

***Arc's contribution to the Public Consultation for the
"Community guidelines on financing of airports and start-up aid
to airlines departing from regional airports".***

Dear Sir/Madam

The Airport Regions Conference, ARC, is the organisation of European regional and local authorities that host an international airport on their territory. The main concern of ARC members is to balance economic growth and environmental impacts resulting from airport activity. ARC has 29 members with about 100 million inhabitants in all parts of Europe, hosting airports ranging from the major European airports to regional airports.

The Airport Regions Conference regards the airport regions as an important tool to enhance the economic growth, as well as to support the European cohesion policy. ARC is convinced that aviation is a key element to a successful development of the Lisbon strategy as well as the Cohesion policy. At the same time the environmental aspect of aviation and the Gothenburg strategy is equally important to all our members.

ARC sees a role in contributing to European policies starting from the principles of the Lisbon and Gothenburg Strategies as well as the Cohesion policy. We believe the publication of the guidelines mentioned above also need to be seen in this perspective.

The guidelines will help our members to understand under which conditions state aid is allowed and when it is not. The ARC is of the opinion that the guidelines are reasonable but need to be elaborated further. We believe some of the remarks below may serve as input to the discussion and that it reflects the discussion among ARC members today:

- We assume that the guidelines include all type of air transport, not only scheduled flights. Airfreight may for example also be of vital importance to a region in enhancing economic development.

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- If the applicability of the guidelines only depends on passenger numbers of a certain airport it excludes other variables that determine the economic and territorial situation of the airport. We believe a wider perspective than just passenger volumes may be important to link European regions together. This could create situations in which state aid is not allowed but would have been desirable in order to bring people in remote European regions closer together to further social, cultural and economic exchange. Therefore, ARC thinks that state aid has to be linked more closely with the Cohesion policy.
- Although ARC understands that category A and B airports may not benefit (in) directly from start up aid and category C and D airports may under certain circumstances grant start up aid for Community routes, ARC thinks that in many of our members regions the development of *intercontinental* routes would stimulate economic growth and new business opportunities around Europe. State aid may in such cases serve as an economic development tool and therefore should be eligible for state aid when start up is difficult. The aim of the Lisbon strategy to make Europe more competitive and to generate growth will be more difficult to realize without improving the accessibility of Europe from the rest of the world.
- ARC shares the opinion of the Commission that the preferred mode of travel for destinations under 500 km is the train/HST, whenever this is possible. With a real integration of air-rail the aim of the Gothenburg agenda to make Europe the most eco-efficient economy will be much easier to achieve. However, ARC embrace the view point that it should be possible to travel back and forth over the day to Europe's major economic, political and research centres from any point in Europe. This will in some cases require the development of new air routes where there is no, or not yet, an operational High Speed Train.

I hope this few comments on the guidelines will serve as a first input. ARC would be happy to continue a dialogue with you and to further explain our point of view. ARC will continue to address relevant issues on the European agenda and is happy to bring forward the expertise of its members to support the European Commission in its work.

Sincerely Yours,

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