

An opportunity for a secure, seamless and fully liberalised aviation market

European Express Association (EEA) Position Paper on the upcoming EU Aviation Package

A more competitive and seamless aviation market is critical for the express delivery operations. At the same time, it is a central element of the EU's objective to deepen the internal market and increase the competitiveness of the region.

The express industry, as represented by the EEA, relies heavily on overnight transportation in order to meet the demands of its customers, both businesses and individuals, who depend on the "just in time" service that express provides globally, within 24 to 72 hours. Shipments are typically picked up late in the working day and delivered early the following day. The timely delivery and smooth transport of goods by air is therefore central to the business model of the express delivery industry and essential to facilitate the competitiveness of EU business.

The EEA asks the Commission to focus on the following four objectives in the upcoming aviation strategy:

- + **Liberalisation:** Ensure robust international aviation agreements that take into account the specifics of all-cargo services and address market access and investment restrictions in third countries
- + **Internal Market:** Deepen the internal market for aviation by removing restrictions on intra-EU flights continuing to third countries and remove remaining restrictions on the freedom to self-handle
- + **Enforcement and implementation:** Ensure the correct implementation of the ICAO Balanced Approach on aircraft noise and drive forward the Single European Sky process
- + **Security:** Address new security threats through a risk-based approach to aviation supply chain security management and incentivise effective security screening technologies

PURSUING ROBUST AVIATION AGREEMENTS WITH THIRD COUNTRIES

Current bilateral air services agreements are ill-suited to modern aviation and business needs. For the aviation market, the removal of market access restrictions – including those based upon citizenship – and investment barriers are long overdue. **This objective must be pursued through the conclusion of bilateral or multilateral agreements aimed at liberalising aviation, both in terms of market access and investment.**

Liberalisation should ideally take place through WTO trade agreements, ICAO and bilateral aviation agreements. The specific interests of all-cargo services – which are essential to the growth of European business – need to be recognized in negotiations and such services could be subject to further liberalisation, beyond the liberalisation of passenger and combination services. Protectionism and restrictions on market access with third countries do not support a competitive European all-cargo sector. Liberalisation needs to be the focus of the EU's efforts going forward.

COMPLETING THE INTERNAL MARKET FOR AVIATION IN THE AREAS OF TRAFFIC RIGHTS AND GROUNDHANDLING

The creation of the EU internal market for intra-European flights has created enormous economic benefits for businesses, consumers, shippers and the economy at large. However, as soon as a Community carrier wishes to

continue an intra-European flight to a destination outside the EU, the restrictive bilateral aviation agreements between Member States still apply. This leads to a situation where flights by a Community carrier that are approved by a third country can still be blocked by the other EU Member State. This is a remaining issue that restricts competition. **Therefore, the internal market for aviation should be fully liberalised to the benefit of the competitiveness of air carriers, freight forwarders and customers.**

Furthermore, smoother and more competitive air operations would require a full liberalisation of the ground handling market. To ensure better quality control along the delivery chain, express integrators offering door-to-door services should indeed be able to “self-handle” cargo for all aircraft dedicated in their transport network, whether owned or leased.

ENFORCEMENT AND IMPLEMENTATION

EU airports are severely congested, representing a barrier to all air transport services. EU Member States should follow their commitments to **fully implement a Single European Sky (SES) which would have significant benefits on the efficiency and sustainability of express operations.** Improvements in air traffic control management are urgently required to provide more direct routings, minimise holding times and further reduce aircraft fuel burn and emissions.

Moreover, as cargo operators we are seeing more proposals to cap or curtail late night operations with little or no consideration for the other means of noise mitigation specified in the ‘Balanced Approach’ adopted by ICAO. Night flights are essential for the provision of overnight express services. A correct implementation of Regulation 598/2014 on Aircraft Noise by EU Member States and EU airports should be ensured so that **night flights restrictions are only a last resort option**, in line with the ICAO ‘Balanced Approach’.

ADDRESSING NEW SECURITY THREATS IN THE AIR CARGO SUPPLY CHAIN

A risk-based approach to aviation supply chain security management would give operators the flexibility and responsibility to design security processes that deliver specified security outcomes, rather than constraining them to a set of pre-determined security requirements.

Such an approach requires strong collaboration between regulators and industry. An information sharing programme between both parties should be established to effectively address potential new threats to the air cargo supply chain. This programme should allow for the quick dissemination of threat information to enable economic operators to focus resources on high risk areas.

As the security environment evolves, having access to high quality air cargo-specific screening technologies is critical for the industry to operate efficiently and safely. Until now, the development of security screening technologies for the express cargo industry has mainly relied upon the adaptation of passenger screening technologies. As a result, available technologies struggle to deliver on the needs of the express industry, particularly with regards to the speed, scale and scope of detection of prohibited items. Although a range of screening technologies and methodologies exist, not all of them are recognized EU-wide and internationally. In order to avoid the duplication of efforts, international cooperation is essential to create a globally coordinated set of security screening standards. Moreover, regulatory assurance and assistance must be provided by authorities (development funds and new technology certification support) to stimulate R&D for cargo by technology manufacturers.