## **EUROPEAN COMMISSION**



Brussels, 5.9.2012 C(2012) 606 f

final

Dear President,

The Commission would like to thank the Bundesrat for its Opinion on the proposal for a Regulation of the European Parliament and the Council on groundhandling services at Union airports  $\{COM(2011)\ 824\ final\}$  and apologizes for the delay in replying.

In the context of the common aviation policy, the Commission's objective is to guarantee healthy and efficient competition between airlines. High quality groundhandling services are essential for the proper functioning of air transport. These services provided by groundhandling operators are an essential link in the aviation chain and their quality and efficiency plays an important part in the performance of Europe's aviation network. Increasing the minimum number of groundhandlers at large airports would give airlines the possibility of a wider choice in selecting a preferred operator. Increased competition would allow groundhandling services to become more efficient and to respond better to the needs of airlines.

The Commission does not share the Bundesrat's evaluation of the social implications of further market opening. The Commission has assessed this, and other points, thoroughly in its impact assessment accompanying the proposal. Nevertheless, the Commission has not proposed a full market opening and the possibility for Member States to set access restrictions for groundhandling services would be maintained.

The Commission has also reviewed the situation on the question of take-over of staff. The Commission's proposal envisages that Member States have the possibility, in case of a loss of a contract by a supplier of groundhandling services with restricted access, to impose on the new supplier the take over of staff from the previous supplier. This is currently not possible under EU law. Moreover, the proposed compulsory training of employees and minimum quality requirements for groundhandlers should have a positive impact on the safety, the prevention of accidents and the protection of workers.

The Commission proposes a legal separation of airports and their groundhandling activities. The objective is to ensure that the airport, while providing groundhandling services, does not unduly benefit from its management activities, which are provided under a monopoly. The current system of separation of accounts is felt to be insufficient to ensure fair competition among different type of providers of groundhandling services such as the airport and independent groundhandlers.

Herrn Horst SEEHOFER Präsident des Bundesrates Leipziger Straße 3 - 4 D-10117 BERLIN As to subcontracting, it is important to note that the prohibition for airports to subcontract groundhandling services only applies for services with restricted access. This is justified by the fact that the airports, when providing groundhandling services, operate under a different regime than independent groundhandling services providers, as airports do not need to pass any selection procedure.

The Commission thanks the Bundesrat for its support for the provisions on the role of the airport managing body in the coordination of groundhandling services and the respect of minimum quality standards. Proper coordination of groundhandling service is important to guarantee safety and security on airport premises and to ensure the resilience of groundhandling services also in crisis situations. The respect of minimum quality standards will ensure overall quality of services and contribute to establishing a level playing field among suppliers.

I look forward to continuing our political dialogue on these important issues.

Yours faithfully,

Maroš Šefčovič Vice-President