



Towards a More Performing European Aviation System

European Commission Conference

AEA views on the future of the Single European Sky

Brussels, 22 January 2008

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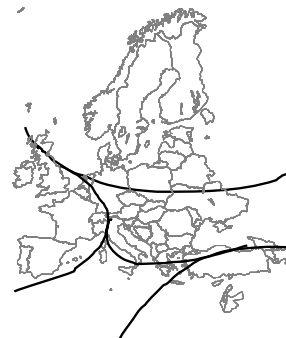
European ATM is too complex, but...



Getting from there...



to there...



is only one aspect of a several-pronged approach !



There is much more to it !



➤ The present *patchwork needs to become... a system*



➤ There is a need to adopt a *holistic approach, taking into account...*

 Institutional

 Technology

 Economic

 Sustainability

 Ground capacity

 Consumer Interest

The Commission must be in charge



➤ **SESAR Joint Undertaking is an important milestone**

➤ **Functional Blocks of Airspace are being tackled**

➤ **EC Conference 2006 did address key requirements based on a discussion with the stakeholders**

- **Community method must become the model for future Aviation Regulations;**
- **EC to address fragmentation through Better Regulation, and systematic industry involvement**
- **High Level Group to identify and advise on next concrete steps for the implementation of Single Sky**

High Level Group's 10 Recommendations...



1. EU as driving force in aviation regulation in Europe
2. Greater responsibilities for industry
3. Better regulation
4. Drive improved performance
5. Deliver the Single European Sky
6. Empower and focus Eurocontrol
7. Address airport capacity
8. Deliver continuously improving safety
9. Deliver environmental benefits
10. Commit member states to deliver



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...Match AEA's vision for ATM landscape



- Higher service quality through few Functional Airspace Blocks with functional borders.
- Lower costs through reduced number of ANSPs, Area Control Centres and the fruits of SESAR.
- More efficiency through Economic Regulation for monopoly ATM Services, and clear definition of agency roles.
- Better use of market mechanisms by subjecting ancillary services, such as weather forecast, to competition.
- Improved environmental performance by avoiding unnecessary fuel burn



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Sustainability



➤ The Single European Sky must help industry reduce its carbon footprint!

- Current system leads to a 7% - 12% inefficiency...
- When a 1% saving can save up to 500,000 tonnes of fuel a year

➤ Must be built in context and in parallel with the Emissions Trading Scheme

- Or industry will have to buy permits... to waste fuel

➤ ...and supplement industry's operational and technological efforts



Institutional



➤ Improve Eurocontrol current performance & governance

- Adapted Governance : proper consultation with key stakeholders
- Structure adapted to SES & SESAR
- Budget reduction: 3% absolute costs (2008)

➤ Unbundling of current Eurocontrol activities

- PRC as truly independent EC-body
- Service Provision Functions to be separated

➤ EASA to assume an enlarged role

- Regulatory activities on ATM safety should migrate to EASA



Economic regulation



➤ Principles of Economic Regulation for ANSPs

- Performance target setting, incentives and follow-up
- Effective stakeholder engagement
- Benchmarking & Performance setting at European level
- An economic regulator at European level
- Transparency & Data Provision
- Service Quality, Flight & Cost Efficiency Targets
- No cross subsidies
- Separation of monopolistic and unbundled ancillary ATM services



Ground Capacity



➤ Need for a European vision in the long-term

- Maximizing the current capacity is short-sighted and will not suffice
- An inventory and assessment of priorities with market demand should be drawn up as key criterion, leading to an EU-wide transport forecast mechanism
- This would be done in parallel with a benchmark system for capacity bottlenecks
- Co-modality with other transport modes (in particular rail) should be promoted
- Public awareness of capacity crunch and its negative impact on travellers should be ensured



Technology through SESAR



➤ Interoperability needs to be ensured

- SESAR and other international systems (e.g. NextGen in the US) must be fully compliant

➤ Technology is an enabler, not an end *per se*

- SESAR shall be developed solely on the basis of agreed airspace users' operational requirements

➤ Buy-in from all stakeholders

- SESAR shall focus on achieving a seamless operation with maximum flexibility and cost efficiency that meet stakeholders' needs



Consumer Interests



➤ The status quo is

- Anti-European – because it is inefficient
- Anti airlines – because it generates unnecessary costs
- Anti environment – because 10 million tonnes CO2 could be saved annually
- Anti-consumer – because of delays and their individual and economic dimensions

➤ Consumers expect

- The EU to deliver added value
- A Single European Sky as an environmental protection programme
- Safe, affordable and hassle-free transportation from any region in Europe to any destination in the world

➤ Ultimately, SES as a technological, research and strategic programme of the highest political importance is designed for the European citizen

We need a stepped approach, no big bang



➤ A 2020+ target is not acceptable to users as:

- Transition costs would go way off the mark
- It would be in total inadequacy with the economic burden imposed by an ETS

➤ Users need a gradual, stepped implementation with a few “quick wins” from 2012 onwards

- If not, support from users will wane

The Association of European Airlines



33 member airlines
375,000 employees
346 million passengers
620 destinations
11,100 flights a day
5,737.513 tonnes of cargo

Thank you.

