Consultation on the draft Guidelines on State aid to airports and airlines

Hungarian position

As to para 92. For large airports with a passenger volume of over 5 million per annum, investment aid should not be declared compatible with the internal market.

Hungary proposes that airports with 5-10 million passengers per annum shall get 10% maximum investment aid intensity, having regard that proposed measure is too strict with the airports with a passenger volume of over 5 million. From Hungary’s point of view in case of funding gap the necessity of the aid is well founded.

As to para 95., In terms of investment aid for smaller airports, those with annual traffic of between 3-5 million passengers under the proposed new guidelines are obliged to repay with interest all investment aid, if the project is successful.

Hungary suggests that the limited investment aid granted to such airports should not be refundable taking into account that the guidelines themselves acknowledge that airports with 3-5 million passengers per annum can be able to cover only to a large extent all their costs. According to the funding gap approach limitation of the repayable advance is unnecessary taking into consideration the reduced aid intensity.

As to para 99., In case of aid which is awarded on the basis of a scheme, works on the project must not start before the decision by the public authorities to award the aid has been adopted.

Regarding that the proposed rule is very disadvantageous for the companies Hungary suggests in line with other guidelines (i.e. RAG) that works on the project can start only after submitting the application form for aid.

As to para 100.) aid measures should always be notified individually when investment aid aimed at the creation or development of an airport located in the same catchment area within 100 kilometres distance or 60 minutes travelling time by car, bus, train or high-speed train from an existing airport.

Hungary proposes that distance and travelling time should not be cumulative criteria. If one of the conditions is not met the catchment area does not have to be taken into account.

As to para 104.) In case of operating aid of airports the draft establishes a transitional period up to 10 years.

Hungary suggests that 10 year transition period might be extendable if necessary, taking into account that the guidelines themselves acknowledge that airports with up to 200,000 passengers per annum might not be able to cover to a large extent their capital costs and their operating costs.
As to para 120. Member States shall publish on a central website information on State Aid measures.

Hungary asks the abolition of this measure proposed with regard that it makes the administrative burdens of the national authorities heavier. Should the Commission prescribe the setting up against all reason, we need at least 5 years to prepare for this task and in order to have enough time for a pilot phase (analysis etc.).