



FRIDAY, 10 OCTOBER 2008

ELFAA calls on the Polish Parliament to enable continued development of regional airports

Warsaw – 10 October 2008. The European Low Fares Airline Association (ELFAA) attended a hearing of the Air Transport Committee in the Polish Parliament on Thursday, 9 October 2008, to discuss costs and charges at the Polish Air Navigation Services Agency (PANSAs). The hearing was also attended by the representatives of regional airports and other interested parties, concerned at last year's increase by **960%** of terminal navigation charges at smaller regional airports, and PANSAs's massive cost base increases planned for 2009.

Commenting on the hearing of 9 October, John Hanlon, Secretary General of ELFAA said:

"The Polish air transport market, before entry into the EU in 2004, was only **7 million** passengers per annum. In 2008 it is expected to exceed the **20 million** passengers mark, and the vast majority of this growth has been delivered by low fares airlines at Poland's regional airports. Between 2005 and 2007 low fares airlines grew traffic in Poland by **166%**, compared to just **21%** for other airlines.

However, further development of regional airports has been put at risk by PANSAs's increase in January 2008 of terminal navigation charges in Szczecin, Bydgoszcz, Poznań, Wrocław, Łódź and Rzeszów by **960%**, and in Gdańsk, Kraków and Katowice by **388%**. While a small part of this increase was offset by a nominal reduction of en-route charges, the net result for ELFAA members operating to Poland is an increase in the cost of air navigation services (en-route and terminal navigation combined) in the region of **€8 million** per annum! This is clearly bad news for the Polish regions, given that airlines, faced with the greatest crisis in the history of aviation, are increasingly seeking cost savings and are inevitably driven to consider the transfer of capacity to more economic routes with lower costs.

On top of the above increase, PANSAs is now proposing to increase their staff costs from **PLN371 million** planned for 2008 to **PLN463 million** in 2009. PANSAs's total cost base for 2009, expressed in EURO, is proposed to increase by **34-41%** (**14-21%** in PLN), leading to further significant increases in charges expressed in EURO, and a nominal reduction of **1%** of terminal navigation charges expressed in PLN at regional airports.

This matter being of grave concern to ELFAA members, I am most grateful to the Members of the Polish Parliament for their interest in the issue of PANSAs's abusive charging policy and its impact on the Polish regional airports. On behalf of its members, who already account for **50%** of passenger traffic in Poland, ELFAA called on the Parliament yesterday to require PANSAs to reflect in its pricing policy national transport needs, including those stemming from the challenges of EURO 2012 football championships to be held in Poland. ELFAA also repeated its call for the introduction of a single charging zone for terminal navigation services and a unified terminal navigation charge for all Polish airports, which would lead to an immediate reduction of charges at regional airports."



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NOTES TO THE EDITOR:

ELFAA airline members include: clickair, easyJet, flybe, Jet2.com, Myair.com, Norwegian, Ryanair, Sky Europe, Sterling, Sverige Flyg, transavia.com and Wizz Air.

ELFAA airline members will carry over 150 million passengers in 2008, using a combined fleet of some 500 of the most technologically-advanced, environmentally-efficient aircraft.

Low fares airlines currently account for over 35% of scheduled intra-European traffic and over 50% of traffic in Poland.

For further information, please contact:

Piotr Rabiej
ELFAA PR consultant Poland
T. +48 (722) 946 600
E. piotr@rabiej.org

ELFAA Press Office
Worldcom Europe Brussels
Hans Karperien
T. +32 (0) 2280 6061
M. +32 (0) 497 077 538
E. Hans@web-pr.be

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