European Commission DG COMP

Consultation on draft revised state aid guidelines for airports and airlines

Statement of the government of Finland to the Commission’s consultation on draft aviation guidelines

Aviation is essential for ensuring the accessibility of Finland due to its geographical position and sparsely populated areas. Therefore it is important to be able to maintain airports in all parts of the country.

Finland considers important the consolidation and simplification of the 1994 and 2005 aviation guidelines. It is essential to have clear and transparent rules. However the different circumstances of the various member states justify certain flexibility in some situations.

Finland supports the objectives of supporting growth and reducing administrative burden by streamlining the rules. It is also important to attain better-prioritised enforcement.

The Finnish airport network consists of 25 airports and is maintained by Finavia Plc, which is a 100% state-owned profitable company. Finavia finances its own operations and commercial investments by itself. Most of Finavia’s airports are located in remote and thinly populated regions. Finavia’s network was established in 2011 under the provisions of Directive No 2009/12 on airport charges.

In addition to Finavia’s airport network, there is one privately owned airport (Seinäjoki) and one municipality-owned airport (Mikkeli) which are providing airport services for commercial traffic in Finland. Both airports receive state aid for operations and investments.

Furthermore, Finland would like to remind the Commission that most of the infrastructure and services are used both by civil and military aviation. Finavia’s airport network consists of civil, military and integrated airports.

In Finland the main concern is the possibility of state aid for some remote and peripheral regional airports. Finland is in favour of exemptions to ensure that state aid can be granted to peripheral regional airports to ensure an adequate service level in the whole country. Finland considers that funding directed to small regional airports has very limited effect on competition. Therefore Finland would like to make the following proposal:

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Operational aid to peripheral regional airports with less than 200 000 annual passengers is compatible with the internal
market within the meaning of Article 107(3)(c) of the TFEU due to its very limited effect on competition. The level of aid could be no more than 50% of the operating costs within and after the transitional period of 10 years. The aid measures should always be notified to the Commission.

Finland would like to encourage the Commission to allow an exemption for small airports also in the revised guidelines.

It is vital to find a right balance between accessibility of regions and avoiding distortion to competition.