's event, which is the culmination of a year of cooperation on this project.

First of all, let me tell you who we are, and what we stand for.

I like to say that the Association of European Airlines has been the trusted voice of the European airline industry for more than 50 years. We represent 31 major airlines – established service and scheduled network carriers. Allow me to put some figures against these words: our members carry 320 million passengers and 6 million tons of cargo each year, they operate 2,400 aircraft, serve 620 destinations in 160 countries, and this with 10,720 flights a day.

We are a 20-strong, multinational team based in Brussels, and our purpose is to give our members the support they need to focus on their business. This support translates into three categories of activities: we follow and aim to influence EU developments of strategic importance, we monitor and analyse market developments, and we engage in dialogue with our stakeholders.

This last point is essential. As an association, we work in partnership with all our partners in the aviation value chain, because we believe this is the only way to ensure the sustainable growth of the European airline industry. This brings me to the main theme of today's event.

You will see that the theme of the Yearbook is '**Partnership for Performance and Growth**'. I would like to deconstruct that title, and deal with its three elements in turn.

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- CSA
- Cyprus Airways
- Finnair
- Iberia
- Icelandair
- Jat Airways
- KLM
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- Lufthansa
- Luxair
- Malev
- Olympic Airlines
- SAS
- Spanair
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- TAP Portugal
- TAROM
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First, **Partnership**. If you were to go back a few years, you would find little love lost between the airlines and Eurocontrol. Today, we are celebrating our collaboration on the Yearbook project.

Why the change of heart?

Clearly, we are in the same business, which is the provision of safe, efficient and affordable transport. What is good for the industry as a whole is good for its constituent parts. What harms the industry, harms all of us. It makes absolute sense for different sectors to talk to each other.

It is beyond doubt that European Air Traffic Management is in need of reform; AEA has been saying this for seventeen years. However, it is only in the last couple of years, with the launch of the Single European Sky project, that the parties have been talking to each other in any formalised way.

Such dialogue has been encouraged by the European Commission. Very recently, Victor Aguado has been appointed as a member of Commissioner Barrot's High Level Group on the future of European air traffic management, which brings together representatives of the airlines, the airports and the air navigation service providers, as well as regulators.

Nowhere is the dialogue more intense than in the SESAR project, the master-plan for the technical and operational aspects of the Single Sky. This is a hugely labour- and time-intensive project, but it needs to be, because the potential rewards are so great. If successful, it could drive unnecessary costs of € 3 billion a year out of the current system. If unsuccessful, that's €3bn/year of lost opportunity.

The SESAR process is a template for the new, cooperative environment between service providers and stakeholders. It is not perfect, and some of the valuable resources committed by the stakeholders have to be devoted to ensuring that it stays on-track.

Let me turn now to **Performance**. During the hour that this event is scheduled to last, 45 aircraft will depart Frankfurt. They will depart North, South, East and West, to Hamburg and Stuttgart, to Buenos Aires and Shanghai.

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No less than thirteen AEA member airlines will be represented amongst those 45 departures. Frankfurt is of huge importance as a focus for European aviation. For one of the AEA members, of course, it is more than that, it is the hub of one of the most extensive networks in the world.

Our networks depend upon connectivity, and that of course depends upon reliable timekeeping. In 2006, the punctuality of AEA members' intra-European departures deteriorated, for the third consecutive year.

This is not, evidently, all due to ATM shortcomings. Nevertheless, it continues to be the case that more than half of delayed flights are in fact ready to depart on time, but are delayed due to deficiencies in infrastructure, either airports or ATM.

Infrastructure inadequacies give rise to a range of disbenefits. The network airlines have to invest in spare aircraft and extended turnaround times to preserve the integrity of their seamless connecting product. Passengers are clearly disadvantaged by delay, perhaps choosing an overnight hotel stay rather than risk missing a morning appointment.

Another big loser is the environment. Unnecessary fuel burn is a direct contributor to greenhouse-gas emissions, yet day in and day out aircraft are given circuitous routings, irregular flight profiles which involve them in cruising at inefficient altitudes, they hold on a taxiway waiting for a departure slot, or they circle in a holding pattern waiting for an arrival slot. It is estimated that an ideally-functioning ATM could save up to 12% of airlines' carbon dioxide emissions.

Which brings me to the third element in the title of the Yearbook: **Growth**. The airlines' contribution to global warming is, in fact, extremely small. The most commonly-quoted figure is 2%. I invite you to imagine a world without aviation. A world in which man-made atmospheric CO2 was reduced by just 2%. Would that be a sustainable world?

We are a growth industry because we are responsive to market demands. People want and need mobility. Affluent societies generate travel, but increasingly, affluent societies are more environmentally aware, and more able to find solutions.

We in the airline business are doing what we can. We are pursuing best practice in the efficient operation of our aeroplanes. We are promoting, with the aerospace

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industry, technological developments which will maintain and hopefully increase the pace of emissions efficiency.

We are willing to embrace the concept of market-based incentives to emissions containment – in the form of emissions trading – providing that they recognise the social and economic importance of air transport and protect the European airlines' competitive position vis-à-vis their global competitors.

However, we do insist on a realisation of that latent 12% infrastructure improvement. It is not credible to expect airlines to spend their emissions permits flying around in circled or in zig-zag routings. For that reason, we are happy to be sharing a platform, and a Yearbook, with Eurocontrol, whose expertise will hold the key to this massive prize to be shared between Europe's airlines, their customers, and the environment.

Ladies and Gentlemen, thank you.