

13th Florence Air Forum

Review of Regulation (EC) No 1008/2008 on the Operation of Air Services in the EU

25 - 26 February 2020

Theatre - Badia Fiesolana, Via dei Roccettini 9 - San Domenico di Fiesole (Fiesole, Florence)

Organised by

Florence School of Regulation – Transport Area and European Commission’s DG MOVE

Introduction

Regulation 1008/2008 (the “Air Services Regulation”) is the basic legal act organising the EU internal market for air services. It was adopted in 2008 as the legal successor of the three “aviation packages”, which have progressively established the EU internal aviation market. It also codifies the rules of three Regulations from 1992 (on licensing of carriers, on access to the EU market and on air fares and rates).

The Regulation contains provisions on the following main topics: Operating Licences, including on 1) EU carriers’ Principal Place of Business and temporary licence and 2) Ownership and control (O&C) of EU air carriers; 3) Leasing; 4) Freedom to provide intra-EU air services; 5) Public Service Obligations (PSOs); 6) Traffic distribution rules (TDR); and 7) Price transparency.

The evaluation of the Air Services Regulation

As announced in its 2015 [Aviation Strategy](#), the Commission carried out an evaluation of the Regulation and published in July 2019 a [Commission report](#).

The objective of this evaluation was to provide insight into the actual performance of the Air Services Regulation and its overall intended and unintended impacts. While the Regulation does not include any specific social provisions, the indirect impacts associated with its application and the liberalisation of the air services market on employment and working conditions of air crews formed part of the analysis. The impacts on the environment and the ongoing initiatives to address concerns about CO₂ emissions and noise were also analysed. The Evaluation report concluded that the Regulation and its predecessors have brought sizeable EU added value in creating the EU internal aviation market by removing barriers to competition, such as restrictions on the routes, increasing the number of flights, allowing entry of new market operators, in particular in the low cost segment, and increasing the range of advertised fares. The Air Services Regulation has been very effective in achieving its objectives (market efficiency, safety and consumer protection). At the same time, it has revealed that there are still [areas where some improvement](#) would be beneficial.

Impact assessment study

As a follow up to this evaluation, the Commission (Directorate-General for Mobility and Transport) launched a study to help it assess whether further measures could further contribute to a well-functioning internal aviation market and its global competitiveness, while also contributing to the protection of consumer interest and to safeguarding high EU safety, social and environmental standards.

In the course of this work, the Commission developed a number of preliminary policy options for the various areas identified in the evaluation and asked its external consultant to assess the possible impacts of these options. Interviews of a representative sample of stakeholders and a [targeted consultation](#) among all relevant stakeholder categories were conducted in the third quarter of 2019 to gather stakeholders' views, among other things, on the proposed options for the various topics identified. Taking into account the input gathered, the Commission has been able to further refine its initially identified options.

The Workshop

In this context, the Commission together with the Florence School of Regulation's Transport Area is co-organising a workshop on the Air Services Regulation to exchange views on the refined policy options. The discussions will take place in the following thematic sessions : i) ownership and control, ii) operating license and principal place of business and temporary licence, iii) applicable labour law and competent jurisdiction, iv) leasing, v) price transparency, vi) traffic distribution rules and vii) public service obligations. At the same time, the workshop will provide an opportunity for a discussion on the Air Services Regulation in the context of the [Commission's Green deal](#).

The workshop will gather policy makers and representatives from all interested stakeholder groups namely airlines, airports, air crew and consumer organisations, travel industry, and investors for a well-timed discussion.

Programme

25 February

08.45 - 09.15 *Welcome coffee*

09.15 - 09.45 Introductory remarks

Matthias Finger | FSR Transport, EUI / Chair MIR, EPFL

Filip Cornelis | Director for Aviation, DG MOVE, European Commission

09.45 - 11.15 *Operating License - Ownership and Control (O&C) of EU air carriers*

- Short presentation by the Commission
- Round Table Discussion on pros and cons of possible options

11.15 - 11.30 *Coffee break*

11.30 - 13.00 *Operating License - EU carriers' Principal Place of Business (PPOB) and temporary licence*

- Short presentation by the Commission
- Round Table Discussion on pros and cons of possible options

13.00 - 14.00 *Lunch*

14.00 - 15.30 *Applicable law and competent jurisdiction*

- Short presentation by the Commission
- Round Table Discussion on pros and cons of possible options

15.30 - 15.45 *Coffee break*

15.45 - 16.45 *Leasing*

- Short presentation by the Commission
- Round Table Discussion on pros and cons of possible options

16.45 - 17.00 Concluding remarks Day 1

Matthias Finger | FSR Transport, EUI / Chair MIR, EPFL

Filip Cornelis | Director for Aviation, DG MOVE, European Commission

26 February

- 08.45 - 09.15 *Welcome coffee*
- 09.15 - 10.45 *Price Transparency*
- Short presentation by the Commission
 - Round Table Discussion on pros and cons of possible options
- 10.45 - 11.15 *Coffee break*
- 11.15 - 12.45 *Exceptions to the freedom to provide air services: Traffic Distribution Rules (TDR) and Public Service Obligations (PSOs)*
- Short presentation by the Commission
 - Round Table Discussion on pros and cons of possible options
- 12.45 - 13.45 *Lunch*
- 13.45 - 14.45 *The Air Services Regulation in the context of the Commission's Green Deal*
- Short presentation by the Commission of possible options
 - Views and suggestions from stakeholders
- 14.45 - 15.00 Concluding remarks Day 2
Juan Montero Pascual | FSR Transport, EUI / UNED
Filip Cornelis | Director for Aviation, DG MOVE, European Commission
- 15.00 Shuttle buses leaving for city centre/airport