

## **AIRE's position paper regarding the revision of the Directive 96/97/EC on access to the ground handling market at Community airports**

**Airlines International Representation in Europe** considers essential the promotion of open access to key airport services such as ground handling and fuel supply to improve the efficiency. By allowing multiple service providers to operate at the airports and ensuring non-discriminatory access, airlines will have the opportunity to choose the most cost-effective and high-quality services that meet their specific needs.

- **Increasing the number of entities admitted to the ground handling services market** – Currently, at many airports, market competition has become impossible or merely superficial. Airports, using entities they control, create actual monopolies or oligopolies in collaboration with selected companies. The restrictions provided for in the directive were intended to be temporary and require objective criteria for their application. However, in many cases, competition is limited without genuine justification. As a result, the lack of competition leads to increased ground handling costs and a decline in quality, due to the absence of market rivalry.
- **Equal treatment of service providers** – Under current law, entities owned by airports are systematically privileged over potential external competitors, as they do not have to undergo a selection process every 7 years. Equalizing the rules of competition in the selection process is a priority for ensuring better quality and transparency in ground handling services.
- **Independence of the supervisory authority** – The emergence of regional monopolies and oligopolies has been partly enabled by the institutional weakness of the bodies overseeing access to the ground handling services market. Ensuring their genuine independence and granting them a sufficiently broad scope of competencies is crucial for establishing and maintaining fairer market access rules.

In particular, supervisory authorities should actively monitor the prices imposed by airports when using centralized infrastructure (Article 8 of the Directive 96/97/EC), which are often subject to airport abuse through setting prices above the actual cost of the service.

- **Strengthening the role of airlines through participation in service provider selection processes and organizing meaningful consultations** – Despite having to pay for the work of ground handling service providers and bearing the consequences of their mistakes, airlines currently have no real influence over the awarding of contracts.

The selection made by airports, which are not entirely neutral entities, does not guarantee an impartial procedure. It is also necessary to enhance the role of consultations between airlines, airports, and service providers. Currently, airlines are often only informed post-factum about decisions that have been made, and even when consultations do occur, the airlines' input is frequently ignored.

- **No restrictions on airlines regarding self-handling – Airlines**, which directly suffer from the errors and delays caused by ground handling service providers, must have the option to decide to perform ground handling tasks themselves. The only restrictions on self-handling should be those justified by safety concerns. Unlike the current regulations, the new rules should account for the affiliation of airlines with alliances and groups by allowing them to offer ground handling services to other entities within the same alliance.

Promoting open access to key airport services, like ground handling and fuel supply, is crucial for enhancing efficiency. By allowing multiple service providers and ensuring fair access, airlines may choose cost-effective, high-quality services that meet their specific needs.

For this reason, AIRE considers essential the revision of the [Directive 96/67/EC on access to the ground handling market at Community airports](#), which will allow industry stakeholders to voice their support for further harmonization and liberalization of employment and staff allocation regulations within Europe's ground handling market