

# Statement by the Committee on Transport and Communications

2015/16:TU20

## An Aviation Strategy for Europe

### Summary

The Committee has examined the Communication An Aviation Strategy for Europe (COM (2015) 598), presented by the Commission on 7 December 2015. In the Communication, the Commission presents a number of proposals aimed at increasing the competitiveness of the EU aviation sector.

On the whole, the Committee is positive to the Commission's Communication on An Aviation Strategy for Europe. The Committee considers that it is positive that the Commission prioritises the common European airspace and that the EU's high standards as regards safety, security, environment, working conditions and passenger rights are maintained. The Committee also shares the Commission's opinion that joint efforts are needed in order to implement the aviation strategy and to look forward.

The statement contains two reservations (from the Social Democratic Party and the Green Party and from the Left Party).

#### *The examined document:*

Communication from the Commission An Aviation Strategy for Europe (COM(2015)598).

# The Committee's proposal for a decision by the Riksdag

The Committee proposes that the Riksdag file the Statement.

*Reservation 1 (Social Democratic Party, Green Party) – explanatory statement*

*Reservation 2 (Left Party) – explanatory statement*

Stockholm 17 May 2016

On behalf of the Committee on Transport and Communications

*Karin Svensson Smith*

The following members of the Riksdag have participated in the decision: Karin Svensson Smith (Green Party), Jessica Rosencrantz (Moderate Party), Pia Nilsson (Social Democratic Party), Suzanne Svensson (Social Democratic Party), Edward Riedl (Moderate Party), Lars Mejern Larsson (Social Democratic Party), Tony Wiklander (Sweden Democrats), Leif Pettersson (Social Democratic Party), Anders Åkesson (Centre Party), Boriana Åberg (Moderate Party), Jasenko Omanovic (Social Democratic Party), Per Klarberg (Sweden Democrats), Christina Örnebjär (Liberal Party), Emma Wallrup (Left Party), Robert Halef (Christian Democrats), Erik Ottoson (Moderate Party) and Rikard Larsson (Social Democratic Party).

## **The position of the Committee**

### *Background*

The aviation strategy is part of the Commission's Work Programme for 2015. The strategy for aviation comprises An Aviation Strategy for Europe (COM (2015) 598), the Proposal for a regulation of the European Parliament and of the Council on common rules in the field of civil aviation and establishing a European Union Aviation Safety Agency (COM (2015) 613) and an Amended proposal for a Council decision on the conclusion of the Multilateral Agreement between the European Community and its Member States, the Republic of Albania, Bosnia and Herzegovina, the Republic of Bulgaria, the Republic of Croatia, the former Yugoslav Republic of Macedonia, the Republic of Iceland, the Republic of Montenegro, the Kingdom of Norway, Romania, the Republic of Serbia and the United Nations Interim Administration Mission in Kosovo on the establishment of a European Common Aviation Area (ECAA) (COM (2015) 575).

As regards the Proposal for a regulation of the European Parliament and of the Council on common rules in the field of civil aviation and establishing a European Union Aviation Safety Agency (COM (2015) 613 Final), the Government has submitted an explanatory memorandum (2015/16:FPM35), and the Committee on Transport and Communications has carried out a subsidiarity check in which it concluded, on 11 February 2016, that the Proposal does not conflict with the principle of subsidiarity (record of the meeting of the Committee 2015/16:22).

In this context, it may be noted that efforts to draw up a national aviation strategy have started in Sweden, and that the Government has announced that the strategy will be presented in 2016. Ahead of the preparation of the Swedish aviation strategy, the Government gave the public agency Transport Analysis the assignment of preparing a knowledge base with status reports as well as information and statistics on the role and function of aviation in the transport system (file no. N2015/07692/TIF). The purpose of the report is to highlight the significance of aviation for accessibility throughout the country and internationally, for employment and as regards environmental and climate impact. The assignment was reported to the Ministry of Enterprise and Innovation in March 2016 (report 2016:4).

### *The focus of the European Aviation Strategy*

On the whole, the Committee is positive to the Commission's Communication on An Aviation Strategy for Europe. Like the Commission, the Committee considers that aviation is a strong driver of economic growth, jobs, trade and mobility for the European Union and that an aviation strategy is needed to ensure that the European aviation sector remains competitive and reaps the benefits of a fast-changing and developing global economy. The Committee also considers that the priorities that the Commission has set out, such as the importance of completing the Single European Sky and cataloguing flight routes in and outside the EU in order to identify possible shortcomings are important. Furthermore, the Committee considers that it is positive that the Commission prioritises the EU's high standards of safety and security, environment, working conditions and that passenger rights are maintained as well as the need for greater innovation, digital technology and investments. The Committee also shares the Commission's opinion that joint efforts are needed in order to implement the aviation strategy and to look forward.

In this context, the Committee would like to draw attention to the fact that, during the spring of 2016, the Riksdag has adopted a position on a number of motions on aviation (Committee report 2015/16:TU14). In this report, the Committee stressed the importance of Sweden having a national aviation strategy that gives long-term conditions for development of the aviation sector within and beyond the country's borders. The Committee further stressed that, in addition to providing opportunities to travel and get around, good connectivity and a smoothly-functioning aviation sector in Sweden have a significant impact on jobs and economic growth. The Committee highlighted how important it is that the aviation strategy focuses on such aspects as strengthening competitiveness and that aviation should be developed in such a way that promotes sustainable aviation, with a reduced environmental impact and that contributes to the fight against climate change. The Committee stresses that the preparation of a national aviation strategy and a European aviation strategy together can help to strengthen the aim of achieving aviation that is sustainable in the long term.

#### *Boosting services and access to growth markets*

As regards the Commission's proposal to bring about improved services and access to growth markets with the aim of repositioning the EU aviation sector at the forefront of development, the Committee agrees that a higher level of ambition is needed at the European level, as well as concrete measures to strengthen the competitiveness of airlines. The Committee is positive to the Commission's ambition to implement this through dialogue, that the Commission plans to negotiate on effective and fair competition provisions in the context of EU comprehensive air transport agreements, and is considering measures to address unfair practices from third countries.

#### *Tackling limits to growth in the air and on the ground*

Air traffic control in Europe is divided into a number of different airspaces. However, the EU has decided to establish a common European airspace – the Single European Sky (EC 549/2004) – with the aim of increasing the efficiency of air traffic management and air navigation services. The initiative was taken as early as 1999, and should be fully implemented by 2030. By means of optimisation of air traffic management, security and capacities will be increased, and shorter, more energy efficient routes will also be possible. In 2013, the Commission presented a development proposal (SESII+), but unfortunately this work has come to a standstill and a decision on the matter has not yet been made by the European Parliament and the Council of Ministers. As regards the handling of limits to growth in the air, the Commission urges the European Parliament and the Council to adopt the proposals for the full implementation of the Single European Sky promptly and to work with the member states and other stakeholders for the full implementation of the Single European Sky so that it can be accomplished as soon as possible. In the opinion of the Committee, progress to date has been far too slow and the Commission should therefore work more actively with this issue. Now, as earlier, the Committee stresses that the EU's work with the Single European Sky is an important initiative in order to ensure that the airspace can be used in a more efficient manner, and this work must continue with high priority.

In its Communication, the Commission further states that it will assess the need to review the Airport Charges Directive, monitor trends of both intra-EU and extra-EU connectivity and identify any shortcomings and measures to be taken, in addition to publishing interpretative guidelines explaining the current rules on public service obligations. In this context, the Committee would like to highlight

the fact that the Riksdag has repeatedly considered matters relating to regional airports and their funding, most recently in the spring of 2016 (Committee report 2015/16:TU14). Sweden is a sparsely populated country with vast distances and, as previously, the Committee would like to underline that the regional airports play an important role in the Swedish transport system, and that a well-coordinated airport system is a necessity for both growth and development. The Committee notes that the regional airports have played, and continue to play a key role in making it possible to live and develop the labour market and business sector in various parts of Sweden. However, the financial situation for many of Sweden's regional airports is worrying and this has, among other things, to do with the fact that Sweden, compared to many other countries, has a low population density and that certain parts of the country are very sparsely populated. In the opinion of the Committee, measures therefore need to be taken for many of the regional airports if they are to survive. It is crucial that the necessary measures are taken in order to promote continued operations at the regional airports in various parts of the country, so that travellers can be offered well-functioning opportunities to travel and get around. The Committee underlines that the fact that Sweden is sparsely populated and on the periphery of the EU cannot be allowed to be to Sweden's detriment, and that EU state aid rules need to be reviewed in the light of this. The Committee would therefore like to point out that the current organisation of the airport structure is well-suited to its purpose and that there is therefore reason to ensure that this airport structure is granted an exemption from limitations on opportunities for public funding.

As regards the regional airports, the Committee also wishes to highlight the importance of Bromma Airport and its primary function of serving as a hub for domestic flights. To highlight the importance of Bromma Airport, the Riksdag directed an announcement to the Government in the spring of 2016 on promoting the continued development of Bromma Airport (Committee report 2015/16:TU14). The Committee considers that the continued development of Bromma Airport is important and that this also helps to ensure that the Stockholm region has a reserve capacity for air traffic.

The Committee also stresses that an air traffic management that creates more job opportunities is needed and that ensures accessibility within and between the EU countries, as well as at the global level, and that the Commission must work to promote competitive prices and continued high quality for air traffic management. Sweden is at the forefront when it comes to development of, for example, remote-controlled air traffic control, and the Committee considers that the knowledge that has been built up in this field could be valuable for the rest of Europe too.

#### *Maintaining safety and security standards*

As regards the maintenance of safety and security standards in the EU, the Commission proposes a revised Basic Regulation for common rules in the field of civil aviation safety replacing the current Regulation (EC) No 216/2008. The Commission also presents a revised European Aviation Safety Programme document, describing the way in which safety is managed in Europe today.

The Committee stresses the importance of maintaining high safety and security standards in the aviation industry and is therefore positive to current efforts to establish common rules in the field of civil aviation, as well as the revision of the European Aviation Safety Agency. The Committee notes that the issue is currently being negotiated in the EU institutions and also brings to mind in this

context that the proposal to revise the EU aviation safety rules from 2008 has been the subject of a subsidiarity check by the Committee earlier during the spring of 2016. The Committee concluded that the proposal did not conflict with the principle of subsidiarity (record 2015/16:22).

### *Reinforcing the social agenda*

As regards measures to reinforce the social agenda and create high-quality jobs in aviation, the Commission states that it intends to:

- support social dialogue, in particular through the sectorial social dialogue committee on civil aviation;
- strengthen its analysis on jobs and employment in aviation with Member States and open it to interested parties;
- publish a practice guide on applicable labour law and the competent court, to be issued by the European Judicial Network in civil and commercial matters; and
- consider the need for further clarification of applicable law and competent courts vis-à-vis employment contracts of mobile workers in aviation.

The Committee would like to highlight a recently conducted Swedish study that shows that liberalisation of the market for air services has led to increased competition, to the advantage of the citizens, in the form of lower ticket prices, in particular as regards international flights (Transport Analysis, report 2016:4). At the same time, the study highlights a negative side in the form of different forms of employment and a different way of organising operations which has, for example, meant that labour law has been disregarded. The Committee stresses that this development cannot be regarded as positive and that this subject deserves greater attention in the context of work with the Aviation Strategy for Europe. The Committee emphasises the importance of the social agenda, and that measures are needed to deal with certain employment conditions in the aviation industry. The Committee therefore considers that measures should be taken regarding these matters within the framework of EU cooperation.

The Committee notes that the priorities set out by the Swedish Government for EU work in 2015 included pushing to ensure that the European Commission's aviation package includes proposals that counteract the poorer working conditions and distorted competition in civil aviation. The Committee still supports the clear position that the Government presented on this matter that measures to improve social conditions in the aviation sector are welcome (Committee report 2015/16:TU14).

### *Contributing to a resilient energy Union and a forward-looking climate change policy*

As regards contributing to a resilient Energy Union and a forward-looking climate change policy, the Committee unfortunately notes that the Commission does not present any concrete, new proposals for aviation that is sustainable in the long term. In its Communication An Aviation Strategy for Europe, the Commission refers instead to the fact that the EU has put in place powerful regulatory tools such as the Emissions Trading Scheme (EU ETS) addressing greenhouse gas emissions, including from aviation. The Commission also notes that the International Civil Aviation Organization (ICAO) plays a critical role in the development of a global solution to address greenhouse gas emissions from international aviation. Furthermore, it states that the EU, through its member states acting within the framework of ICAO, pursues a robust global market-based

mechanism to achieve carbon neutral growth from 2020 to be reviewed over time as appropriate, and to be made operational from 2020, as well as the adoption of a first CO<sub>2</sub> standard for aircraft.

The Committee stresses that it is crucial that work to develop aviation for the future has a clear sustainability focus. In the light of the importance that the Committee on Transport and Communications attaches to the matter of sustainable transport systems, the Committee decided during the 2013/14 parliamentary year to commission a study with a focus on aviation in the future (2013/14:RFR16). According to the report, there are technical and operative solutions for aviation that can be sustainable in the future and measures to increase efficiency are being taken both within the framework of established technologies and methods and with the help of more radical solutions. The report shows that technical and flight operation solutions can complement each other, but that the obstacles to introducing new technology are considerable and that it takes time to develop new aviation technology. Owing to stringent safety requirements, new technologies are tested for long periods before they can be certified. Aircraft, engines and fuel have been developed in parallel and are all interdependent. According to the report, the civil aviation industry is, by nature, a global market, and all aircraft should, in principle, be able to land anywhere, which creates long periods of adjustment. Large investment costs and tough competition lead to a cautiousness among stakeholders investing in new aircraft technology. The practical and economic obstacles are, in other words, considerable and are the reason why many people believe in improvements within the framework of established technologies as opposed to a development in leaps and bounds. There are greater opportunities to achieve more extensive environmental improvements through technological developments of aircraft and engines than through flight operation measures. However, this does not mean that one should refrain from implementing efficiency measures in the field of flight operations. Rapid changes, on the other hand, are considered unwelcome in a sector already characterised by great uncertainty. National rules are not assessed to have a significant impact on global aviation. The report sets out that international cooperation and a long-term perspective are the best foundations for sustainable aviation in the future. Following the study on aviation in the future, the Committee organised a hearing in April 2014 with the aim of highlighting the conclusions of the report from various perspectives. The record of the hearing is included in the Reports from the Riksdag series (2013/14:RFR23).

In this context, the Committee would also like to draw attention to the matter of taxation of air transport. During the spring of 2016, the Committee has expressed that penalty taxes in the form of tax on air travel are not the right way to go about reducing the climate impact of aviation and that this would involve a tax on mobility that would put Sweden at a competitive disadvantage (Committee report 2015/16:TU9). Among other things, the Committee pointed out that both Denmark and Holland have introduced air taxes and later abolished them as the socio-economic consequences were very negative. The Committee considers that new solutions such as biofuels for aviation are instead the right path to take.

In the light of this, the Committee would like to highlight that the Riksdag directed an announcement at the Swedish Government during the spring of 2016 urging that it should promote the increased use of biofuels in the aviation industry (Committee report 2015/16:TU9, Communication from the Riksdag 2015/16:193). During the consideration of the matter of a fossil-free transport sector, the Committee pointed out that the right way to go is to focus on new

solutions such as biofuels for aviation, and that there is already such a biofuel which is made with used deep-fryer oil, which reduces carbon dioxide emissions by at least 80 per cent compared to the same amount of fossil jet fuel. The Committee was also very positive to the fact that Sweden has been a forerunner as regards the introduction of biofuels, in particular in the road transport and heating sectors.

The Committee would also like to bring to attention a recently published Swedish report which questions whether the strong growth in aviation is compatible with Sweden's climate policy (Transport Analysis, report 2016:4). Air traffic is responsible for 2 per cent of global carbon dioxide emissions, but nitrogen oxides and steam at high altitudes also have an impact. These high-altitude effects lead to at least double the impact of just carbon dioxide emissions, which means that the aviation industry is responsible for between 3 and 5 per cent of global warming. According to the report, measures are being taken on many fronts to reduce aviation's climate impact, and among the most important of these are policy instruments, technical developments, alternative fuels and optimised operations as well as developed infrastructures. The report also highlights the emissions trading system in the EU and the fact that ICAO is shortly expected to be adopting a global market-based measures for international aviation. Among alternative fuels, second generation biofuels are assessed to have the greatest potential, but the price difference between biofuels and conventional fuels remains an obstacle in the break-through for biofuels. The report notes that it is doubtful whether the various measures are sufficient in order to achieve the climate objectives, and refers to the European Environment Agency's (EEA) and Eurocontrol's conclusions that future technology improvements are unlikely to balance the effect of future traffic growth. Biofuels can help to reduce emissions of carbon dioxide, but they do not reduce the high-altitude effects of international flights, and according to the report, measures are therefore required that cool the demand for air travel. Noise pollution is the most tangible environmental problem around airports and the report notes that there are clear conflicts between objectives regarding noise, climate and security which need to be dealt with. The design of the flightpath system has a significant impact on the spread of noise and disturbance around airports. As regards technological developments, the report highlights that progress is primarily being made in the fields of lightweight aviation, air resistance and improving engine efficiency. European aviation research estimates that it will be possible by 2020 to develop aircraft with 50 per cent lower fuel consumption, 80 per cent lower emissions of nitrogen oxides and 50 per cent lower noise levels compared to aircraft that are produced today.

The Committee considers that clearer initiatives at EU-level are required, but also within the member states in order to push forward the development of bio-based fuels for aviation. As regards the Aviation Strategy for Europe, the Committee stresses how important it is that it includes objectives for the introduction of fossil-free fuels. In the opinion of the Committee, the level of ambition needs to be raised at the European level and concrete measures for climate-smart airports are needed. The Committee also notes that European aviation research programmes need to be reinforced and opportunities for more R&D for sustainable aviation are needed.

### *Drones*

As regards unleashing the full potential of drones, the Commission proposes a basic legal framework for the safe development of drone operations in the EU, as part of the new basic aviation safety Regulation replacing Regulation 216/2008



and it also states that it will task the European Aviation Safety Agency with preparing more detailed rules which will allow the drone operations and the development of industry standards.

Regarding unmanned aerial vehicles, the Committee considers that the current situation where the various member states have different rules and there are no common EU rules is unsatisfactory. The Committee therefore considers that the work that has begun in the EU to bring about changes here and to increase safety in this area is important. The opportunity to adopt a regulatory framework in the EU which comprises all the areas that are relevant in making RPAS operations safe and secure should, in the opinion of the Committee, be pursued with high priority. The Committee considers that there are many positive aspects connected with the development of drones and notes that they offer great potential for new areas of use within different service areas in the future. The Committee therefore underlines the importance of continued research and development in this field, but notes at the same time that the current developments also need to be accompanied by systematic security measures in order to counteract the increased risk of accidents and incidents.

To summarise, the Committee considers that the current situation with different national rules in the EU is not appropriate and that active measures therefore need to be taken regarding drones in the current preparation of new European aviation safety regulations. In the opinion of the Committee, it is important that a common regulatory framework is prepared and implemented as soon as possible. A future common regulatory framework for drones should, in the opinion of the Committee, include the requirement that both the operator and the vehicle are identifiable.

# Reservations

## **1. The Communication on An Aviation Strategy for Europe – explanatory statement (Social Democratic Party, Green Party)**

by Karin Svensson Smith (Green Party), Pia Nilsson (Social Democratic Party), Suzanne Svensson (Social Democratic Party), Lars Mejern Larsson (Social Democratic Party), Leif Pettersson (Social Democratic Party), Jasenko Omanovic (Social Democratic Party) and Rikard Larsson (Social Democratic Party).

### **Position**

First we would like to point out that it is positive that a common aviation strategy for Europe is being prepared and that joint efforts are needed, among other things to promote competitive conditions in the aviation industry, to strengthen the social agenda in aviation and to promote sustainable aviation with a reduced climate impact and that contributes to the fight against climate change. We therefore share the position of the Committee majority in this respect. At the same time, however, we stress that we do not support the Committee majority's formulations regarding tax on air travel and the continued development of Bromma Airport. These formulations concern domestic policy issues which cannot be considered to be appropriate in a statement on An Aviation Strategy for Europe.

## **2. The Communication on An Aviation Strategy for Europe – explanatory statement (Left Party)**

by Emma Wallrup (Left Party).

### **Position**

First I would like to point out that the climate objectives require us to redirect our travel to more sustainable alternatives: The current aviation strategy that is being prepared in the EU aims, instead, to boost air travel. In a long and sparsely populated country like Sweden, it is important that there are different means of transport available, but at the same time, it is important that developments promote sustainable travel. This means that air travel needs to be reduced and other, less-environmentally harmful means of transport are promoted and developed. I consider that it is very unfortunate that this is no longer reflected in the focus of the European aviation strategy.

I also consider that vigorous measures are needed so that travellers who nevertheless need to travel by air have as little environmental impact as possible. In order to limit air travel, various measures and policy instruments need to be applied. Today, air travel has one of the lowest tax levels of all means of transport and I consider that the introduction of a tax on air travel could be effective as a policy lever to limit air travel and thus the transport sector's ever increasing burden on the environment and climate.

At the same time, I would like to point out that it is positive that the aviation strategy aims to reinforce the social agenda, to create high-quality jobs in aviation and to ensure fair working conditions in the sector. Unfortunately, developments in aviation have moved in the wrong direction and in my opinion, therefore, further and more vigorous measures are needed to reverse this trend than those presented by the Commission in its Communication.

As regards the regional airports, I consider that many of them are important in order to facilitate travel to various parts of the country. At the same time, I note that in the case of Bromma Airport, there should be a successive transfer to other means of transport and other airports in the region so that the land currently used by the airport can be used for housing construction instead.

To summarise, I consider that instead of having a significant increase in air travel as a point of departure, we should do what is necessary to achieve the climate objectives. If the global climate agreement from Paris is to have an effect we need, instead, to plan for alternative, more sustainable, means of travel.