

SASIG MEETING DATES	2
2009 Meeting Dates	2
PARLIAMENTARY NEWS	2
Transport Select Committee - Inquiry into the use of airspace	2
Competition Commission publishes final decisions in BAA market inquiry	3
Early Day Motion (EDM) 1180 - Flybe's Passenger Service (No. 2)	3
GOVERNMENT NEWS	3
New Chair of the Civil Aviation Authority (CAA) appointed	3
Airport Noise Action Planning guidance published	4
HOUSE OF COMMONS QUESTIONS	4
Villiers, T - Summaries of responses to the Heathrow Airport consultation	4
Villiers, T - Withdrawal of responses to Heathrow consultation from public scrutiny	5
Villiers, T - 'Adding Capacity at Heathrow Airport' costs	5
Greening, J - Risks entered in Project Heathrow simulations	5
Greening, J - Risk register in use in relation to Heathrow Airport projects	5
Villiers, T - Heathrow consultation - Datasets on noise and air pollution	6
Greening, J - Objectives in Aviation Directorate business plans for 2006-2009	6
Greening, J - Advice to Ministers regarding the air quality modelling results	6
McIntosh, A - Infrastructure changes need to accommodate high speed train tracks	6
Villiers, T - Old Oak Common Site - Possible Heathrow Hub?	7
Ancram, M - Required runway capacity to remove the need for stacks in the South East	7
May, T - Responses to 'Adding Capacity at Heathrow Airport' consultation	8
HOUSE OF LORDS QUESTIONS	8
Clinton-Davis - Take-over of BMI by Lufthansa	8
Clinton-Davis - Consultation on the use of take-off and landing slots	8
SCOTTISH EXECUTIVE QUESTIONS	9
Motion 3759 - Support for Scottish Airports	9
EUROPEAN NEWS	9
European Parliament - Approve the second legislative package for the Single European Sky	9
European Union - 'Open skies' deal with Canada	9
REGIONAL NEWS	9
Birmingham Airport - New India route	9
Manchester Airport - Launch carbon offset scheme	10
Manchester Airport - EasyJet bring forward expansion	10
Luton Airport - New EL AL flights	10
East Midlands Airport - Ryanair routes	10
Leeds Bradford Airport - expansion proposals	10
INDUSTRY NEWS	11
NATS - 'NATS and the Environment 2009'	11
Dutch Government - Air Passenger Tax	11
MEDIA NEWS	11
Sale of BAA Airports	11
Channel tunnel - Competing high-speed train services	11
TRAFFIC STATISTICS	12
IATA traffic statistics (Feb. 2009) - downturn continues	12
AEA traffic and capacity data (Jan. and Feb. 2009)- downturn continues	12
ACI reports 2008 airport traffic figures - all sectors decline	13
Civil Aviation Authority (CAA) traffic statistics(Jan. 2009)	13
FORTHCOMING EVENTS	14
'Aerospace 2009: Facing up to the Future', 21-23 April	14
'The ENDS Report's 5th Annual Corporate Carbon Reduction Conference', 22 April	15

'High Speed Networks', 23 April.....	15
'Airport Cities World Conference & Exhibition', 27-29 April.....	15
'Noise Action Week' 18-22 May	15
'Railway Improvement 09', 21 May	15
'European Conference for Aviation Campaigners', 30 & 31 May.....	16
'The Future of Rail', 24 & 25 June.....	16
'Euronoise 2009', 26-28 October	16
ANNEX A	17
Transport Select Committee - Inquiry into the use of airspace	17

SASIG MEETING DATES

2009 Meeting Dates

These are the meeting dates for 2009:

SASIG meetings: 3 July, 6 November.

CAG (Chairman's Advisory Group) meetings: 12 June, 16 October.

PARLIAMENTARY NEWS

Transport Select Committee - Inquiry into the use of airspace

As part of the Transport Select Committee's (TSC) inquiry into the use of airspace, evidence has been heard from the UK airspace management company, NATS; Eurocontrol personnel involved with the Single European Skies Air Traffic Management Research (SESAR) programme; and European Commission personnel.

The European Commission considered that ATM fragmentation resulted in up to €2bn additional costs. An improved European ATM system could yield reductions in costs, delays, and CO₂. Eurocontrol made reference to the new technology being developed to reduce the flight inefficiencies resulting from ATM.

It was explained that the £30bn SESAR programme allowed for research resources to be pooled. The aim was to develop a more efficient European airspace system that provided interoperability with the systems in other countries, in particular the US.

Eurocontrol explained that the emphasis had shifted from demanding more capacity to flight profiles that enhanced the efficiency of the system. However, NATS consider the SES work will provide lower costs for increased capacity.

Eurocontrol are expected to provide network design for the developing Single European Sky, however, this would not overrule national regulators, with network managers expected to not exercise political discretion and to support national decisions. The EC explained that a bottom-up approach was being employed, with countries working together to establish functional airspace blocks (FABs).

The modernisation undertaken by both CAA & NATS was recognised by the EC, with an expectation of continuing progress. Eurocontrol noted that UK agencies had assisted in the successes achieved at EU level.

The EC stressed that safety standards would in no way be compromised, with binding standards being introduced that would have to be implemented at national level.

NATS explained that the decision in support of a third runway at Heathrow had added some clarity to the complex issues around proposed additional runways in the south-east of England. Regarding a new airport in the south-east, NATS felt new infrastructure would make the system too complicated, confirmed that capacity at existing airports would have to be reduced if a new airport were developed, and therefore felt it would be better to expand the existing infrastructure. No specific proposals for a new airport have been put before NATS, so no detailed modelling has been undertaken.

NATS stated that the declared capacity at some airports was regularly exceeded by the number of arriving flights, resulting in queuing. They consider that the increased capacity a third runway at Heathrow would provide should first be used to reduce queues. From the feasibility work for a third Heathrow runway, NATS had not identified any reason to argue against it.

Further information from the TSC's inquiry into the use of airspace is at Annex A (page 17).

Competition Commission publishes final decisions in BAA market inquiry

The Competition Commission (CC) will require BAA to sell Gatwick and Stansted to different purchasers, as well as either Edinburgh or Glasgow. All 3 airports must be sold within 2 years and are to be sold in sequence, beginning with Gatwick, then Stansted, followed by either Edinburgh or Glasgow. If the sales are not completed before the deadline, the CC reserves the right, in each case, to appoint an independent trustee to carry out the sales, the purchaser must also be approved by the CC. At Aberdeen Airport BAA will have to improve consultation with airlines as well as publish certain financial and other information.

SASIG Bulletin Editor: Additional item regarding BAA airports entitled 'Sale of BAA Airports' (page 11).

Early Day Motion (EDM) 1180 - Flybe's Passenger Service (No. 2)

Early Day Motion (EDM) 868 was put down on 24 March 2009 by Hugo Swire (East Devon) (Con): That this House welcomes the continuing commitment to Exeter International Airport of Flybe and recognises that company's commitment to the economy of the South West. This EDM has been signed by 4 MPs.

GOVERNMENT NEWS

New Chair of the Civil Aviation Authority (CAA) appointed

Geoff Hoon, Transport Secretary, has appointed Dame Deirdre Hutton CBE as Chair of the Civil Aviation Authority (CAA). She will take up the position in August 2009 when the term of office of the present Chairman, Sir Roy McNulty, comes to an end. She will sit on the Board of the Authority during the intervening period. Dame Deirdre will serve as Non-Executive Chair, working approximately two days per week at the CAA. Her key tasks will include guiding the CAA through a period of change following the 2008 strategic review of the Authority and prospective changes to the economic regulation of airports, which are the subject of a current Government consultation. Her appointment is for five years and will initially be at a salary of £130,000 per year.

Airport Noise Action Planning guidance published

The Department for Environment, Food and Rural Affairs (Defra) has published Noise Action Plan (NAP) guidance for airport operators, following public consultation in September 2008. This guidance is required by the Environmental Noise Directive (END; 2002/49/EC), and was expected last July.

The Directive requires that NAPs be produced for those airports that were required to produce noise maps. Those airports are: Birmingham, Blackpool Squire's Gate, Bournemouth, Bristol Lulsgate, Coventry, Leeds Bradford, Liverpool John Lennon, London City, London Gatwick, London Heathrow, London Luton, London Stansted, Manchester, Newcastle, East Midlands, Shoreham, Southampton, and Southend.

The guidance covers the requirements for NAPs; the determination of actions to be implemented; and the process including public consultation, adoption and publication. A NAP must contain any noise reduction measures already in force and any projects in preparation, actions that the airport operator intends to take in the next five years, measures to preserve quiet areas, and the long-term strategy.

The guidance document is available at: <http://www.defra.gov.uk/environment/noise/pdf/airport-operators.pdf>

SASIG Comment: The value of NAPs has been undermined by the Secretary of State having determined that airport operators are the competent authority in this regard. This provides for the airport operator to make decisions such as whether or not a current noise impact is acceptable. The 2003 Air Transport White Paper (ATWP) and Planning Policy Guidance Note no. 24 (PPG 24) are the pieces of current legislation that will guide such decisions. Neither of these pieces of legislation reflect the reality of the noise impacts from aviation on communities around airports.

There is also no requirement for any action to be taken – NAPs should more accurately be titled 'Aviation Noise Inventories'.

HOUSE OF COMMONS QUESTIONS

Villiers, T - Summaries of responses to the Heathrow Airport consultation

Theresa Villiers (Conservative Transport Secretary): To ask the Secretary of State for Transport whether his Department collated any summaries of the responses to the consultation document, 'Adding Capacity at Heathrow Airport' in addition to the work carried out by Ipsos MORI/Detica.

Jim Fitzpatrick (Aviation Minister): In addition to the response analysis undertaken by Detica, the Department for Transport carried out some supplementary analysis of the responses from stakeholders listed in Appendix D2 to the Detica report. This was subject to scrutiny by the independent peer reviewer whose report is available on the Department's website at: - <http://www.dft.gov.uk/pgr/aviation/heathrowconsultations/heathrowdecision/>

Villiers, T - Withdrawal of responses to Heathrow consultation from public scrutiny

Theresa Villiers (Conservative Transport Secretary): To ask the Secretary of State for Transport for what reasons he plans to withdraw from public scrutiny responses to the 'Adding Capacity at Heathrow' consultation on 10 April 2009.

Jim Fitzpatrick (Aviation Minister): The Department for Transport has no plans to withdraw from public scrutiny the responses to the 'Adding Capacity at Heathrow' consultation. The complete set of nearly 70,000 responses has been made available for inspection in the Department until 10 April and we consider this to be a reasonable period to provide this facility. After 10 April, the Department will allow interested parties to view named responses on request.

Villiers, T - 'Adding Capacity at Heathrow Airport' costs

Theresa Villiers (Conservative Transport Secretary): To ask the Secretary of State for Transport how much his Department spent (a) on external consultants and (b) in total on the 'Adding Capacity at Heathrow Airport' consultation.

Jim Fitzpatrick (Aviation Minister): The Department paid external consultants £1,155,536.43 for their input to the 'Adding Capacity at Heathrow Airport' consultation and the related Equalities Impact Assessment consultation. The overall cost of both consultations (not including staff costs) was £3,119,921.44.

Greening, J - Risks entered in Project Heathrow simulations

Justine Greening (Conservative Communities and Local Government Minister): To ask the Secretary of State for Transport what risks were entered in each version of the Project Heathrow project delivery and risk report in relation to the nature of the responses and outcomes of the 'Adding Capacity at Heathrow Airport' public consultation; and if he will make a statement.

Jim Fitzpatrick (Aviation Minister): Two such risks were noted: during 2007, the risk that the volume of consultation responses might impact on the timetable for eventual decisions; and in the period April to August 2008, the risk that ministerial decisions might be hampered by lack of clarity in the consultation analysis report on the consultation questions.

Greening, J - Risk register in use in relation to Heathrow Airport projects

Justine Greening (Conservative Communities and Local Government Minister): To ask the Secretary of State for Transport what risk registers (a) are in use and (b) have been in use in the last two years within his Department's Aviation Directorate in relation to projects regarding Heathrow Airport; and if he will make a statement.

Jim Fitzpatrick (Aviation Minister): The Department's Aviation Directorate makes regular use of risk registers to monitor strategic projects, as well as non-strategic projects and business as usual activities relating to regulatory issues, airport capacity and operations, aviation and the environment, and aviation safety' [*sic*]. In line with this, risks relating to Heathrow Airport were reported to the Heathrow Project Board until October 2007 and to the Aviation Programme Board thereafter.

Villiers, T - Heathrow consultation - Datasets on noise and air pollution

Theresa Villiers (Conservative Transport Secretary): To ask the Secretary of State for Transport what datasets on (a) noise and (b) air pollution his Department has drawn upon to support its work on the 'Adding Capacity at Heathrow' consultation.

Jim Fitzpatrick (Aviation Minister): As explained in annex C to the November 2007 consultation document, the Heathrow work was underpinned by forecasts of air passengers up to 2030 by BAA, benchmarked against the Department's own air traffic and fleet forecasts to quality assure them. The supporting technical reports explained how these forecasts translate into noise impacts and emissions. Road traffic modelling drew on a variety of data sources including the Highways Agency and Transport for London, as described in the technical report on surface access. All these reports are still available on the Department's website at: -

<http://www.dft.gov.uk/consultations/archive/2008/heathrowconsultation/technicalreports/>

Greening, J - Objectives in Aviation Directorate business plans for 2006-2009

Justine Greening (Conservative Communities and Local Government Minister): To ask the Secretary of State for Transport what objectives and sub-objectives were contained in his Department's Aviation Directorate's business plan in (a) 2006-07, (b) 2007-08 and (c) 2008-09; and which of these were contained in Project Heathrow project delivery and risk reports in each such year.

Jim Fitzpatrick (Aviation Minister): The Aviation Directorate's business plan for each of the years 2006-07, 2007-08 and 2008-09 included objectives relating to the delivery of 'The Future of Air Transport' White Paper. Heathrow Project delivery and risk reports refer to those objectives. The Department's business plans are available on its website.

Greening, J - Advice to Ministers regarding the air quality modelling results

Justine Greening (Conservative Communities and Local Government Minister): To ask the Secretary of State for Transport pursuant to the answer of 17 March 2009 what the position was which was confirmed by advice to Ministers in September 2007 and subsequently agreed to for the purposes of the 'Adding Capacity at Heathrow Airport' public consultation; and if he will make a statement.

Jim Fitzpatrick (Aviation Minister): The hon. Member's previous questions related to air quality modelling results. The advice to Ministers in September 2007 confirmed the conclusions of the environmental assessment programme on the ability to meet noise and air quality limits if Heathrow was expanded. These conclusions were subsequently set out in the 'Adding Capacity at Heathrow Airport' consultation document published in November 2007.

McIntosh, A - Infrastructure changes need to accommodate high speed train tracks

Anne McIntosh (Conservative Environment, Food and Rural Affairs Minister): To ask the Secretary of State for Transport what changes to transport infrastructure will be required to accommodate the new high speed railway tracks by 2013.

Paul Clark (Transport Minister): 'Britain's Transport Infrastructure: High Speed Two', published on 15 January and available on the Department for Transport's website and the Libraries of the House, sets out what we expect 'High Speed Two' to deliver.

The remit of the company is to consider and to provide advice to the Government on the costs and benefits of:

- (a) A proposed route between London and the west Midlands with any options as appropriate;
- (b) Options for a 'Heathrow International' interchange station on the Great Western main line with an interchange also with Crossrail;
- (c) Options for access to central London and the other cities served;
- (d) Options for linking with HS1 and the existing rail network, including the potential for services to continental Europe;
- (e) Financing and construction proposals.

In response to a letter dated 13 February from Sir David Rowlands, Chairman of High Speed Two, my noble Friend the Minister responsible for rail wrote to the company on 10 March setting out in more detail what the Government expect by the end of the year. Both letters have been placed in the Libraries of the House.

Villiers, T - Old Oak Common Site - Possible Heathrow Hub?

Theresa Villiers (Conservative Transport Secretary): To ask the Secretary of State for Transport pursuant to the oral statement of 15 January 2009 on transport infrastructure, whether the Network Rail site at Old Oak Common is among those locations being considered for the proposed Heathrow rail hub.

Paul Clark (Transport Minister): 'Britain's Transport Infrastructure: High Speed Two', published on 15 January and available on the Department for Transport's website and the Libraries of the House, sets out what we expect 'High Speed Two' to deliver. The remit of the company is, inter alia, to consider and provide advice to the Government by the end of 2009 on options for a 'Heathrow International' interchange station on the Great Western main line including an interchange with Crossrail.

Ancram, M - Required runway capacity to remove the need for stacks in the South East

Michael Ancram (Devizes) (Con): To ask the Secretary of State for Transport if he will make an estimate of the airport runway capacity required in the South of England to remove the need for aircraft to be held in stacks.

Jim Fitzpatrick (Aviation Minister): The Government recognise the negative impacts of stacking on operational efficiency and the environment. The 'Future of Air Transport' White Paper encourages making better use of existing airport capacity and supports the delivery of two new runways in the south-east. Implementing that policy should reduce the need for stacking. In particular, the Government's recent confirmation of its support for a third runway at Heathrow should help to reduce the need for stacking at that airport where lack of runway capacity is a significant contributory factor. However, runway capacity is not the only relevant factor, and that is why the UK also strongly supports optimising the use of airspace, including through implementation of the Single European Sky.

May, T - Responses to 'Adding Capacity at Heathrow Airport' consultation

Theresa May (Maidenhead) (Con): To ask the Secretary of State for Transport pursuant to the answer to the hon. Member for Putney (Justine Greening) of 4 March 2009 on Heathrow airport, how many individual pieces of correspondence intended for the 'Adding Capacity at Heathrow Airport' consultation were received from members of the public resident in Maidenhead constituency.

Jim Fitzpatrick (Aviation Minister): The information is not available in the format requested. The 'Adding Capacity at Heathrow Airport: Report on Consultation Responses' provides a breakdown of responses from members of the public only in terms of London residents inside or outside the 57dBA noise contour and UK residents outside London.

HOUSE OF LORDS QUESTIONS

Clinton-Davis - Take-over of BMI by Lufthansa

Lord Clinton-Davis (Lab) asked Her Majesty's Government whether they have been consulted about the proposed take-over of BMI by Lufthansa.

Lord Adonis (Transport Minister): The Department for Transport is aware of the proposed acquisition and has been informed about the discussions. I understand that the airlines have also consulted the Civil Aviation Authority about how to ensure that various legal requirements could be met.

Clinton-Davis - Consultation on the use of take-off and landing slots

Lord Clinton-Davis (Lab) asked Her Majesty's Government what consultations they have had about the use of current take-off and landing slots at United Kingdom airports in general, and Heathrow in particular.

Lord Adonis (Transport Minister): The allocation of take-off and landing slots at UK airports is governed by European Union regulations. The Department for Transport (DfT) has consulted previously on issues about the implementation of the regulations in the UK, including in 2005 on sanctions against airlines that misuse slots.

The department currently has one live consultation on airport slot issues, concerning whether or not to designate London City Airport as co-ordinated under the EU regulations. The consultation document is available from the DfT website at www.dft.gov.uk/consultations/open/londoncityconsultation/.

Later this year, the department also intends to consult on the green slots principle for allocating slots created by new runway capacity at Heathrow Airport, as announced in the Secretary of State's Statement on Britain's transport infrastructure to the House of Commons on 15 January 2009.

SCOTTISH EXECUTIVE QUESTIONS

Motion 3759 - Support for Scottish Airports

The following motion was lodged in the Scottish Parliament by Maureen Watt (North East Scotland) (SNP) on 20 March 2009: That the Parliament notes with concern the announcements by BMI and Ryanair that they are to reduce the services from Aberdeen airport; recognises that air travel is vital to the economy of the north east and that economic growth in the region would be enhanced by better connections to tourist and business destinations; notes the announcement by Ryanair that higher Air Passenger Duty (APD) in the United Kingdom makes Aberdeen a less attractive option for expansion compared to other European cities, and considers that a lower APD at Scottish airports would promote economic growth. This Motion has been signed by 6 MSPs.

EUROPEAN NEWS

European Parliament - Approve the second legislative package for the Single European Sky

The European Parliament has approved the second legislative package for the Single European Sky (SES II). The package consists of two regulations aimed at improving the performance of the European aviation system in key areas (including safety, capacity, flight, cost efficiency and environmental sustainability) by co-ordinating and supervising Member States' air traffic control systems and implementing common rules and performance targets. The European Commission has welcomed this decision and they should formalise the final adoption of the legislative package very soon.

European Union - 'Open skies' deal with Canada

The European Union is set to sign an 'open skies' agreement with Canada, under which Canadian and European Union airlines would be able to fly freely between any EU airport and any Canadian airport. An official signing is expected in May at the EU-Canada Summit in Prague. It follows a similar deal between the EU and the United States last March. An existing patchwork of bilateral agreements between Canada and European states, which include restrictions on routes, prices and the number of weekly flights, will be replaced. The agreement would also ease restrictions on control and ownership of airlines. Investors would be able to set up and control airlines in each other's markets, and airlines would be able to fly freely within each others' markets and onwards from there to other regions.

REGIONAL NEWS

Birmingham Airport - New India route

New flights to northern India from Birmingham Airport are being launched, shortly after the withdrawal of Air India. Akal Air, a trading division of Air Sylhet, will be running twice-weekly flights to Amritsar, passing through Vienna. Air India dropped its direct Birmingham-Amritsar flight at the end of last year. It had been hoped the flights would return this summer, but the airline announced last week it would be focusing on its routes from Heathrow. A spokeswoman for Birmingham International Airport said it was still hopeful Air India would return later in the year, adding that its Birmingham-India route was more profitable than any of the London ones, but Air India had to drop the service to avoid losing slots at Heathrow.

Manchester Airport - Launch carbon offset scheme

Passengers flying from Manchester Airport are now able to offset their carbon emissions after a new scheme was launched on the airport's website (www.manchesterairport.co.uk/carbonoffset). Manchester Airports Group (MAG) has already committed itself to tackling the emissions generated by its operation and set a carbon neutral target for the energy used in its buildings, airfield and car parks and the fuel used in its vehicles.

Manchester Airport - EasyJet bring forward expansion

Easyjet has brought forward the launch of new routes to Corfu, Athens, Bastia and Dalaman from Manchester Airport. Flights will now run throughout the summer after the decision to move the start date to 21 May 2009 from August 2009. The expansion will see an additional aircraft based at Manchester Airport.

Luton Airport - New EL AL flights

EL AL is to switch its flights from Stansted Airport to Luton Airport. Its six flights a week service to Tel Aviv is scheduled to start from 3 May 2009 using a Boeing 767.

East Midlands Airport - Ryanair routes

Ryanair will launch two new routes from East Midlands Airport in July. Flights to Reus and Palma will operate three times a week. However, the budget airline will close its East Midlands to Paris (Beauvais) route from July to accommodate the new routes.

Leeds Bradford Airport - expansion proposals

Leeds Bradford Airport has submitted plans for a £28 million development of its passenger terminal, as part of a £70m package of improvements over the next five years (LINK). The airport operator has said that the expansion plans are within the airport's current boundaries and that they are not seeking a runway extension.

A website opposing the expansion plans has been set up by a local resident (www.airportmadness.co.uk). A major cause of opposition is the absence of measures to significantly improve the infrastructure serving the airport, as it is considered that 90% of passengers will arrive by car due to there being no rail link and the unreliability of bus services.

Pakistan International Airlines has announced that it will increase its non-stop service to Islamabad from Leeds Bradford Airport from two to three times a week from 30 March 2009. The decision to increase the frequency of the service, after only eight months of operation, was made due to the high demand from travellers in the Bradford and surrounding Yorkshire region.

INDUSTRY NEWS

NATS - 'NATS and the Environment 2009'

The air traffic management company NATS has released 'NATS and the Environment 2009', which looks at their plans to achieve a 10% CO₂ reduction per flight controlled by 2020. This includes a 10% CO₂ reduction across NATS' business.

For aircraft in flight, there are targets for each phase of flight. For instance, NATS state that reducing CO₂ during descent can contribute 4.75% of the total emissions saving. To achieve this NATS aim to enable aircraft to descend smoothly without using too much thrust, which burns fuel.

Improvements across NATS' business translate into targets for performance across the areas of people and operations, airspace, technology, innovation and partnership. For example the area of partnership will contribute 2% of the total emissions saving. This report is available at: [http://www.nats.co.uk/uploads/NATSEnvironmentPlan\(1\).pdf](http://www.nats.co.uk/uploads/NATSEnvironmentPlan(1).pdf)

Dutch Government - Air Passenger Tax

The Dutch Government has formally made the decision to abolish their Air Passenger Tax. The tax will cease to be in force from 1 July 2009.

MEDIA NEWS

Sale of BAA Airports

'Evening Times online' has reported that Manchester Airport Group is preparing to make a bid to buy Glasgow or Edinburgh Airport. Even though Edinburgh Airport is considered the airport with the greatest potential for expansion it is believed that the Manchester Airport Group would prefer to bid for Glasgow Airport. If Manchester Airport Group's bid for Gatwick Airport were successful their plan to buy either Glasgow or Edinburgh Airport would not go forward.

A report commissioned by three of Gatwick Airport's biggest airlines suggests that the hub could be worth as little as £1.33 billion, far below the £2 billion-plus BAA initially wanted. The study, by economic consultancy Frontier Economics, was carried out on behalf of easyJet, Virgin Atlantic and tour operator TUI Travel. It concludes that Gatwick is worth between £1.33bn and £1.73bn. Gatwick has a regulatory asset base of £1.6bn.

The remaining bidders for Gatwick Airport have been given an extra month to finalise their offers for the airport. They must now submit bids by the end of April, having completed their due diligence.

Channel tunnel - Competing high-speed train services

The Financial Times has reported that the prospect of competing high-speed train services running through the Channel tunnel has been raised, when it was revealed talks had taken place with Germany's Deutsche Bahn and Air France. London & Continental Railways, which owns the £5.8bn High Speed One rail line between London and the Channel tunnel, said discussions would remain informal until it was able to set up a formal procedure to allow new operators to use the route. The line is at present used only by Eurostar, the cross-Channel high-speed operator. South-Eastern Trains is to start high-speed domestic services later in 2009.

Europe's international passenger rail routes are being opened to competition from 1 January 2010 and infrastructure owners need to devise pricing formulas that comply with European Union rules. There has been consistent speculation Deutsche Bahn wants to run trains between London and Cologne, while Air France last year indicated its interest in running international high-speed trains. The Channel tunnel's safety rules would need to change to allow their trains to reach Britain.

TRAFFIC STATISTICS

IATA traffic statistics (Feb. 2009) - downturn continues

The International Air Transport Association (IATA) has announced international traffic statistics for February 2009 showing continuing deterioration in demand. Passenger volumes fell sharply to 10.1% below 2008 levels (from the -5.6% recorded in January). The 5.9% reduction in capacity - the most aggressive since the crisis began - could not keep pace with the fall in demand, pushing the February load factor down to 69.9% (3.2% points below the same month in the previous year). February international freight volumes were 22.1% below 2008 levels. This is the third consecutive month at more than 20% below previous year levels.

Giovanni Bisignani, IATA's Director General and CEO, said, "The priority for airlines around the world is survival - conserving cash and adjusting capacity to match demand. This means re-sizing and re-shaping the industry to deal with the US\$62 billion (12%) fall in revenues expected this year. Airlines will be making some tough decisions to stay afloat as we head for industry losses of US\$4.7 billion in 2009."

AEA traffic and capacity data (Jan. and Feb. 2009)- downturn continues

The Association of European Airlines (AEA) has released traffic data for the first two months of 2009. The figures reveal the extent of the current downturn; compared to the corresponding months of 2008, passenger traffic was down 3.9% in January and 8.8% in February, although this latter figure was measured against a 29-day month last year and a truer figure would be minus 5.5%. Taking the two months together and adjusting for the extra day last year, the market decline is 4.6%. The decreases are spread across most operating regions, with only services to the Middle East and to Sub-Saharan Africa showing any growth.

Just as significant as the traffic results were the capacity figures. Again with the exception of Middle East and Africa, AEA airlines have been cutting back on output, as measured by seat-km, across the board. In almost all cases, however, the capacity cuts have not matched the traffic losses and load factors have declined. Load factor losses of this magnitude would normally signal a substantial effect on profitability. In the present circumstances this effect is amplified with a reported serious loss in premium-fare traffic.

While the passenger market languishes, the airfreight market has all but collapsed. Traffic volumes in January were 21.1% down, while the February figure was -21.0% unadjusted and -18.2% allowing for the extra day - by far the worst monthly figures on record. Nor do more recent figures offer any relief. AEA data for the first three weeks of March are pointing to a passenger market decrease of close to 10%.

The AEA Secretary General Ulrich Schulte-Strathaus has said that "European airlines had no intention of seeking financial bail-outs," and that "subsidies have no place in modern-day air transport, nor do the competitive distortions they create. But structural deficiencies within the industry, such as the lack of market-driven behaviour in the aviation value chain, inadequate infrastructure, barriers to consolidation - these are elements which should be addressed and

remedied now, so that the European industry can emerge from this crisis in better shape to take on its global competitors."

ACI reports 2008 airport traffic figures - all sectors decline

The Airports Council International (ACI) has announced world traffic statistics for 2008. Strong traffic results early in 2008 helped save the overall averages for the year. While passenger traffic growth hovered at -0.2% and cargo shrank by -3.6%, total aircraft movements dropped by 2.2%, led by the largest world market North America where movement reductions (-5.6%) were greater than the decline in passenger numbers (-3%).

Civil Aviation Authority (CAA) traffic statistics(Jan. 2009)

The Civil Aviation Authority (CAA) provides monthly aviation statistics. The total terminal and transit passengers figures for January 2009 compared with January 2008 are summarised below:

- for all reporting UK airports in January 2009 - 14,342,557 compared with 15,667,925 in January 2008, a decrease of 8%;
- for all reporting regional airports January 2009 - 5,409,419 compared with 6,124,302 in January 2008, a decrease of 12%; and
- for all reporting London airports in January 2009 - 8,933,138 compared with 9,543,623 in January 2008, a decrease of 6%.

A selection of the CAA figures for terminal and transit passengers for January 2009 are given in the table below for the larger English, Scottish & Welsh airports, showing the percentage change from a year earlier.

CAA Monthly Statistics for Selected UK Airports

	January 2009	January 2008	% Change
Gatwick	1,984,755	2,223,627	-11
Heathrow	4,875,502	4,975,296	-2
London City	208,938	239,100	-13
Luton	576,061	647,678	-11
Southend ²	0	4,297	
Stansted	1,287,882	1,453,625	-11
Total London	8,933,138	9,543,623	-6
Birmingham	561,604	576,081	-3
Blackpool	7,168	19,236	-63
Bournemouth	63,041	66,103	-5
Bristol	327,041	381,301	-14
Cardiff	80,369	94,193	-15
Coventry ¹	0	18,099	Null
Doncaster Sheffield	51,771	61,992	-16
Durham Tees Valley	22,451	39,192	-43
East Midlands International	285,938	343,339	-17
Edinburgh	554,067	591,931	-6
Exeter	39,968	49,679	-20
Glasgow	440,193	508,725	-13
Humberside	22,277	23,663	-6
Leeds Bradford	127,349	150,448	-15
Liverpool	298,687	359,599	-17
Manchester	1,191,340	1,329,326	-10
Newcastle	252,457	302,396	-17
Newquay	13,642	17,825	-23
Norwich	28,503	34,943	-18
Southampton	105,227	118,842	-11
Total Regional	4,473,093	5,086,913	-12
TOTAL	13,406,231	14,630,536	-8

SASIG Bulletin Editor:

¹ Coventry Airport is closed and has not had scheduled services since Thomsonfly ended all operations from the airport in November 2008.

² Southend Airport had no commercial flights in January 2009, however did operate private flights.

FORTHCOMING EVENTS

'Aerospace 2009: Facing up to the Future', 21-23 April

The Royal Aeronautical Society is hosting their annual conference with the title of 'Facing Up to the Future' on 21-23 April at the Royal Aeronautical Society, London. This conference will consider the strategic relevance of air power, the availability of novel, future-proofing technologies and the need to take a holistic but sustainable approach to the transport needs of tomorrow. For more details see: <http://www.aerosociety.com/annual>.

'The ENDS Report's 5th Annual Corporate Carbon Reduction Conference', 22 April

Haymarket Events are hosting the 'ENDS Report's 5th Annual Corporate Carbon Reduction Conference' at the Ibis Hotel, London on 22 April. The event will focus on the environmental and economic benefits of committing to reducing your business's carbon emissions. The conference will focus on the following issues: standards and legislation (e.g. Climate Change Act, ISO 14064/14001); cutting costs (economic case for carbon reduction); accurate measurement and reporting (accurate data collection and footprint calculation); and communicating the footprint reduction agenda to stakeholders. Further details at:

<http://www.haymarketevents.com/conferenceDetail/316/the-ends-reports-5th-annual-corporate-carbon-reduction-conference>

'High Speed Networks', 23 April

Waterfront Conference in partnership with First Class Partnerships Rail Consultants are hosting 'High Speed Networks' on 23 April at Stephenson Harwood, London. This seminar will explore the case for the construction of high-speed links in the UK and will discuss these in the context of UK and wider European networks. The seminar will provide a forum for the consideration of the key policy and funding issues that will need to be addressed if Britain's high-speed links are to be delivered. Further details are available at:

<https://www.eventsforce.net/waterfront/frontend/reg/homepage.csp?eventID=29>.

'Airport Cities World Conference & Exhibition', 27-29 April

The Airport Cities World Conference & Exhibition is to be held in Athens, Greece on 27-29 April. Airports have become powerful engines of local economic development, attracting aviation-linked businesses of all types to their environs. Along with incorporating a wide variety of retail and consumer services into passenger terminals, many airports are developing their landside areas with hotels, conference and exhibition centres, office and shopping complexes, recreation facilities and logistics and free-trade zones. Such commercial development is substantially and positively impacting the financial bottom line of airports. It is also transforming them into airport cities as they become significant employment, shopping, business and leisure destinations in their own right. For further information at: http://www.insightgrp.co.uk/Conference_ACE-ATHENS.html

'Noise Action Week' 18-22 May

Noise Action Week (18 - 22 May) is being co-ordinated by Environmental Protection UK (EPUK). The event gives everyone involved in managing noise problems the opportunity to focus public and media attention on the difficulties excessive noise can cause. Whether you decide to carry out activities throughout the week, or just for one day, Noise Action Week provides the perfect opportunity to promote new or existing services, raise awareness of the impacts of noise, carry out educational work with schools, or focus on a particular theme such as noise from licensed premises or barking dogs. For further details see: <http://www.noiseactionweek.org.uk/>

'Railway Improvement 09', 21 May

'Railway Improvement 09' is a conference hosted by Public Service Events on 21 May at The Barbican, London. Rail travel has never been under the public spotlight as it is today. With increased passenger fares, crowded carriages and line work, the modern commuters are facing tough decisions, and do they keep travelling by rail or move to other modes of transport, which again lead to questions surrounding sustainability and the environment. 'Railway Improvement 09'

will look at the key area 'passenger travel', how passenger travel can be improved without causing further hindrance to the customer and the future for rail travel in the UK. For more information see: <http://www.publicserviceevents.co.uk/main/overview.asp?ID=75>

'European Conference for Aviation Campaigners', 30 & 31 May

A 'European Conference for Aviation Campaigners' is to be held in Siena, Italy on 30 - 31 May (to be confirmed). This conference is being held by the Union Européenne contre les Nuisances des Avions - European Union against Aircraft Nuisances (UECNA). This conference will allow campaigners to converse with each other, giving them the chance to learn from and exchange ideas with each other, and to think about how they can work more closely together. This conference will examine the following areas: noise, climate change, economics and jobs, and alternatives to flying. <http://www.uecna.eu/spip.php?article85>

'The Future of Rail', 24 & 25 June

Marketforce Conferences are hosting 'The Future of Rail' on 24 & 25 June, at One Whitehall Place, London. The UK rail system's struggle with capacity constraints and under-investment has been widely discussed. However, the ongoing economic downturn adds another problematic dimension to the list of difficulties the industry faces. The threat of falling passenger numbers and reduced funding could undermine the emerging optimism around the industry and it is essential that regulators, operators and infrastructure managers devise some intelligent and innovative strategies to push the industry forward. This conference will discuss how the rail industry will both handle the next twelve months and also shape its long-term future. Further details at: <http://www.marketforce.eu.com/ukrail/>.

'Euronoise 2009', 26-28 October

The '2009 Euronoise' event will be held at the Edinburgh International Conference Centre, Edinburgh from 26 to 28 October. Euronoise is the European conference on noise control, co-ordinated by the EAA Technical Committee Noise and organised by a national acoustical society on behalf of the European Acoustics Association (EAA). The programme will consist of key-note lectures, invited and contributed papers in structured parallel sessions, workshops and poster presentations. Further information is available at: <http://www.euronoise2009.org.uk/>

Transport Select Committee - Inquiry into the use of airspace

As part of the Transport Select Committee's (TSC) inquiry into the use of airspace they have heard from Alex Hendriks, Cooperative Network Design (CND) Deputy Director for Network Development and Bernard Miaillier, CND Deputy Director for SESAR (Single European Sky Air Traffic Management Research Programme) from Eurocontrol, Daniel Calleja-Crespo, Director of Air Transport and Sven Halle, Air Traffic Management (ATM) - Expert from the European Commission, Directorate - General for Transport and Energy (DG-TREN).

Louise Ellman MP (Lab) began by stating that witnesses had given evidence that highlighted the extent of flight inefficiencies in Europe, and whether or not this could be improved through airspace management. Mr Hendriks explained that new technology was being developed in order to ensure this improved. Mr Calleja-Crespo said that the present fragmentation in air traffic management had resulted in additional costs of up to €2bn. He said that by improving the design of a European air transport management system that was presently an amalgamation of national routes, there could be cost savings, significant reductions in CO₂ emissions and reduced delays.

Ms Ellman then asked whether the Civil Aviation Authority (CAA) and NATS were effective organisations. Mr Calleja-Crespo welcomed their participation in the work of the EU to establish the Single European Sky (SES), and the modernisation that these two bodies had implemented adding that he hoped that there would be even more progress in the future. Mr Hendriks said that there had been successes at EU level, and noted that these had been assisted by active participation from UK agencies. David Wilshire MP (Con) stated that the standards and safety records of the CAA and NATS were amongst the best in the world. Mr Calleja-Crespo agreed with this stressing that safety could not be compromised and that the SES process would not be launched unless it could reinforce safety. Mr Calleja-Crespo said that binding standards would be established that had to be implemented at national level, and therefore there could not be a reduction in safety standards. He went on to say that there would be key performance targets based on the national plans submitted by Member States and established at the EU level. He stressed that these standards would be enforced nationally, with legal sanctions for non-compliance.

Mark Pritchard MP (Con) asked the witnesses about the decision to build a third runway at Heathrow. Mr Calleja-Crespo said that the EU did not take a view on individual decisions of Member States, though decisions in this area needed to balance the shortage of capacity within the EU and the principle of environmental protection.

Angela Smith MP (Lab) asked about the main causes of flight inefficiencies in Europe. Mr Hendriks stated that the emphasis had shifted from demanding more capacity to a demand for optimum flight profiles that enhanced the efficiency of the system. Mr Calleja-Crespo added that the complex air traffic system prevented flights taking the simplest and more efficient routes.

Asked how this network management function would change the work of Eurocontrol, Mr Hendriks said that work from national operators had been extended in the efforts to establish a single European airspace. He then stated they were awaiting a formal request to provide proposals to take on this function but he expected Eurocontrol to provide network design. Ms Ellman asked if network management could overrule the national regulators. In reply, Mr Calleja-Crespo stated that under the Commission proposal, this would need to be discussed by Member States and the European Parliament, but said that the network management would be a strong function. The network manager would support national decisions and would not involve the adoption of binding measures or the exercise of political discretion. There is no intention that national regulators would be overruled, he confirmed.

Sammy Wilson MP (DUP) felt that national sovereignty would be removed in order to establish a pan-European model. Mr Calleja-Crespo said that the Commission was establishing a bottom-up approach where countries worked together to try and establish a better functioning air traffic management system. Countries had been asked to establish functional air traffic blocks by 2012 and to adopt targets that would be implemented at national level. Mr Calleja-Crespo rejected the suggestion that the EU could interfere with the design of systems at an operational level.

Asked about the SESAR programme, Mr Miaillier stated that £30bn was the total level of funding. Any decision involving SESAR would be subject to a business case test. Mr Calleja-Crespo said that SESAR allowed for research resources to be pooled towards a project that would bring huge benefits to the aviation system, which would be interoperable with the systems in other countries, in particular, the US. He also hoped that there would be the participation of other countries that had agreements with the EU on aviation.

The Transport Committee also heard evidence from NATS - Ian Hall, Director of Operations, Alex Bristol, General Manager - Operational Strategy & Investment, and Lee Boulton, Manager Airspace Delivery. Ms Ellman asked what the impact of the proposed additional runways in south-east England would have on airspace. Mr Hall stated that NATS had worked through several scenarios, and stressed that the decision on Heathrow runway three made one aspect of this clearer, but until there was more clarity further plans would not be developed. In regards to a new airport in the Thames Estuary, Mr Hall said that it would be better to expand existing infrastructure and that new infrastructure would make the system too complicated. He added that alternative proposals would have fewer benefits though he stressed that there had not been any specific proposals put before NATS on this policy, and therefore there had not been any detailed modelling on this. Mr Hall confirmed that a new Thames Estuary airport would require a reduced capacity at other airports (e.g. Stansted).

When asked about proposals for an EU aviation network, Mr Hall stressed that air traffic management was very complex and would require additional investment, and that a strategic plan around which people could frame their investments was crucial. He welcomed the development of the SES initiative and the SESAR programme, adding that there had to be clear rules in aviation, applying to aviators and air traffic managers. He noted that the second phase of the SES had refined the rules, but said he was confident that rules would not be made unless there was consensus across all Member States. Mr Hall stated that the SES process had led to work on how the airspace could be made more efficient. He said that he was very confident that this could be achieved, and also believed it would provide lower costs for increased capacity.

Mr Wilshire asked what the witness believed to be the optimum use of a runway. Mr Hall stated that the number of flights that arrived regularly exceeded the declared capacity of some airports and that this was the reason why there was often queuing. The increased capacity as a result of runway three at Heathrow should first be used to reduce queues. He stressed that until a clear view was taken on the future airspace strategy, it was impossible for NATS to produce its own long-term plans. Mr Boulton stressed that there had been feasibility work on the case for a third runway and that they had not found any reasons to argue against this development.

Most of the parliamentary information in this bulletin and some news items were sourced from De Havilland Information Services plc.

The following sources are also used:

The Guardian On-line, The Telegraph On-line, The Independent On-line, Financial Times On-line, United Kingdom Parliament's World Wide Web Service, The BBC On-line, BAA's Website, ENDS On-line, Aviation International, Environmental Data Interactive Exchange News Service, ENDS Daily, Airwise.com, Croner Environment Centre Newsletters.

SASIG, PO Box 1308, Kingston upon Thames KT1 2WF. Tel: (020) 8541 9459
Fax: (020) 8541 9447 Email: sasig@surreycc.gov.uk Website: www.sasig.org