ELFAA welcomes the European Commission’s Better Regulation initiatives to improve competitiveness of the EU economy

Brussels – September 29 2005. The European Low Fares Airline Association (ELFAA) welcomed the European Commission’s announcement that it will withdraw 68, or one third, of the screened legislative proposals currently pending before the European Parliament and the Council. President José Manuel Barroso and Vice-President Günter Verheugen also declared that the Commission will now look at laws that are already in force so that it can make them simpler and more effective. Finally, the Commission promised that all legislative proposals will be subject to proper economic impact assessments. This is something that ELFAA has been pushing for since its inception.

This long awaited development is a major step towards simplifying the regulatory environment in the European Union, which is essential for smooth functioning of the European economy and for the realisation of the Commission’s Partnership for Growth and Jobs. Air transport is the area where over-regulation on the EU level has been particularly evident over the last few years. Examples of unnecessary and sometimes damaging regulation include: Regulation 261/2004 on passenger compensation; guidelines on the financing of airports and start-up aid to airlines departing from regional airports; proposed regulation on the rights of persons with reduced mobility when travelling by air; and proposed regulation amending Council Regulation No 3922/91 on the harmonisation of technical rules and administrative procedures in the field of civil aviation.

Welcoming the Commission’s initiative, ELFAA Secretary General, Jan Skeels, said:

“ELFAA has been persistently calling on the European Commission, and specifically on the Directorate General for Transport, to review pending legislative proposals and recently adopted legislation and to carry out proper economic impact assessments before proposing legislation. We therefore welcome the fact that the proposed regulation amending Council Regulation No 3922/91 on the harmonisation of technical rules and administrative procedures in the field of civil aviation, which would have forced all European airlines to cater to the lowest common denominator in terms of operational efficiency, is among the proposals European Commission decided to withdraw from the legislative process.

ELFAA strongly believes that following the declared review of the existing legislation the European Commission will propose necessary changes to Regulation 261/2004 on passenger compensation and to guidelines on the financing of airports and start-up aid to airlines departing from regional airports. These two examples of ill-advised regulation are detrimental to the competitiveness of European air transport and should therefore be amended so that they reflect the goals of the Partnership for Growth and Jobs.

Low fares airlines and regional airports are essential to the well-being of small and medium-sized enterprises in the European regions and they should therefore be freed from the burden of overregulation if they are to continue contributing to the growth of employment and tourism.”

NOTE TO THE EDITORS:

ELFAA Members include: Air Berlin, Flybe, Hapag-Lloyd Express, Norwegian, Ryanair, Sky Europe, Sterling, Sverige Flyg, Transavia and wizzair.

Low fares services currently account for almost 30% of scheduled intra-European traffic. ELFAA members will carry approximately 100 million passengers to over 400 destinations in 2005.

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