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

In accordance with your revised draft guidelines on State aid to airports and airlines, we provide some comments and general opinion.

The Republic of Slovenia welcomes – along with other member states - the Commission’s proposal as a solid base for setting up the new Guidelines. Nevertheless, in our view some of the proposed measures require further consideration in order to make them more adequate. The Slovenian airports and air carriers document have no significant changes. We would therefore determine that neither the criterion of 200 thousands passengers nor provision which concerns air carriers should not be changed in the Guidelines.

The proposed new Guidelines largely consider airports and air-carriers from the position of market forces and aim at full liberalization of respective EU markets. On the other hand, it is our reservation, the security of air traffic has been entirely eliminated, while transport is treated from the position of air companies. Notwithstanding the Altmark Judgment, we believe that in drafting the new Guidelines it ought to be considered that by increasing the traffic at one airport, traffic is increased as well on other airports, while the traffic potential indirectly depends on airports development.

One shortcoming of proposed new Guidelines is that they fail to oblige the Commission to comply with the Chicago Convention, especially in the already mentioned matters of security and of certain limitations in operation of airports for international air transport (Article 28 of Chicago Convention), when aid may be granted only if two airports are away from each other for 60 or 100 km. It should be taken in view that two airports located closely to each other may indeed fiercely compete one with another for passengers but access for passengers may not be equal.
Apart from the conceptual matters, Slovenia has a number of technical comments on the proposed new Guidelines that will be submitted to the Commission in written. Let us mention them briefly.

1. With respect to Para 49 we do not see why regional considerations (without any political content) should not be considered in the respective test as – it is widely recognized – airports do play important role in regional development. Moreover, irrespectively of the used national terminologies the operation of airports operation and air-transport should be tightly regulated as services of general interest with emphasis on security and other functioning conditions. This stems from public law, especially the Chicago Convention.

2. Moreover, we propose to replace the criterion of 100km distance and 1 hour of transport (in paras 110 and 111) with the criterion of inland public transport or to delete transport by cars which is not environmental friendly and to retain only public transport (bus, train).

3. The 12 months deadline in para 122 should be replaced, in our view, with two years deadline, as the state aid schemes are tied to two years state budgets.

4. Finally we propose further consideration whether it would be appropriate to delete car parking from the definition of non-air carrier activities, especially if the term cars is not deleted in paras 100 and 111 and from the definition of targeted airport area.

With Regards,

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