



## Open letter to EU Member States

The European Commission, the Airlines and the Performance Review Body (PRB) don't seem to acknowledge that there is an obvious connection between the immense focus on cost reduction in RP1 and RP2 and the current delay situation. Despite the current capacity problems within European Airspace (1.8 minutes delay where the target is 0.5 minutes (2018) – forecast to be much higher for 2019 and 2020), it seems that there is no ability to see the connection between the Performance Scheme and this result. The airlines pushed for this policy, the European Commission implemented it, but now, no one wants to assume responsibility for the results.

Consequently, Air Navigation Service Providers (ANSPs) have cut costs at the expense of capacity, which worked pretty well in the financial crisis from 2008-2015, but as soon as traffic began to increase it was clear that there would be a capacity problem within European Airspace. Despite warnings from the staff organisations, and other stakeholders, the strategy of decision makers hasn't changed. There was, and still is, an immense pressure on cost within ANSPs.

Parallel to economic regulation, the achievement of the goals of technological improvements, that were supposed to help the Airlines and the ANSPs improve capacity within European airspace, have not shown the expected results and some have been postponed from 2020 to 2035.

This is of course only part of the explanation of the current problem, but it is in our view a major part. Despite these circumstances the Commission's proposals for the targets for RP3 are the same: Continue to focus mainly on cost and keep the other targets steady and everything will work out. This approach is supported by an obscure and opaque economic model that seeks to show the potential for ANSPs to reduce their costs even further, which could potentially have an effect on safety levels.

For the staff organisations (PSOs) it is clear that the Commission is using the same thinking for RP3 as used for RP1 and RP2. The PSOs predict that the results will be the same: similar or more delay, under-investment in the areas where there is an urgent need, a continued disharmony between the needs of the airlines and the performance of the ANSPs, continued distrust between the main stakeholders while there is no visible benefit for the passenger.

PSOs have specific and real concerns about the EC proposed change in the cost baseline value, which fails to take in to account the costs for the last 2 years of RP2 (2018 and 2019), resulting in a skewed picture of true costs. The updating of the yearly targets to reflect this is just playing with the numbers and the result is still a significant reduction. This, when coupled with the capacity targets, all be them revised, still does not give confidence that the two are compatible.

The PSOs have a simple question: why is the EC doing the same thing again and expecting different results?

The PSOs will continue to lobby the Aviation Community to demonstrate that only a long and cumbersome road is ahead of us to achieve the improvements needed. If the ATM industry continues in the way proposed by the European Commission, only a miracle or another economic crisis can reduce the problems. Right now, the ATM industry needs investment and not more cost cutting. What can the EU passenger really expect?



**Without a steady and solid investment in the sector that can allow ANSPs to increase the number of operational staff, in order to harness the untapped capacity potential, and at the same time invest in technical improvements, no increases in capacity can be expected.**

**It must also be recognised that Europe is diverse with different needs for different ANSPs, and we must consider those local needs, integrating them within the wider European vision.**

**With only a modest increase in investment for the period 2019-2024, the actual situation could start to improve. Currently, there is significant scepticism that the EC capacity proposals could be regarded as realistic. 1.8 minutes average delay per flight is not a coincidence, it is the logical result of a series of disastrous decisions. Modest increases in costs will allow us at least to reverse the trend.**

The ATM industry needs some real honesty about what could be a real priority on capacity. Then the Aviation Community needs to put in place appropriate strategies and targets to achieve something that is truly meaningful, and which all stakeholders and Member States can support.

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