



### **Item 3: Update on Major Policy Developments and Timetable Moving Forward**

#### Introduction

The purpose of this paper is to flag a number of key policy developments that have taken place since the last meeting of SASIG, and to highlight their potential significance to members.

The Secretariat has also developed an indicative timetable for key milestones that we hope may be of interest. At this stage many of the items are no more than informed guesswork, but we will keep the timetable under review and update and add to it for subsequent meetings.

#### Secretary of State Speech to BATA (Appendix A)

Perhaps the most significant event since the November meeting was the announcement in December that although the Government has accepted the Davis Commission's case that a new runway is needed in the South East, a decision on where it will be located has been deferred pending further work.

This ground was well covered in Patrick McLoughlin's speech to the British Air Transport Association's Annual Dinner on 27 January 2016, the text of which is attached at Appendix A.

The two areas to highlight (as they are in the Appendix) are the decisions that have already been made and the scope of further work to be undertaken; and the emphasis made on the wider regional perspective to the decision-making.

At the recent DfT External Advisory Group<sup>1</sup> which the Head of Secretariat attended on SASIG's behalf, DfT officials were at pains to make clear this speech is a very good representation of where the Government's thinking is on the core South East capacity and National Policy Statement work they are currently undertaking.

#### EU Aviation Strategy (Appendix B)

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<sup>1</sup> Papers from the 28 January DfT EAG meeting are available on the SASIG website under the 'Latest News' section

The other major development since November has been the publication by the European Union of a Draft EU Aviation Strategy proposal, also in Dec 2015.

This is a significant development for the industry in Europe. Although the main document can be readily accessed on line or SASIG's website, Appendix B serves to focus on the highlights that are most likely to be of interest to SASIG members.

Appendix C then provides feedback from (a) the initial inter-governmental session to discuss the Package, DfT's commentary on it and a record of the views expressed at the External Advisory Group.

#### DfT Airspace and Noise Policy

This is a new initiative flagged at the External Advisory Group, which will be covered under Item 10 on the Agenda. SASIG also retains a seat on DEFRA's external stakeholders Aviation Noise Group.

#### Sustainable Aviation

SASIG have received an approach from Sustainable Aviation as below:

*"Following the publication of the Sustainable Aviation Noise Road Map, there is a workstream that is looking to develop some guidance and best practice in relation to land-use planning in areas affected by aircraft noise. I am leading this workstream on behalf of SA. We have previously been in touch with SASIG to share views and we recognise the benefits of engaging with local planning authorities.*

*Attached is a copy of an SA discussion note from our previous meeting with SASIG members on the topic of planning and noise.*

*We'd like to re-engage with SASIG and to see if there is an agreed view of airports and local authorities on the subject of planning and noise (both policy and development control) and also any best practice that we can share. Is this something that you'd be interested in?*

The Secretariat consider this a very positive approach and the Secretariat will be meeting representatives of Sustainable Aviation soon to scope out SASIG's involvement and will manage that engagement through the Environment, Planning and Airspace Technical Working Group.

#### UK Policy Milestones (Appendix D)

The initial indicative timetable mentioned in the introduction is at Appendix D

#### **Recommendation**

SASIG members are invited to note the content of the report and its supporting Appendices.

**Item 3: Appendix A**  
**Secretary of State Speech to BATA**

*On 27 January 2016, the Rt Hon Patrick McLoughlin MP gave a significant speech at the British Air Transport Association annual dinner 2016 in which he reaffirmed commitment to new aviation capacity in South East.*

**Introduction**

Thank you Sir Michael.  
I'm delighted to join you this evening.  
And I'm grateful to BATA for giving me this opportunity to say a few words.  
A lot has happened since I last spoke at this dinner in 2014.  
UK airlines have enjoyed sustained growth.  
Passenger numbers at our airports have reached record levels.  
And Britain itself is in a much stronger position.  
A much reduced deficit.  
A flourishing economy.  
A majority government - with infrastructure investment at the top of our manifesto.

**Infrastructure investment**

If anyone doubted our commitment, in November (2015), the Chancellor confirmed that we'll spend 50% more on transport this Parliament than in the previous 5 years. Wherever we can, we're improving transport as fast as possible.

But we're also doing something that this country hasn't seen for many decades.  
Planning and delivering a long-term transport infrastructure programme. Building the capacity to fulfil the needs of future generations.

And when you consider investments that will help Britain thrive, airport capacity in the South East is about as important as it gets.

**Aviation growth**

Our prosperity today is intimately linked with the global ties we built in the past.  
We still have the third largest aviation network in the world.  
We also have fantastic, innovative, world-leading airlines, investing in new aircraft and routes.

More people fly with British airlines each year than carriers from any other country outside the US and China.

That's thanks to you.

The success of UK aviation is also reflected in our airports.

Last week I was at Luton. Which is investing £110 million developing facilities and celebrating record passenger numbers in 2015.

But that sort of investment and growth is being replicated at airports around the country. A

billion pound programme at Manchester. Edinburgh. Bristol.  
New routes from regional airports to fast growing global destinations. I could go on.

But growth at these airports will be in addition to growth in the South East, not instead of it. Nothing will change the fact that without action, London's aviation network will be full by 2040.

But constrained capacity is already costing us business and jobs. With every new air route to the Far East or South America, Paris, Frankfurt and Dubai are making themselves more attractive to investors. The advantage we've enjoyed for so long, through the strong global connections provided by Heathrow and Gatwick, is becoming less of an advantage as time goes on. So sorting out the capacity issue is critical.

### **Delayed Decision**

That is why I asked Sir Howard Davies to lead the Airports Commission review. And that is why, before Christmas, the government accepted his case for expansion.

That in itself was a big step forward. It showed that the debate's moved on, from whether a new runway should be built, to where.

We also agreed to choose 1 of the 3 short-listed schemes. And we intend to meet the Commission's requirement for an additional runway by 2030.

Of course I know that many in the industry were disappointed that we delayed the final decision. It wasn't something we took lightly. But when opponents of expansion hailed the delay as some sort of victory, they could not have been more wrong.

The decision was delayed because it was the right thing to do.  
The responsible thing to do.  
To make sure we're fully prepared.  
So we know from the outset that we will get the job finished.

You understand more than most that Britain's deep-seated, infrastructure-averse culture has a history of de-railing vital transport schemes. And although we are slowly changing that culture, to risk any chance of failure at this stage would be unacceptable. It's why we've been so thorough with HS2. Six years of intense planning. The biggest consultation in government history. Perfecting the design. Building the case, town by town, region by region. Getting the widest possible public and political support. Making sure the HS2 project is the very best it can be. With minimum impact on the countryside and people's lives. And that's what we're doing with aviation capacity.

Does the delay mean we lack the evidence today to make a convincing decision?  
Absolutely not. We're using this time to make the case for new capacity even more watertight.

It means we can test the Commission's work further against the government's new air quality plan. This is additional work to test compliance, and build confidence that expansion can take place within legal limits.

We're also doing more work on carbon, to address concerns on sustainability, particularly during construction. We're dealing with concerns about noise, to get absolutely the best outcome for residents. We want to make sure that communities get the best possible mitigation deal.

Finally, we're carrying out extra economic analysis. To assess the runway's potential locally and nationally, so it can deliver more jobs, more growth and more apprenticeships.

### **Local UK growth**

And this is crucial.

We don't just need new runway capacity so Heathrow or Gatwick can better compete with Paris, Frankfurt or Dubai.

We also need it for the benefits it will bring to the wider UK economy. One of the most persuasive arguments for new capacity is the links it will provide to the north, the south west, Wales, Scotland and Northern Ireland.

Opponents have tried to suggest that a new runway would somehow undermine our domestic network.

In fact the reverse is true.

Wherever we decide to build new runway capacity, you can be sure that local economies throughout the UK will benefit, with more flights, more routes, and more connections.

So as we complete our work this year, let's make sure these localised benefits are articulated, from the airports and airlines that serve the regions.

Your voice is a powerful one.

And BATA members understand better than most the importance of domestic flights to every part of the UK.

So let's keep beating the drum for the regions in this debate.

Before I finish, I'd like to offer my congratulations to Jane Middleton, BATA's new chairman. Jane, I look forward to working with you.

### **Conclusion**

So, as you can imagine, there is a huge amount going on in the department at the moment. But there's also a real sense of purpose.

To do the job as thoroughly and effectively as we can.

And to maximise the opportunities that new capacity will bring. Opportunities for passengers.

For the aviation industry.

And for every part of Britain which relies on air links to the south east. Of course I understand the concern and impatience within the industry. But getting this decision right - so the benefits are widely appreciated; so environmental impacts are clearly mitigated; and so it's supported by a majority of cross-party MPs and Peers - is absolutely paramount.

So let me assure you.

We will make a decision once this work is finished.

It will be the right decision for Britain.

And it will ensure that the Commission's timetable for delivering the capacity can be met.

Thank you.

**Item 3: Appendix B**  
**Note re. EU Aviation Strategy**

Head of Secretariat Chris Cain has scrutinized the above document, and has prepared a précis, which highlights sections that are most likely to be of interest to SASIG members, directly or indirectly.

This is set out below:



Brussels, 7.12.2015  
COM(2015) 598 final

**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN  
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL  
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

**An Aviation Strategy for Europe**

Page 9:

***"Current aviation taxes and levies applied by Member States over and above the normal profit tax may negatively impact connectivity and competitiveness. The Commission will publish an inventory of those taxes and levies and examine their impact."***

This hints that the Commission is (a) indicating it is going to Commission work on the issue of aviation taxes and (b) that it could step into regulate such taxes. While APD is not really a mainstream SASIG issue, were the Commissions proposals to draw an HMT response, the

Secretariat would propose to highlight this and seek member views. Were the Commission to propose new aviation taxes we would certainly highlight this.

The following commitments on connectivity in the EU document are perhaps more significant in terms of SASIG member interests:

*The Commission:*

- Will **work with the Airport Observatory to monitor trends of both intra-EU and extra-EU connectivity in Europe, identify any shortcomings and the appropriate measures to be taken;**

- **Will publish interpretative guidelines explaining the current rules governing Public Service Obligations.**

From our previous dealings with DG-MOVE we think it likely these interpretative guidelines will counter the DfT's current protocols on PSOs that restrict regional air access to London and should help to create the climate required for fresh approach.

1. The pre-amble on page 8 dealing with access to air services is also interesting:

**Airport connectivity in Europe varies significantly between major hubs on the one hand offering hundreds of destinations and small regional airports on the other with only a few. While this can largely be attributed to differing demand and supply-side conditions (e.g. population of the catchment area, level of supply-side competition, GDP per capita), it may nonetheless result in a significant competitive disadvantage for less-connected cities, regions or countries.**

**Studies undertaken notably by the World Bank have shown the importance of monitoring the level of air transport services available to citizens in a given city, region or country. The ability to determine on a neutral and transparent basis the degree to which connectivity is available and/or socially desired is key for informed policy making and could allow benchmarking of available service levels of EU airports facing similar demand and supply-side conditions.**

Perhaps SASIG as the LGA's special interest group should take a more pro-active interest in this issue, which is clearly directly relevant to local authorities local economic development role.

**If it is evident that the market itself will not deliver an acceptable level of air transport services to given regions within Europe, Member States may consider Public Service Obligations to ensure service to and from under-served regions. Regulation 1008/2008 sets the applicable conditions, which are aimed at, inter alia, preventing possible misapplication of these obligations. A comprehensive evaluation of Regulation 1008/2008 was conducted in 2011-2013 and the Public Service Obligations rules were**



deemed fit for purpose, but guidance as to their proper interpretation was considered to add value.

This may well have implications on DfT historic attitude to PSO interpretations.

## 2. EU's Aviation Safety System

*P9 of the EU Aviation Strategy Document says:*

**“... in view of the new challenges ahead, the performance and efficiency of the Single European Aviation Market must now be enhanced to ensure its future competitiveness. Adapting the regulatory framework is central to these efforts.**

Safety and security are pre-requisites for a competitive aviation sector. With the aviation traffic in Europe predicted to reach 14.4 million flights in 2035, 50% more than in 2012, the first objective is to maintain the current high safety standards alongside growing air traffic. This will allow the EU aviation sector to continue to develop safely in the future. To this end, the regulatory system has to be better equipped to identify and mitigate safety risks, in a quicker and more effective manner. This can be achieved by introducing a risk and performance based approach to safety regulation and oversight, by closing existing safety gaps and by integrating other technical areas of regulation connected to safety more deeply, such as aviation security.

While safety is crucial, it cannot be looked at in isolation. The regulatory framework must also set the conditions under which the aviation industry can thrive and remain competitive on the global market. This includes the integration of new business models and emerging technologies, such as electric engines or drones. It also requires a more proportionate approach to regulation and recognising differences in risks involved in various sectors of civil aviation.

**Finally, it means abolishing rules and procedures that add time, burden and cost but do not contribute to safety as well as those that stifle innovation and entrepreneurship.**

There is also room for a greater reliance on recognised industry standards. Ultimately this will provide more regulatory flexibility, while achieving the same or higher level of safety overall.

**Item 3: Appendix C**  
**DfT EU Aviation Strategy Update since 15th January**

\* Working Groups on EASA have been progressing fairly well - for a detailed update, contact [Duncan.nicholls@dft.gsi.gov.uk](mailto:Duncan.nicholls@dft.gsi.gov.uk)<<mailto:Duncan.nicholls@dft.gsi.gov.uk>> or [mike.alcock@dft.gsi.gov.uk](mailto:mike.alcock@dft.gsi.gov.uk)<<mailto:mike.alcock@dft.gsi.gov.uk>>

\* Tricia attended the Dutch Aviation Summit (a read-out is below, Item A)

Looking forward:

\* Working Groups on the Mandates start this Friday. We will let you know how these go in the next update.

\* We are beginning to consider MEP lobbying plans. If you would like to feed in to these, or are doing any MEP lobbying yourself, do let me know.

Also below is the read-out of comments at the engagement event on 15<sup>th</sup> January 2016 (Item B)

**Item A**

**160201 Read-out from Tricia Hayes at the Dutch Aviation Summit 21-22<sup>nd</sup> Jan 2016**

The summit – hosted by Dutch Infrastructure Minister Sharon Dijksma and headlined by Commissioner Violeta Bulc – included three set pieces – a morning conference with representatives from industry as well as Ministers and European Parliamentarians, an afternoon meeting in more conventional Council form, with heads of delegation and EP members, and the parallel launch by IAG, Easyjet, Ryanair, Air France and Lufthansa of the new Airlines for Europe airline trade association. In addition to the formal conference events, I also took the opportunity to have a tour of the Avsec operation at Schiphol and especially the scanner-focused central search process. The UK delegation was led by Robert Goodwill and we were supported by Tim Figures and Susan Hamilton from UKREP.

Overall I would say that it was an excellent event – well organised, well focused and with strong participation from all parts of the sector. Mrs Bulc will have gone home with a sense that her strategy has widespread if not massively enthusiastic support, but that the sector is more interested in delivery than further legislation. Industry representatives there were often split along airline and airport lines, which poses a challenge for finding a collective focus on measures to improve the success of the sector as a whole. Finally, it was clear that there is a long way to go on mandates, and still no clarity around the strategic approach to fair competition.

## **Launch of A4E**

This was a stellar event, with De Juniac (air France), McCall (EasyJet), Walsh (IAG), Spohr (Lufthansa) and O'Leary (Ryanair) sharing a platform to launch their new trade association. While the initial focus was on these big 5 companies, they said that they had written to all European airlines inviting them to join. In response to a question from the floor, they explained that governance/voting rights would be modelled on the UN Security Council.

The philosophy of the new association would be to work on those issues on which airlines were agreed, rather than those (eg Gulf competition) on which there were differences within the group. The key focus was on cost, with all of the immediate priorities on supply chain issues. A4E was calling for action on three fronts – airport charges (80% up in Europe's 21 largest airports over 10 years), air traffic management (with a specific proposal to require binding arbitration in advance of strikes, and to enable upper airspace to be managed by adjacent ANSPs for overflights in the event of a strike) and taxation (especially in the light of new tax proposals from Italy and Norway).

## **Conference panels**

The Conference opened with a presentation from the Commissioner on the key themes from the Aviation Package. In her presentation, Bulc summarised the package around four key priorities – external relations (a comprehensive set of mandates, and new guideline on unfair competition to be published in the first half of 2016); internal issues (improving competitiveness by finishing work on SES2+ – which she described as the single biggest competitiveness issue facing the industry); high standards (a unified approach to GMBM negotiations, proportionate safety regulation by EASA, drones, responsive risk based security); innovation and investment (drones again, SESAR, new guidelines to offer clarify on ownership and control).

There were then three panel sessions which looked in turn at the themes of regulation, connectivity and innovation. All the panels were a mix of industry and political leaders with Robert Goodwill participating in the first, alongside CEOs of Ryanair and Wizz Air, Ministers from France and Italy and the Michael Cramer the Transport Committee Chair from the EP.

Although all the panels had different remits, there were some common themes coming through from all the discussion:

- There was quite a lot of support for the contents of the Commission's package, but also a lot of scepticism about the prospects for implementation, especially at speed;
- In particular, there was a risk on several fronts that innovation at a technical level (digital, drones, SESAR) would not be matched by the kind of innovations on the form of regulations which would support successful deployment of new technologies;
- There was a consistent theme from the airlines (see the A4E read out above) about the need to address inequities in the supply chain, and in particular to reduce costs at airports.

- There was strong concern expressed by all airlines over the current situation on Air Passenger Rights, including from the floor from Tony Tyler (IATA) who described it as seriously damaging to Europe's connectivity;
- It was notable that it was really only Cramer from the EP who gave environmental issues a high profile in his remarks.

For the UK, Robert Goodwill set out a very clear pro-market position, referring to the work currently underway on the Government's holding of shares in NATs, and expressed caution about the idea of open ended mandates to negotiate new air services agreements.

### **Ministerial round-table**

Finally, industrial partners were invited to leave and the Ministers and MEPs had a more formal exchange of positions on the Commission's proposals (Robert Goodwill had to leave early, unfortunately, but had already made the UK's position very clear in his conference intervention).

Some of the key themes:

- A very wide range of views on mandates. The Commissioner was clear that she wanted as many mandates as possible as quickly as possible (and indeed outside the room Filip Cornelis brushed aside any suggestion that there were issues with the Commission's capacity to manage several dossiers at the same time). Several states cautioned a more staged approach, and noted the amount of work still outstanding from the earlier round of remits;
- A couple of countries sought the flexibility to maintain bilateral negotiations even after mandates had been granted;
- On priorities for mandates, quite a wide range of different views about how these should be set - from prioritising the most important trading partners (everyone had a different list but China was on almost all of them); to picking off some easy wins first;
- APR was mentioned frequently as an area in need of urgent attention;
- Several states used the phrase "level playing field" but it wasn't clear that they were all talking about the same thing;
- There was very wide support for the work on drones and on the EASA basic regulation more generally;
- Compared to the industry agenda, there was very little interest in airport charges and no-one expressed a view on the specific proposal for dealing with ATC strikes;
- Finally, the Parliamentarians present called on the Presidency to work with the UK and Spain to resolve the Gibraltar issue.

Item B

**160115 Read-out DfT Aviation Package Industry Engagement Event – 15<sup>th</sup> January 2016**

**Going forward, we agreed:**

1. DfT will host another similar industry engagement event to take place in May or June 2016.
2. DfT will start sending a regular (monthly to begin with) update about progress on Aviation Package dossiers and other updates, and next steps and DfT engagement plans in the EU. We would welcome any information you have or updates from your own European engagements in return.
3. Following on from this event, DfT will consider the comments heard from industry and feed these into decisions on policy positions and European engagement plans. Below is, first, a summary of what DfT presented at the event; second, grouped under subject headings, is our record of comments we heard from the floor. If you feel anything you said has been missed off, please let [elena.lynch@dft.gsi.gov.uk](mailto:elena.lynch@dft.gsi.gov.uk) know.

**DfT presented:**

**Our overall view of the strategy & next steps**

- There is much we can generally support in it, and in some aspects it aligns very well with our overarching positions of supporting liberalisation, competition and growth, and Better Regulation principles. The strategy is, however, not very ambitious. We would have liked to see more on Airline Ownership & Control reform, for example, and other ways of increasing the competitiveness of the European aviation sector. We are also concerned about the overly protectionist proposals from other Member States, with regards competition from non-EU airlines, in particular those from the Gulf States.
- **EASA Basic Regulation revision:** We are supportive overall of most of the principles behind the proposal, but will be paying close attention to the finer details, in particular where EASA's remit is being extended into areas such as security.
  - To engage more closely on this revision proposal, you should contact [duncan.nicholls@dft.gsi.gov.uk](mailto:duncan.nicholls@dft.gsi.gov.uk) and [mike.alcock@dft.gsi.gov.uk](mailto:mike.alcock@dft.gsi.gov.uk) to join their industry engagements. For the drones proposal part of the Regulation, contact [paul.cremin@dft.gsi.gov.uk](mailto:paul.cremin@dft.gsi.gov.uk) and [louise.mathews@dft.gsi.gov.uk](mailto:louise.mathews@dft.gsi.gov.uk).
- **Mandates for new Air Service Agreements (ASAs):** Working Groups on these begin in February. We are carefully considering which are our priorities for mandates, given the resulting effective freeze in traffic rights that occurs once a mandate is given, and for the duration of any resulting negotiations. We will want to ensure our own bilateral ASAs with the respective countries are suitably up-to-date before we agree to mandates (in order to enable ongoing growth in traffic).
  - Key lead is [mark.bosly@dft.gsi.gov.uk](mailto:mark.bosly@dft.gsi.gov.uk) if you have further questions.

### **An update on Gibraltar**

- There has been no change to the current situation. Our ministers are firm that Gibraltar must be included in European aviation legislation, as stated by the Treaties.
- We remain ready to find a constructive way forward, but this will be a delicate process which is currently further complicated by the inconclusive results of the Spanish general election.

### **Record of comments from the floor**

#### **Overall Strategy**

The strategy as a whole is lacking:

- Consideration of how Europe's high standards increase costs for the European aviation industry vs. those of the competition from non-EU airlines. It would perhaps be interesting to see a comparison of what is the regulatory cost per passenger for EU and non-EU airlines.
- Proposals for increased liberalisation and competition in the aviation market. Currently only airlines are fully liberalised in the aviation supply chain. Steps to implement the liberalisation of ground-handling, ANSPs and TANS across Europe would, for example, be welcome.
  - Environmental protection measure proposals
  - Airport regulation proposals

On the strategy's overall approach:

- The Commission seem to be confusing "competition" and "competitiveness"
- The strategy is ideological, rather than seeking the best economic outcomes for Europe
- There is no analysis of the aviation strategies of Asia or America, or explanation of how this strategy will allow Europe to compete. Neither is there much detail on what Europe's relationship and plans for influencing at ICAO should be.

#### **Single European Sky (SES)**

- Industry would like to see progress on this dossier. The FABs just haven't delivered what they promised and the cost base is increasing – the German ANSP increased costs last year by 16%, for example. The Commission should look again at the methodology and transparency of calculating ANSP costs. Delays in the summer are affecting performance more and more.

#### **Environment**

- We should be encouraging quieter aviation. In the long-run, if we fudge environmental protection it won't help us.
- A counterview was also expressed by airlines in the room: whilst environmental protection is important, we need to be careful not to overburden the industry with more regulation that makes us less competitive again.

### **External Aviation Strategy**

- Attendees were generally supportive of DfT's approach to the mandates negotiations. Time limits to negotiations, or other ways of ensuring negotiations don't become overly lengthy, could be very useful.
- It is unclear what happens to charter growth during mandate negotiations, as some of these operations fall outside of Air Service Agreements.

### **Airport Charges**

- The revision of the Airport Charges Directive would make a difference to UK airlines in most parts of Europe, particularly with big, capital airports. Whilst airport charges are appropriately regulated in the UK, in Europe this is not the case. Most EU airports still apply a dual till charging system, for example.
- The Directive could also be better implemented, but the opinion from airlines was that the Directive would still need reopening.
- Spain has recently been infracted for its incorrect implementation of the Directive, but we need more transparency across Europe.
- The risk is losing UK flexibility with regards our regulation of airports if the Directive is reopened. The airports in the room would not want to see this change.
- **ACTION:** DfT ([ian.elston@dft.gsi.gov.uk](mailto:ian.elston@dft.gsi.gov.uk)) to find out more about what the Thessaloniki Forum is doing and what they are producing.

### **Slots**

- The "slots game" in Europe should not be underestimated and some elements of the Regulation do need to be fixed.
- We have been working on this Regulation for so long, that it may be tactically wise to continue pushing for progress on this in order to finish and complete.
- The Commission's draft of the Regulation is, however, badly done. The Parliament and Council Regulation drafts are much better.

### **EASA**

- The extension of EASA's remit into ground-handling is not supported universally, as some view it as unnecessary and potentially overly burdensome.
- Details are important in this negotiation, we need to carefully scrutinise all language here.
- We need a coherent vision of where we are going in terms of the division of roles between the national regulator and EASA.

### **Social**

- There is no link between safety and the way in which a pilot is engaged.

**Air Passenger Rights (APR)**

- APR situation is at worst current state of play for airlines.
- Some Member States are using Gibraltar as an excuse. The UK should be pressing upon the Dutch to move forward with APR.
- There is concern that the in issuing new interpretative guidelines for APR following on from several ECJ judgments, the Commission will inadvertently set the new baselines for future negotiation.
- There is inconsistency between APR guidelines/ECJ judgments and what's in the travel package guidance.
- Would it be better if we froze negotiations on APR for six months/a year or should we begin again now?



**Item 3: Appendix D**  
**Key Policy Milestones in the UK 2016-20**

Date	South East Runway Capacity	National Policy Development
Dec 2015	Decision: <ul style="list-style-type: none"> <li>• new runway needed;</li> <li>• will be one of the three shortlisted options;</li> <li>• further environmental and economic analysis to be undertaken.</li> </ul> No decision until the summer. Preferred option to be promoted via DCO.	
Jan 2016	Further background papers from the Airports Commission published.	Consultation on EU Aviation Package by DfT.
Feb 2016		Seek clarity on: <ul style="list-style-type: none"> <li>• Scope of NPS and the need for an updated APF.</li> <li>• Status of 2003 WP until new policy documentation is in place.</li> <li>• Establish SASIG as core industry consultee</li> </ul>
Mar 2016	Possible consultation on scope of SEA for NPS and accompanying environmental work.	<ul style="list-style-type: none"> <li>• Stakeholder consultation on Airspace and Noise Policy</li> <li>• Challenge MoD/ DfT on NHT</li> <li>• Challenge Home Office on Border Force/Policing costs</li> </ul>
Apr 2016	DfT undertake additional environmental work on runway options.	EU Package Responses required Pursue NHT/Home Office Issues Discuss slots/PSO paper with DfT
May 2016		
June 2016		EU Draft slot Regulation published for consultation Discuss Regulatory Impact Study report with CAA/Govt
July 2016	Preferred runway option announced as part of NPS; further work published.	Draft National Policy Statement published for consultation, to include Airspace and Noise Policy
Summer	Work commences at risk on preparation of DCO – duration 18 months	Stakeholder engagement on NPS
Sept/Oct		Stakeholder responses by end

2016		October
Nov/Dec 2016		DfT Review responses
Q1 2017	Consultation under DCO procedures with stakeholders on runway scheme and proposed mitigation measures	Committee hearings on NPS in both houses
Q2 2017	As above an report showing how responding to consultation	Affirmative resolution of NPS - vote in both Houses of Parliament
Q3/Q4 2017	Completion of DCO application and submission to PINS	Quinquennial Review process commences
2018	PINS Inquiry and recommendations over 12 month process	Quinquennial Review complete in parallel with DCO process
2019	Final approval of DCO from Government by End Q1 2019. Mobilisation Q2/Q3 of 2019. Construction begins Q4 2019.	New Q7 charges go live
2020	Construction underway and contractually committed by time of General Election in May	General Election May 2020