

"[air navigation control, [...] is a task involving the exercise of public authority and is not of an economic nature, since that activity constitutes a service in the public interest which is intended to protect both the users of air transport and the populations affected by aircraft flying over them". (Extract of decision C.364/92 of the European Court of Justice).

www.atceuc.org secretariat@atceuc.org

# Open letter to the Director-General of the Directorate-General for Mobility and Transport of the European Commission, Henrik Hololei:

# Stop the European Commission attacks against ANSPs and their employees!

Brussels, 29 May 2020

Dear Mr. Hololei,

ATCEUC is writing to you to draw your attention to our difficulties with the EC's proposals contained in the BACKGROUND PAPER RP3 re-design.

The 2 options in which EC propose the removal of the basic principles of the traffic risk sharing mechanism will create massive difficulties for ANSPs in what is an already chaotic environment. The consequences will be disastrous in the short, medium and long term for ANSPs and the aviation sector as a whole.

ANSPs are a key part of aviation infrastructure, performing a statutory function derived from the Chicago Convention on International Civil Aviation. States through their ANSPs have an obligation to keep the airspace open and maintain the infrastructure needed to keep the entire aviation system functioning.

## The Traffic Risk Sharing mechanism is a mechanism for the benefit of the entire EU economy

Air Traffic Management is an industry which serves the general interest of EU citizens for the benefit of EU economy. The traffic risk sharing mechanism reflects this principle and influences not only ANSPs strategic decisions but also those of other aviation sectors. When the traffic is higher than forecast, a part of the additional revenue created is refunded

ATCEUC ASBL C/O MERITIUS, 431, Avenue Georges Henri, 1200 Brussels, Belgium (judicial area of Brussels)
VAT number BE 0684.488.814

ACV TRANSCOM / CSC TRANSCOM (Belgium) - AEROCONTROL (Switzerland) - APTC (Switzerland) - ATCTUA (Ukraine) - ATCU (Serbia & Montenegro) - ATSR (Romania) - BATCU (Bulgaria) - BHATCU (Bosnia and Herzegovina) - BGATC (Belgium) - CATCU (Croatia) - CYATCU (Cyprus) - DATCA (Denmark) - FATCA (Finland) - GATCA (Greece) - GdF (Germany) - GLCCA (Luxembourg) - IATCA ATC Branch Fórsa (Ireland) - ICEATCA (Iceland) - ITUATC (Serbia) - LATCA (Lithuania) - MATCA (Malta) - MATCU (Republic of North Macedonia) - NATCA (Norway) - SKYCONTROL (Switzerland) - SINCTA (Portugal) - SNCTA (France) - SPKTA (Albania) - SSKL (Slovenia) - TUEM (EUROCONTROL) - UNICA (Italy) - UNICON (Kosovo) - USCA (Spain) - VLNG (The Netherlands) - ZZKRL (Poland)

\_\_\_\_\_



which benefits the service users, on the other hand when the traffic is lower the service users support part of the ATM losses. This balanced principle reflects the fact that ANSPs are at the service of the EU network for the benefit of EU Economy. The decision to maintain this mechanism and the associated provisions were vigorously reinstated during the preparations for RP3.

#### Traffic risk sharing mechanism as a basis to help restarting ANSPs services

Massive loans have been requested by ANSPs. Due to their mandate, ANSPs cannot cease to provide services when traffic demand is reduced. These loan requests are also a form of protection for airspace users. While the payments for air traffic services have been delayed, the infrastructure they provide must continue to function. The traffic risk sharing mechanism has to be kept as the basis to help EU ANSPs restart after crises such as this. These loans will have to be reimbursed. The traffic risk sharing mechanism allows to build realistic long term business plan needed to maintain suitable level of services.

### Traffic risk sharing mechanism as a tool for stability and long-term security as a lesson learned from 2008 economic crisis.

ATM is an infrastructural industry that needs to quickly adapt to short-term traffic patterns but also to remain able to plan its performance in the long term. In the past few years, the aviation industry suffered as a result of the short-term decisions taken during 2008 economic crisis. At that time, the traffic risk sharing mechanism didn't exist and ANSPs were confronted by the necessity of having to focus on the short term to the detriment of long-term performance.

#### ATCEUC's proposal to adapt the mechanism to the reality of traffic situation.

The basis of this mechanism lies in the appreciation of where and how the risk is supported by airspace users or ANSPs. Shifting any of these elements would result in weakening the three fundamental principles exposed above and ATCEUC strongly believes that it would be a disastrous approach. What ATCEUC would favor is to allow more time to recover from the covid19 crisis. Based on ATCEUC analysis on traffic recovery, the process should restart in 2022 and would be expected to last several years.



ANSPs will be one of the most adversely affected sectors of the aviation industry. Due to the complexity and the nature of the infrastructure and services provided, ANSPs will suffer disproportionately as a consequence of European Commission proposals. The traffic risk sharing mechanism must be preserved as the basis for the ANSPs recovery. ATCEUC strongly believes this position is the only way to rebuild and secure the future of the entire aviation industry and stands ready to participate in and guide the necessary decision-making processes.

The future economic growth of Europe is at stake. ANSPs and their staff are part of Europe. They must maintain this critical infrastructure in a stable environment in order to fully sup-port Europe and its economy along its recovery.

Volker Dick ATCEUC President