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The Aviation Strategy of the European Union

Presentation by

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Ladies and Gentlemen,

- Good afternoon and thank you for inviting me to come here today. I am very proud to be here. Washington DC is one of my most favourite destinations and a great city with great people.
- Many of you who know me, also know that I am a convinced proponent of Trans-Atlantic cooperation. I have worked well with the US on many sensitive files. I have immense respect for the US, its people, its businesses and its Administration. I dare to call myself a friend and I also think that sometimes friends have the liberty of being able to say things openly and also of being direct. I hope I will not disappoint you in this respect but also not violate that status during the next half an hour.
- Looking around I see so many familiar faces, friends and colleagues I have known for so long. The International Aviation Club has once again brought together key decision-makers in US aviation policy. Before me many prominent people have been speaking here who were all so passionate about the EU-US aviation relationship. Now, I have the honour to do so and to throw my weight and passion behind the deepening of this relationship. The US is the most important strategic partner for the EU and we both operate and cooperate in a rapidly changing external environment and world around us.
- As Director General of Mobility and Transport for the European Commission, I have been in this job a little over 8 months but I am no stranger to the subject. Today is my first visit to the US in this capacity. As Chief of Staff for European Commission Vice-President Siim Kallas, I had many opportunities to discuss aviation policy matters with US aviation sector and my fellow US counterparts have always been welcome to my office throughout these years. I also particularly value and treasure the excellent cooperation that I have had with A4A.
- To start my address, I quote my good friend and a great person, the outgoing IATA DG & CEO Tony Tyler, who has stressed throughout his 5 year mandate that aviation,

is a "force for good"! He is so right! But we all must do more to put substance to these words.

- Just to illustrate that - in Europe the overall economic impact of aviation is estimated at €510bn (larger than the individual GDP of 22 EU MS) with 1,4 -2 million direct jobs in the sector and overall support of up to 5.5 million jobs.
- If people in Europe are asked what are the 3 most important things the EU has given to them, they would respond that at least one of the 3 is "cheap flights" i.e. the open European aviation market. That is also what we have done on the international scene – the EU-US Open Skies agreement has been a historic step that has positively - and hopefully irrevocably - changed the transatlantic aviation relationship and brought our people and businesses one more step closer.
- I am also very keenly following the TTIP negotiations, which will when successful create the world's largest trade area. And I am a bit sad that the US seems so reluctant to have aviation as part of it. Even if we know why this is the case, it should not impact our ambition to create the world's largest open aviation area.
- Why? Well because aviation is a significant enabler of growth & jobs, trade and our economies more generally. I wish to remind you that a 10% increase of air connectivity stimulates the GDP per capita by 0.5%, and the GDP growth rate by 1%; 10% increase in the supply of intercontinental flights results in a 4% increase in the number of headquarters of large firms. One Euro value added in the air transport industry creates a value of almost three Euro value added for the overall economy and one job in the air transport industry added creates more than three jobs in other sectors. These figures speak for themselves.
- The current EU-US Aviation Agreement i.e. the Open Skies Agreement has been and still is a great achievement that we need to cherish and protect. We should not rest on our laurels. We must decisively bring the agreement further and deepen our relationship and cooperation, as was the intention when this agreement was signed in 2007. (*Agreement was signed on 25 and 30 April 2007 and provisionally applied from 30 March 2008– but has not yet entered into force*).
- Let me remind you that from European perspective, the US is by far the most important extra-European market for EU airlines and thanks to the Open Skies Agreement, transatlantic traffic grew by 18% in the last 10 years the number of individual city pairs increased by 30% and the number of annual passengers increased to more than 52 million.
- Dear friends, I want to share with you today one of my dreams - and I know it is allowed to dream big, but to stay also realistic at the same time – my dream is that one day we will have a genuine Transatlantic Open Aviation Area, which was also in the minds of those who negotiated this agreement (my particular appreciation goes to good friends John Byerly and Daniel Calleja). Sadly we have not yet been able to live

up to their expectations and the significant deepening of the agreement has so far not really taken place since its signature.

- For that we need vision and determination, despite the good work our officials jointly do in discussing many difficult issues and despite our efforts to overcome the, at times, visible different views, different speeds and even different interpretations - we should never lose sight of the big picture and the real value added.
- We are - still - the two most advanced and developed aviation markets but our position is constantly challenged and will be more so in the future. Even though today the combined market share of the EU and the US represent nearly 50% of global air traffic it would shrink to 38% by 2034.
- We are also the closest aviation markets in terms of regulatory convergence, competition rules and social provisions. So let's start thinking big! It takes visionaries but equally hard work, devotion and convincing to achieve that. But isn't it worth striving for? I believe it is,
- If we do nothing – or even worse, move backwards- we will successfully be challenged by other regions which will grow significantly in the next decades and who have a lot of determination and some have significant internal markets. (*Asia-Pacific: 6% growth/year, expected market share (RPKs) 36% by 2034; Middle East: 7% growth/year, expected market share (RPKs) 13% by 2034; Latin America: 5% growth/year, expected market share (RPKs) 6% by 2034*).
- In the EU, we adopted in December 2015 a new Aviation Strategy for Europe (I will talk about it more in detail later) and I find myself asking: why is this just an “EU aviation strategy” proposal, and not a good basis for a future joint EU-US vision? Has our Joint Committee really been thinking out of the box - to promote the interests of key global players operating in the world’s biggest international aviation market? In fact, do we still see eye to eye on the original thrust and objectives of the EU-US Open Aviation Area?
- So what am I talking about? Let me mention a couple of examples that I do not believe are in line with what should be our real ambition.
- Firstly, I guess you are all well aware of the issue related to the long-standing application for a foreign air carrier permit by Norwegian Air International, an EU carrier with an Irish Operating Licence and AOC (and now also under a UK AOC). What we talk about here is an air carrier that is a relatively small new entrant to the transatlantic aviation market. Emergence and entrance of a new competitive entry to the transatlantic market should be precisely what EU-US Open Skies was designed not only to allow but to stimulate.
- NAI is flying under an Irish AOC, Ireland is a significant player in the EU aviation market and happens to host Europe’s largest airline – Ryanair. Ireland's authorities

enjoy the reputation of overseeing the highest safety for an airline flying more than 100 million passengers per annum. How can anybody seriously question the integrity, ability and professionalism of the Irish authorities with this track record?

- I was in Ireland 10 days ago and I can tell you this is not taken well. And the European Commission will continue to stand fully behind Ireland as the safety arguments that are occasionally floated cast a shadow not only on Ireland but on the entire European Union and this is just unacceptable. I would also once again restate our full commitment to high labour standards –and recall that our Open Skies Agreement provides the framework for addressing these issues.
- Let me also state that European Commission will use all means available under the agreement to continue to raise this issue and if necessary as an issue in need of arbitration.
- We ought to encourage competition - this is what the Open Skies is about - fully in line with our respective regulatory frameworks and safety rules of course. But here, for the first time since the EU-US Agreement was signed in 2007, we face an issue that an airline which has announced new transatlantic services has not been granted a foreign air carrier permit in line with the Agreement. This has now taken an unprecedentedly long time. The normal average time it takes for DOT to grant a permit is 60 days. NAI has now been waiting no less than 816 days!
- This delay has been deeply regrettable and also damaging. This is even more unfortunate given the absolutely clear and unambiguous legal opinions contained in the DOT's Show Cause Order issued in April. All three opinions, from the DOT's General Counsel, from the State Department's Legal Adviser, and from the Department of Justice's Office of General Counsel, agree that Article 17bis – the provision in the EU-US Agreement on the social dimension – does not provide a basis on which one Party may unilaterally deny a permit to a carrier of the other Party. (The DOT's General Counsel went a step further, and stated that “DOT is legally required to grant the NAI application regardless of NAI's proposed employment practices.)
- And, we must not forget that NAI is not the only outstanding application before DOT. Norwegian Air UK, a new UK-licensed airline, applied for a permit and exemption authority in December last year. While it is a totally separate application, the legal principles underpinning the agreement must apply equally to the NAUK case.
- Even though I am very much expecting that the approval of NAI's request will finally come, I am not here today to challenge the content of any eventual decision – as I have not seen any decision - but I am vehemently challenging the grave violation of our Open Skies agreement –the principle that authorisations must be granted with minimum procedural delay is not a footnote but is an integral part of the Agreement. The non-respect of this important provision touches upon the very integrity of the Agreement. I remind all that this is not Agreement “a-la-carte” but something that must be respected and partners are committed to it as rule of law.

- If today the US believes it can cherry-pick and get away with it, who knows if the EU may not be tempted to do the same tomorrow and then we no longer have a dream of a genuine Trans-Atlantic Aviation Area but an Agreement that resembles more of a Swiss cheese. Surely this is not what we wish for at a time when it is in our real interests to deepen our cooperation and to maintain the leading role in the global aviation market.
- I do not hide that I am very disappointed and more so as a friend and believer in EU-US cooperation. I really hope that we will all learn from this exercise and that it becomes no more than a drop of tar – albeit a sizeable one - in the honeypot, as my fellow Estonians would say.
- We need to protect the integrity, the meaning and the ambition of this Agreement, and I can assure you that I will do everything from my side to do so.
- I would also like to point out the second aspect of this Agreement where I think a different approach is needed if we want to maintain our global lead and not only to revert to our “domestic market”. At a time when US carriers announce record profits, it would really be the right time to raise the sights and ambition.
- I am talking about Ownership & Control rules. We have made exactly zero progress in almost 10 years and some would even say that the trends might be going backwards rather than forwards. Let me assure you that this will not be the case in Europe. Our recently launched Aviation Strategy promises a thorough assessment of whether these rules are fit for purpose in Europe; we intend to finalise concrete proposals – likely in 2018. I have had numerous discussions with EU air carriers and many of them say that the rules need modernisation and overhaul, taking into account new realities and globalisation. For our EU-US cooperation the framework is there - the Open Skies agreement - let’s use this framework to make substantive and significant progress. We need to lay the foundations for global carriers that are emerging on both sides of the Atlantic and in other regions.
- Mark my words, the digitalisation and the second digital revolution is going to change the way we travel and buy tickets and it will mean mobility becomes much more of an integrated service than we can foresee today. This would also have significant effects on airline cooperation and for the need to change the way things have been done during the last decades. Thinking out of the box, political courage and leadership is needed to fully reap the benefits of this transition and that includes how O&C rules in aviation are interpreted. I also believe that the “first movers” will definitely have more benefits and success than those who are slow to move or don't move at all.
- In Europe the internal cross-border consolidation in the aviation market continues to be on the agenda and there are a very few good reasons why it should stop at EU borders. We equally see that US airlines are in fact making major investments in airlines around the world (Virgin Atlantic – not long ago the Commission cleared the O&C; AeroMexico, China Eastern, Gol, etc).

- It is just difficult to understand why airlines should be constrained in access to global capital and be treated differently from other industries e.g. the politically very sensitive sectors like energy. I really fail to find a good narrative for that story.
- Of course I do appreciate the social dimension in this context but this is an issue to be examined, understood and appropriately addressed but not abused as a roadblock against progress. We need to concentrate on how to bring more, better and higher quality jobs to aviation. Liberalisation has given so many new opportunities to all of us and this is also the basis for further growth and jobs in the sector and for our economies, fully backed by all international forecasts. Europe will likely reach 14.4 million flights in 2035 – 50% more than in 2012 and up to 26 million flights – nearly three times more than in 2012.
- Ladies and gentlemen, there are number of other issues in the framework of our Open Skies Agreement, such as wet-leasing or access to domestic markets, where more progress would deepen our relationship but I would leave that for future occasions, if I am still to be invited back☺!
- Dear Friends, I think we can all surely agree on the fact that we need to put aviation back among the priorities of the political agenda. Aviation should not just be an easy source for taxation, regulatory burdens and be negatively impacted by limited infrastructure investments; aviation must be seen what it is - as a real enabler of connectivity, growth, tourism and opportunities.
- We need to make sure that the Strategies prepared for aviation will not end up gathering dust on the shelves but are pro-actively implemented for the sake of the "force for good"!
- That gives me a good reason to say a few words about the Aviation Strategy for Europe! Firstly, I hope it has got the messages and balance right! We need to end the period of this certain degree of complacency and start proactively changing the existing framework in order to be able to say that Europe (and the USA) are still the leading nations in aviation on the global scale in 2030 and 2050. That is what our Aviation Strategy is supposed to be about: based on past achievements and current challenges to now look ahead and to determine what should now be done to enhance competitiveness, further develop the required infrastructure, promote growth and employment, invest into technology and innovation and further improve the already high levels of safety and security and sustainability.
- European aviation today accounts for 26% of the world market; contributes 110 BEUR to the EU GDP each year and directly employs 2 million Europeans. So in one sentence – it is essential to raise aviation up on the political agenda. After 6 months we could reservedly say that to an extent it has already worked – we are talking now much more about the challenges ahead and also pointing out the direction towards potential solutions. But it will not be an easy road. Or not an easy flight as you might prefer me to pronounce it here☺!

- Before outlining the proposals of the Aviation Strategy, let me begin with a general remark. When talking about aviation strategy, expectations are generally very high. So, when reviewing the EU's proposed Aviation Strategy, I sometimes hear mutterings along the lines of "too little too late". I am personally inclined to believe our Aviation Strategy could actually be "too much, too early".
- In Europe we have witnessed the phenomenal growth of low cost carriers that have by now established themselves as market leaders (ca 50% of passenger traffic in Europe) & trendsetters, and that are, by and large, reporting good solid profit margins. European legacy carriers are rapidly adapting to the new challenge, and essentially all airlines expect fundamental structural changes in their market. We will be seeing much more constructive cooperation between low-cost and legacy carriers in Europe in the future, but they also remain fierce competitors at the same time. This is good development and also well embedded in the creation of the new European aviation association – A4E (I wonder where they got that name from ☺).
- We still have 126 airlines in Europe and no doubt consolidation will have to continue in order to better serve European citizens and businesses! The airports likewise see the change, and also growth even if that growth is likewise shifting from the more mature Western European markets to Eastern Europe, where the propensity to travel is still much lower than in the west, and from there, international connectivity is shifting to mega hubs outside of Europe. In fact all players in the value chain are now telling me that they see themselves in a "new era".
- We have many challenges to address in Europe's aviation – continued fragmentation of the airspace, looming capacity constraints, lack of market access to the growth markets, new competitors with new business models, the social dimension of air transport, the absence of a truly global framework for international aviation and demographic changes that will determine the traffic streams and markets of tomorrow – just to mention a few that led us to define the Aviation Strategy for Europe.
- There are three key pillars the Strategy is built upon.
- Firstly, an overarching element in designing our Aviation Strategy has been taking a holistic approach to aviation – meaning that we need to see all the key players of the aviation value network as equal partners generating profits and success that is very much cross-fertilised. This means that we need to treat airlines, airports, ANSPs/ATM but also aircraft manufacturers, the aerospace industry and various other service providers as equal partners in this value network.
- This equally applies to the regulatory framework in safety, security but also competition issues – it is our, European interest (as it is the US's interest) to promote this at home and outside the home markets.
- Secondly, we have a lot of work to do in order continue to develop, improve and deepen our internal European aviation market, deliver on Single European Sky and the

capacity crunch. We need to maintain & develop our high standards and regulatory framework, fostering at the same time technological and commercial innovation! In this context the high level of safety and adherence to the highest safety standards is a must and most fundamental cornerstone. For that we are also currently adapting the EASA basic regulation to challenges of today, including those coming from drones etc.

- For us in Europe nevertheless a major challenge remains to deliver on the Single European Sky. We have been talking about it for too long and meanwhile every flight in Europe (ca 27000 a day) is ca 47 km longer than needed, using more fuel and emitting more CO₂ and with the potential of bringing savings of 5 BEUR a year. However, with 28 MS things sometimes do not move as fast as needed. To put it mildly...But on that one, we just need to deliver! The economic cost of doing nothing would be between 400.000 and more than 800.000 jobs foregone and annual GDP loss up to 53BEUR across the EU by 2035.
- We also face a serious capacity crunch that the Aviation Strategy is touching upon. In 2035, without any significant progress and change around 15% of European flights will be unaccommodated in terms of lack of capacity. Capacity on the ground and in the air is becoming a potentially significant problem for Europe if nothing is done immediately. The fact that it is still far away makes it only worse. Decisions need to be taken now and only then will we be able to prepare for the future and serve our aviation industry. Infrastructure investments are absolutely essential and continue to be a big challenge for European aviation – new airports; new runways are not easy to get agreement on.
- Thirdly, we need a clear and offensive European external aviation policy. The cornerstone of this approach would be the mandates to negotiate comprehensive air transport agreements with key partners around the world. We need to help create the appropriate conditions for our entire aviation value network, in order to facilitate investments and develop operations in those global markets where the most significant growth is going to be generated in the years and decades to come. Half of the top 20 traffic flows will have a link to Asia Pacific; EU-China travel flows will grow by 300%; EU-Middle East will grow by 240%; EU-South America will grow by 220% from 2014 until 2034.
- Having that in mind I wish to underline to all of you that, the essential bedrock of our external relations will remain the EU-US relationship, being of strategic importance for our industries and economics.
- We are currently also revisiting the so-called “868 regulation” on unfair business practices. I want to completely rebrand this into a usable and useful instrument that can be used in order to address any founded concerns. EU carriers have never used the existing “868 regulation” to actually file any complaint. We do not need empty shells for just for just having them, we need workable solutions.

- At the same time let me emphasize that the so-called level playing field is, in my opinion not a purely bilateral, but also a multilateral playing field. With global inter-regional connectivity this is the “new era” for our carriers and airports and some of them are monitoring it similarly with growing concern. The challenge facing regulators in the EU as well as here in the USA is to take those concerns seriously without re-regulating the airline business and to have appropriate tools to address these concerns effectively, proportionally and taking into account the wider interest of the aviation value network and the travelling public.
- Our strategy should ideally provide the framework for growth, based on openness and common rules. But we equally need to promote our regulatory framework and our innovative solutions. And our aeronautical products.
- We certainly have no intention - nor capacity - to single-handedly or unilaterally resolve an issue that drives the dynamics of global aviation. So I am very pleased that just last Tuesday EU Transport Ministers granted the European Commission the first batch of mandates to negotiate Comprehensive Air Service Agreements, including the issues of market access and fair competition as elements of a larger package with our key partners – ASEAN, Gulf (to start with Qatar and UAE) and Turkey ! We believe – and I very much so – that the best way to forge partnerships of the future is by creating a predictable legal framework for our mutual/bilateral aviation relations (taking into account today's market realities) with dispute settlement provisions and with the aim of opening up and creating more market opportunities for all players of the aviation value network.
- I equally believe that this set of new agreements with important regulatory elements will ultimately, in our view, become a template for new international standards defining not only how to access markets, but how to establish and maintain competitive pressure in those markets.
- New players have entered European markets. Some of them through equity partnerships and they have serious intentions within our market including long term participation in mind. They have brought fresh capital and new ideas. And they will not go away, even if some would wish that to happen! And I am happy they would not! As they have already forced some EU airlines to accept change. And the change is definitely positive – and needed! Today all main European airlines are reporting profits and have gone through significant structural changes, improving their domestic and international competitiveness.
- So, the best way is to try to create a win-win framework. Yes, easier said than done but we owe it to our aviation community and travelling public that we do our utmost to strive for that and to achieve it.
- And here in the USA? No economy has rebounded so forcefully, no domestic aviation market has consolidated so thoroughly as the US airline sector. This is the incarnation of competitive health! Surely this means that the US airline sector will be looking for

opportunities outside of its domestic market, and talking to its regulators about ways and means of securing such growth.

- But I must say that I am slightly surprised and perplexed when I hear and read comments from key industry representatives here in the United States calling for a restrictive policy to protect US interests – in a nation which has undergone a fundamental consolidation leaving 4 airlines to control 85% of the US domestic market. What are these so powerful and demonstrably competitive carriers concerned about?
- That was a rhetorical question. I am familiar with studies, in fact several studies, which have been commissioned from the parties representing all sides of the argument on... the level playing field, or lack thereof, or fair competition as some prefer advocating.
- Ladies and Gentlemen, I believe that 2016 indeed does mark the beginning of a new era in which we will strive to negotiate parameters of a new regulatory framework for global aviation competition. In such a global context of emerging countries, economies and aviation markets, the issue is not how to protect established market shares in established bilateral markets, but how to identify and participate fairly in the growth of new third country markets and to break down barriers that are no longer justified in today's global aviation market.
- Having a global picture in mind, I believe that we will need to take a fresh look at ownership and control provisions, consumer protection issues, labour protection principles, competition policy alignment and environmental issues as well as gradually establishing the makings of a multilateral framework which will prove to be sufficiently robust to enable sustainable growth of jobs and employment in this sector. When I say “we”, I mean us here today! Together! This would allow us, in close partnership, to be in the lead globally for the decades to come.
- As to more short-term challenges, there is one issue on which we need to work very closely together and demonstrate continuous global leadership – namely the upcoming ICAO Assembly and the need to reach an agreement on Global Market Based Mechanism for aviation emissions. We owe it to the environment but we also owe it to the aviation industry. Here, I would like to pay tribute to IATA who managed to agree on a forward-looking resolution on GMBMs during its AGM less than 2 weeks ago.
- We want the same thing - a mandatory scheme with a high level of environmental integrity. And failure at the ICAO Assembly is simply not an option and it would create uncertainties for all. I do not think I need to convince anyone here how important predictability and clarity is for businesses and how important this agreement would be for the whole world and our planet more generally! Aviation understands what it needs to deliver and there is no time to waste. The EU and the US together need to show leadership and only then would we be able to get all the key players behind this very important agreement.

- Dear friends, I am optimistic about a good outcome of the ICAO Assembly and I feel much more consensus emerging among ICAO member states. However, we are still far from celebrations and a lot of hard and intense work over the summer is needed. I am equally encouraged by the fact that President of ICAO Council has taken a strong leading role and is driving the process forward. But he needs our joint support and help to deliver.
- As to our bilateral cooperation, let me say that I am very pleased to observe good cooperation between FAA and EC/ EASA – I was very happy to meet Michael Huerta in Brussels just 2 week ago. Our framework and BASA in the area of aviation safety has worked very well. I am pleased that this important pillar of our relations is helping to pursue global leadership in aviation safety and in tackling new challenges – such as drones just to name one.
- Safety always comes first in aviation and we have to continue to be the global leaders and engines of constantly enhancing the safety framework. Europe needs to continue to closely work together with the FAA to maximise efficiencies in the certification processes. This is very important and the aim must be to go as far as possible – full mutual recognition is a nice dream to have. But it is also a realistic ambition that would be much appreciated by our respective industries.
- An important topic that I feel strongly about is the cooperation on air traffic management issues. We are soon going to extend our cooperation between FAA- EC/ SESAR through a Memorandum of Cooperation that would further deepen our relationship.
- The SESAR programme in Europe and NextGen in the US are very similar in their aims for technological solutions and they are the leading solutions in ATM in the world. In Europe it has been the most successful PPP in the transport/aviation sector ever. We are now moving from the development phase to the deployment phase and 2016 is a crucial year! Between now and 2020 SESAR solutions will already generate 300.000 new jobs, high quality jobs, across Europe and achieve more efficient use of our airspace at the same time. By 2035, it is expected that the SESAR will enable a reduction of ATM costs per flight by ~50%, representing a reduction of €3 billion per year compared to 2012. SESAR solutions could allow accommodating over 700,000 more flights a year (2,000 flights/day) in congested airports.
- I, in my capacity as the Chairman of SESAR Administrative Board, will do my utmost to make it a success. We need to roll out new solutions for the benefit of our airspace users and also to show the significant savings and efficiency gains that can be achieved through innovation of the ATM sector.
- Let me also say a couple of words about the security challenges that the globe is facing today. We have seen unprecedented attacks against aviation in the last months.

One touched me and the fellow Europeans very closely – the horrific terrorist attacks in Brussels Airport. My thoughts remain to the victims and their families.

- In this context, I want to stress how much I admire the determination and dedication of Brussels Airport's CEO, Arnaud Feist, to be fully operational again and of Brussels Airlines. I was amazed and I continue to be so by the major efforts they undertook in such a short time.
- Let me remind you that the attacks did not breach any of our aviation security protocols. This is a much bigger problem than what aviation or transport is about – it is about internal security. The fight against terrorism is a global fight where all likeminded countries need to work closely together with determination. This means more intelligence sharing, and cooperation between different nations.
- It is also clear that the response to such attacks in terms of existing security measures needs to be proportionate. That is also what we have strived for in the EU. Of course there are always attempts to significantly increase existing measures but it needs to be analysed if it really raises the security level or is it just an optical illusion.
- As to the cooperation with the US, I am very encouraged by the excellent cooperation I have with TSA and I will meet Peter Neffenger, whom I respect a lot, tomorrow. Again EU-US cooperation on these issues is essential. Our aviation security regimes are very robust and rank amongst the best in the world and we should not question that from each other. We have all the mechanisms to verify it and to make sure that we both implement the highest level of aviation security! We need to trust each other more and the integrity and efficiency of our respective systems.
- Having that in mind, we need to move much faster towards full mutual recognition and also towards deployment of new technological solutions. For example the stream of temporary authorisations of the EU's robust cargo security regime is not projecting predictability and confidence. I think we owe it to our operators to have a long-term solution in place and I and my team are ready to work tirelessly towards that solution.
- I am very impressed by the Trusted Traveller programme, TSA PreCheck as an excellent example of how to find solutions that help to manage the increasing passenger flow more effectively.
- I would also be keen seeing that more airports in Europe take up the U.S Customs and Border Protection (CBP) preclearance possibility for flights to the US! It has been most successful e.g. in Ireland and has helped to make Dublin Airport one of the 4 largest airports in Europe for Trans-Atlantic traffic.
- Preclearance offers an opportunity to advance EU-U.S. cooperation on mutual recognition of security standards. Our respective aviation security systems deliver a commensurate high level of security, so please, let's see an end to duplicate checks at

EU airports on flights destined for the U.S. and use preclearance as a tool for advancing that work.

- Let me finally stress that mutual work on cyber security and conflict zones is equally very important. These are new threats for aviation and it is particularly significant to stay ahead of the curve here. Our joint paper on cyber security for the ICAO Assembly is an important display of this cooperation and mutually shared vision of the growing threats in this area.
- Building mutual trust and confidence in that respect is extremely important and that is what best partners should always strive for. We need to see the glass half-full not half-empty and instead of finding reasons for not to make progress we should turn it around and find ways to get solutions and good decisions even in the most sensitive areas.
- We are becoming ever more intertwined through globalisation and when we e.g. speak about the healthy competition in aircraft manufacturing and aerospace industry more generally, then it is important to observe that even though Boeing is perceived as American and Airbus as European about closer to half of Boeing parts has a European origin, and vice versa for Airbus. This is a great display of how important our cooperation is and why we need to strive for even deeper cooperation in all aspects of aviation and in all aspects of global aviation policies! We already have a wealth of experience in dealing with new challenges ranging from safety to security and covering the interoperability of ATC technology as well as the more basic issues of certification of market entrants – so many aspects of aviation policy!
- Finally, allow me to say a couple of words of thanks to A4A! I have always very much treasured the open and frank exchange that I have had with you over the many years (including the years when I was not directly involved in transport and aviation matters). Your professionalism and openness is highly appreciated and I can say that US carriers are very well represented through you outside the US and in Europe in particular. Thank you for that cooperation and I hope you could be the guiding the best practice for our newly established A4E and not only in name but also in substance.
- Against this background, I invite you all to engage in an open-minded discussion to develop constructive solutions to the challenges facing international aviation today. And let's not lose sight of the opportunities that a genuine Trans-Atlantic Open Aviation Area could bring all of us; let's keep that dream alive together and in close partnership.
- Thank you very much for your attention and for giving me the opportunity to address you here today!
