

# General Assembly

December 11th, 2019

# Welcome !



# Today's Agenda

1. Hilton Presentation
2. Quorum check, Introduction of New Members, Approval of previous Assembly minutes
3. Update on latest industry trends
4. ART oversight examples vs ENAC approach to regulation
5. Consultation on the new ART models - ADR/SAVE Court cases against ART and IBAR
6. Dispute Resolution on the VCE Airport regulated charges
7. IATA Italy competitiveness index
8. Update on the API PNR
9. Update on the ART contributions
10. Election of new Executive Board Member
11. IBAR policies and positions during the consultations on regulated airport charges
12. Roundtable with ENAC and Airports on the PRM Assistance service
13. Any other business

# OPENING FORMALITIES

1. Opening of the Assembly , welcome to new members, presentation of proxies , check of quorum requirements .
2. Approval of previous Assembly minutes .

# What the CEOs are discussing nowadays

## WINGS OF CHANGE EUROPE

19 - 20 November 2019  
Berlin, Germany

Per Registrarsi:  
<https://www.iata.org/events/pages/wings-europe.aspx>

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## SUSTAINABILITY



## CHALLENGES AHEAD

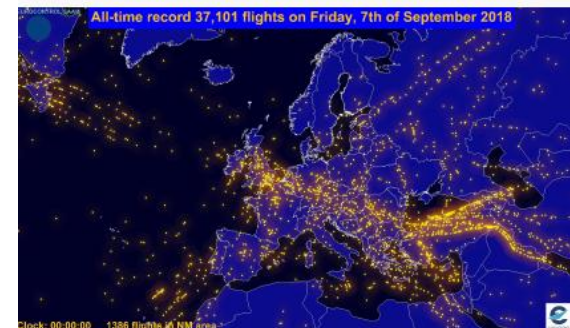
25by2025  
Wings Of Change Signatories



## DIVERSITY



Today V 2030



# Emissions : an industry forced on the defensive

From the  
EU  
Parliament  
webpage

## Emissions from planes and ships: facts and figures (infographic)

Society - 05-12-2019 - 14:11

Greenhouse gas emissions from international aviation have more than doubled over the past two decades, while those from shipping have also increased. Check out our infographics.

Although international aviation and shipping each account for less than 3.5% of the EU's total greenhouse gas emissions, they have been the fastest growing sources of emissions that contribute to climate change.

## Transport emissions in 2017

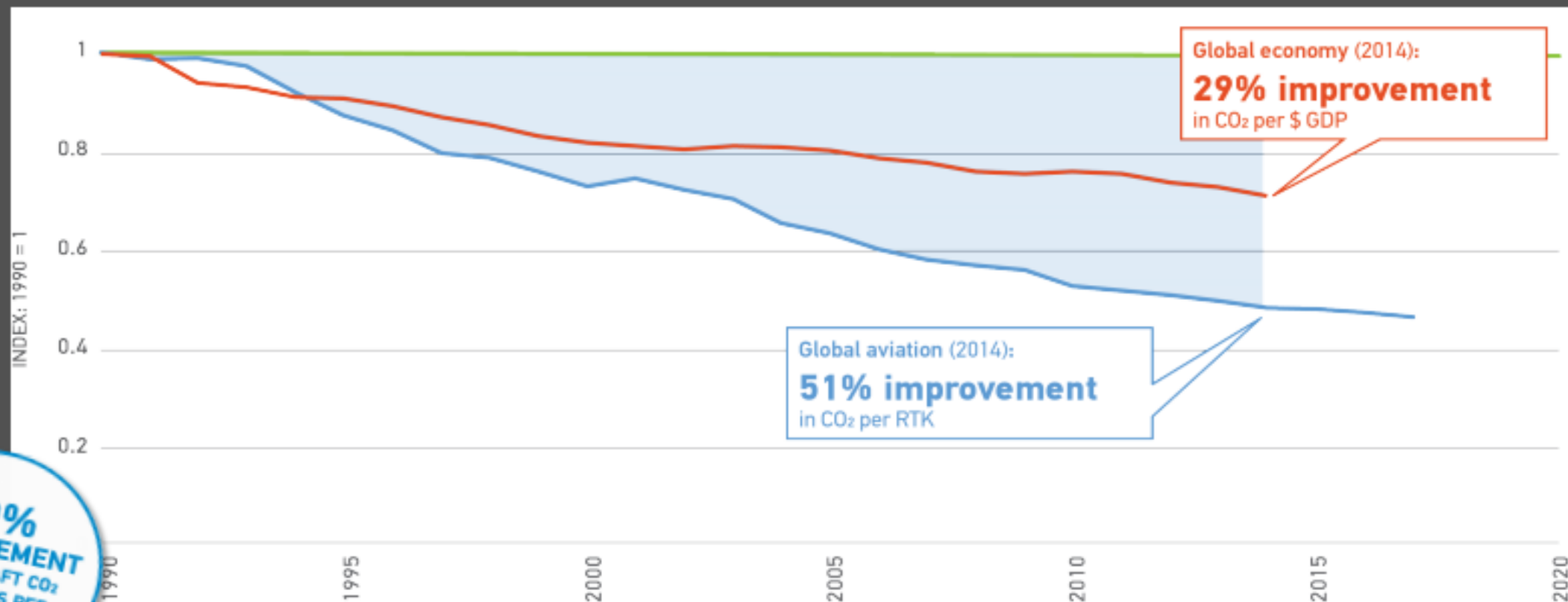
as share of the EU's total greenhouse gas emissions  
[excluding land use, land-use change and forestry]



Energy, agriculture, industrial processes and product use, waste management



# AVIATION TRACK RECORD ON IMPROVING EFFICIENCY



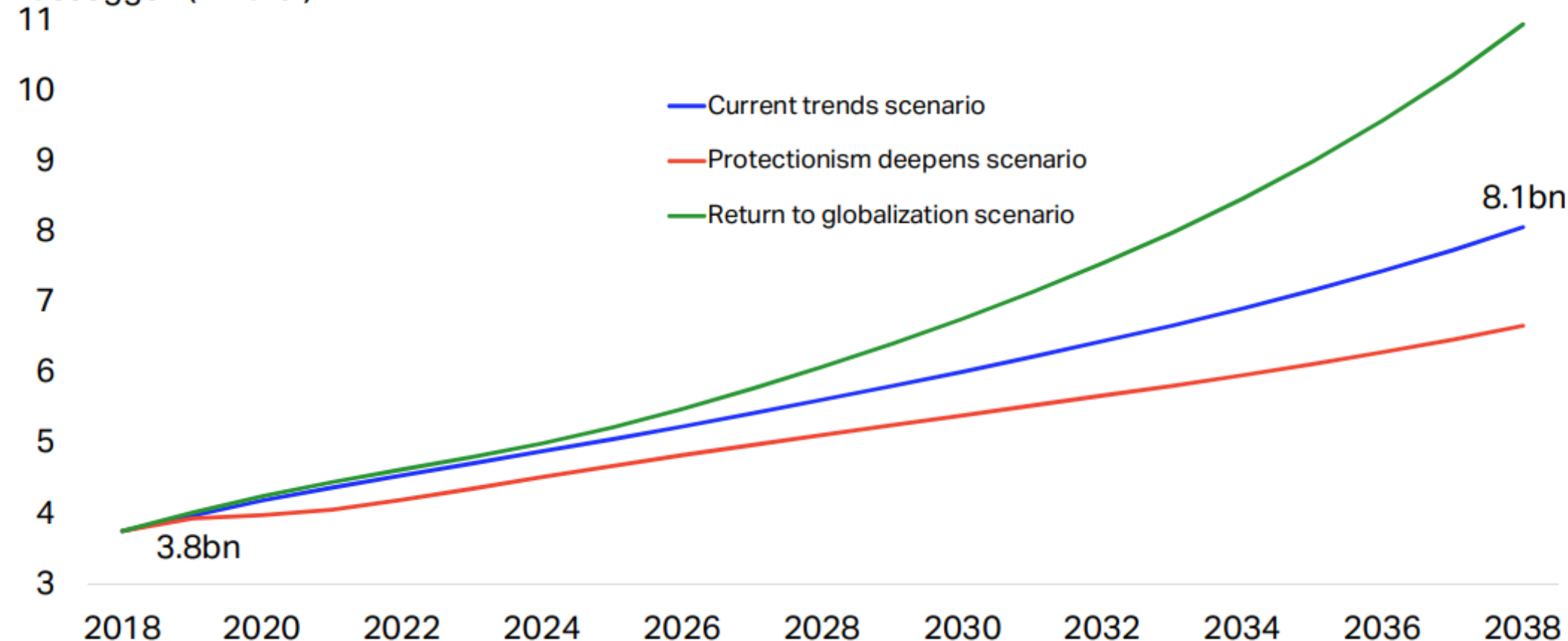
IATA and World Resources Institute data



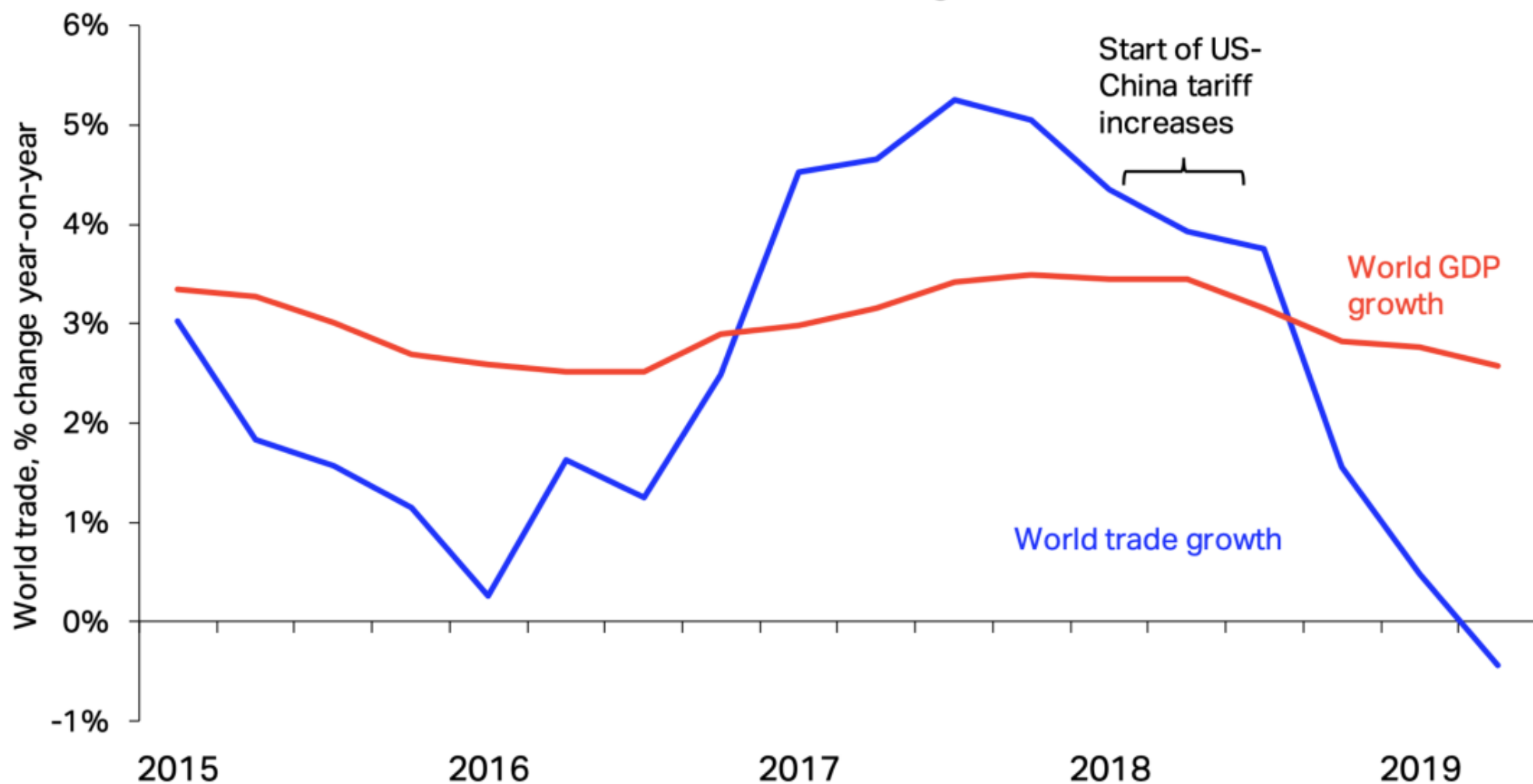
# DEMAND IS SET TO DOUBLE IN THE NEXT TWENTY YEARS

**Brian Pearce**  
Chief Economist  
IATA

Passeggeri (miliardi)



## Global GDP and world trade growth



Source: IATA Economics using data from Netherlands CPB and Oxford Economics

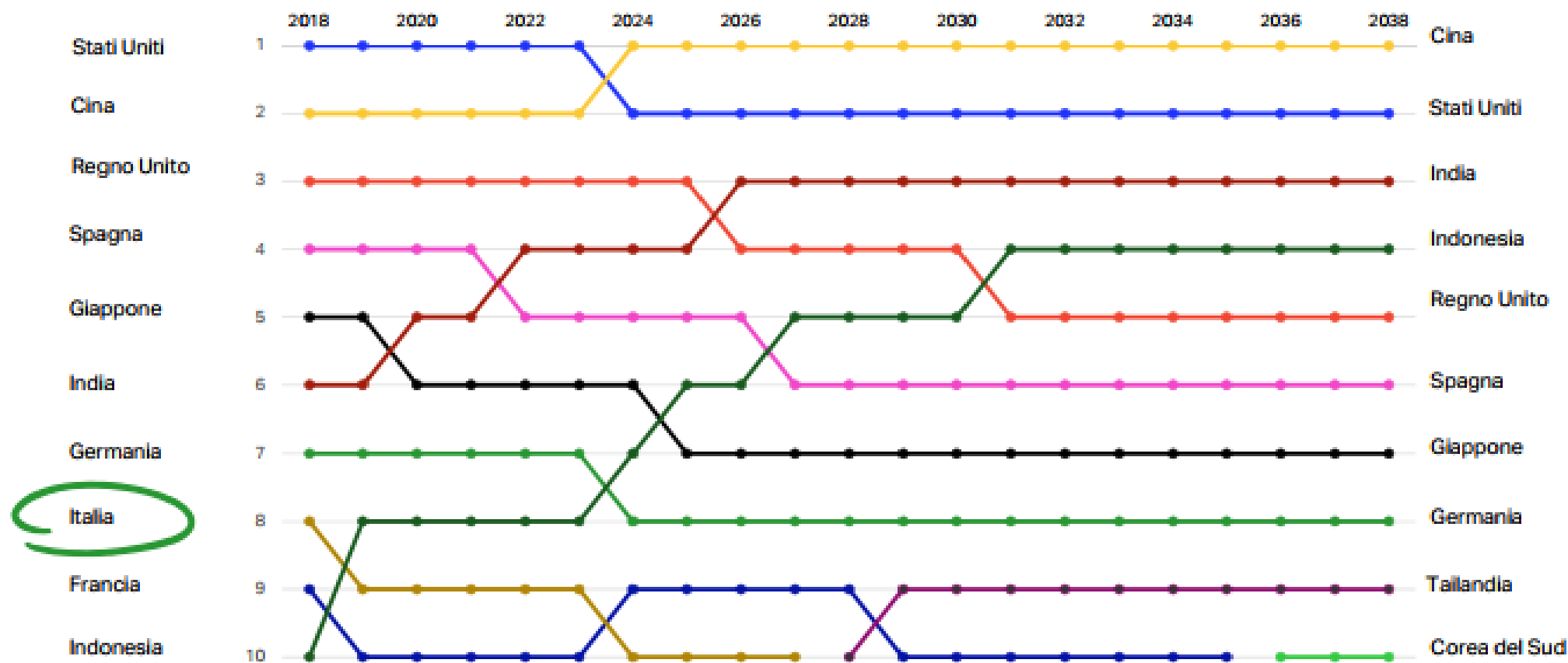


# Aviation center of gravity shifting away from Europe



Source: IATA/Tourism Economics Air Passenger Forecasts, October 2019

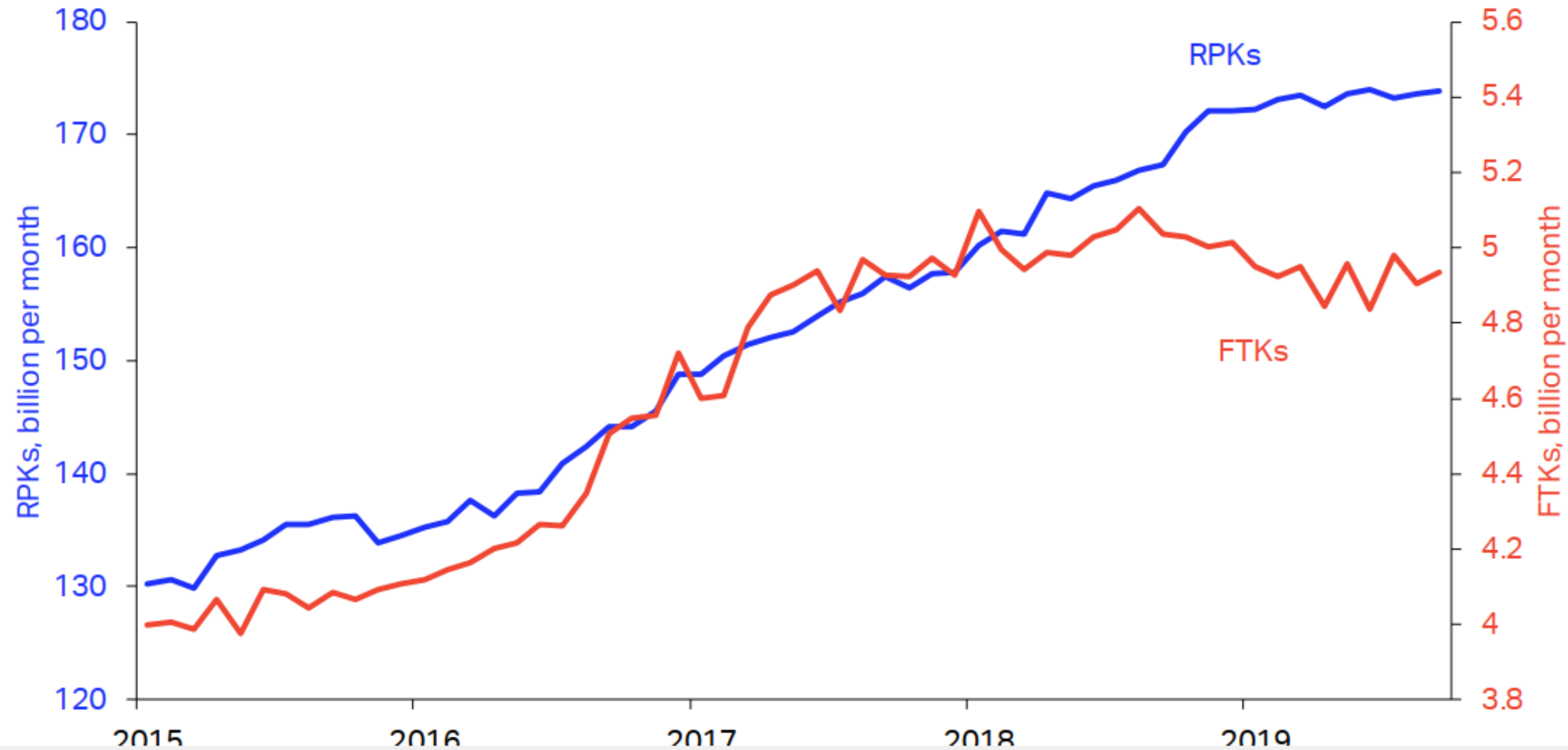
# The top 10 Aviation Markets 2018 - 2038



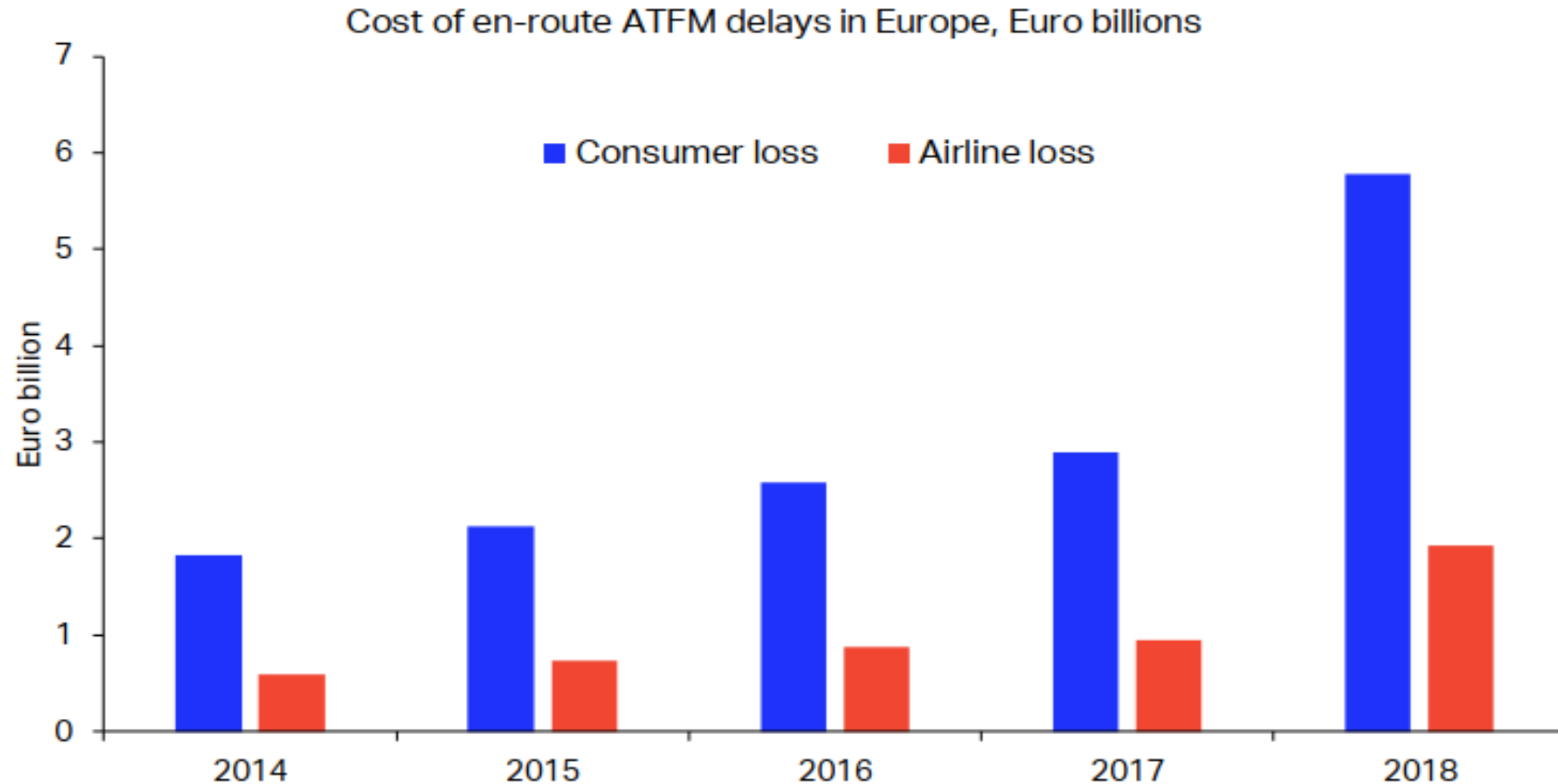
Fonte: IATA/Divisione Studi Economici

# Europe's air cargo is shrinking and travel is stalling

RPKs and FTKs carried by European airlines, billion per month, seasonally adjusted



# Need to eliminate costly and wasteful congestion

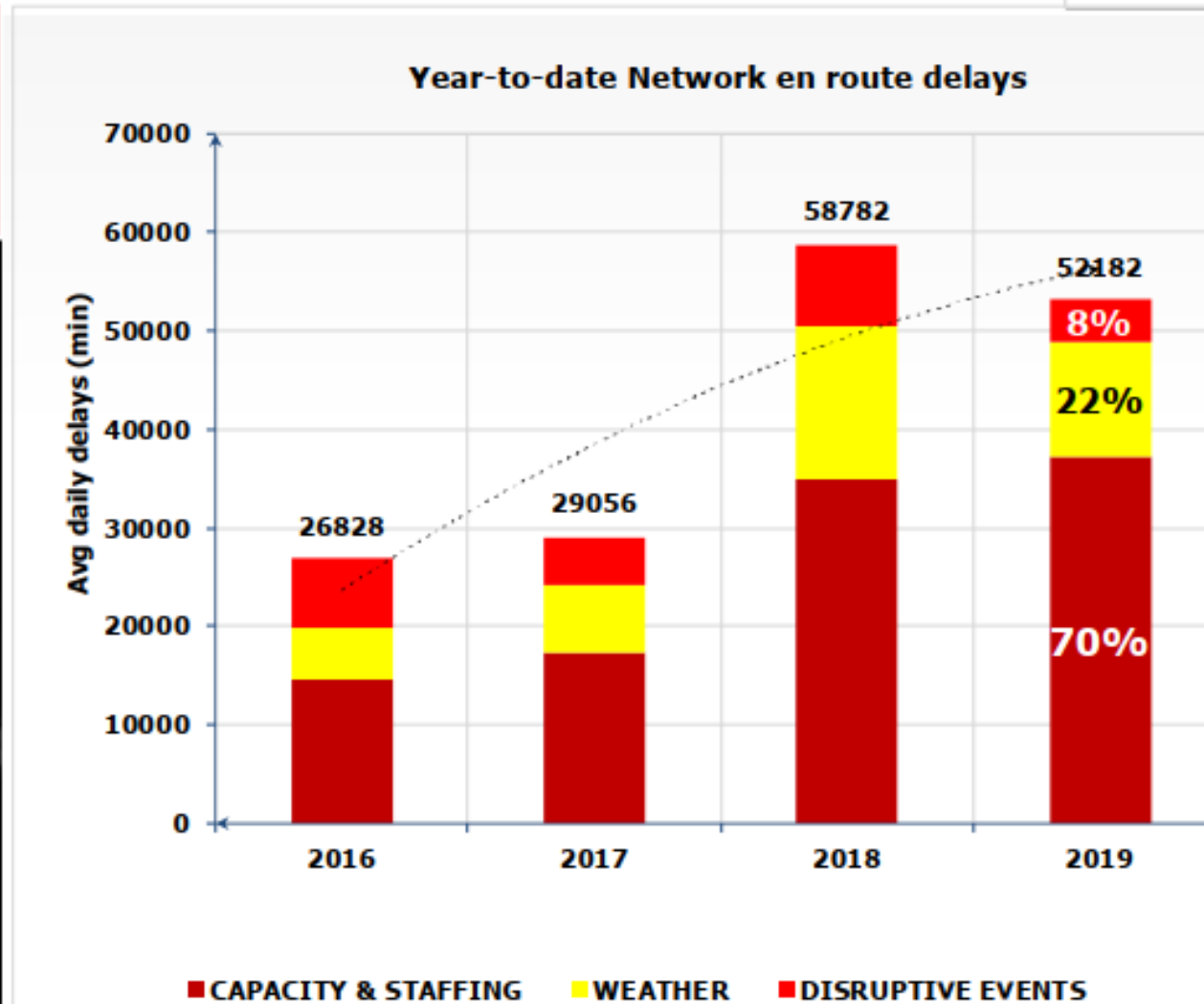


Source: IATA Economics using airline losses estimated by PRC and average value for Eurocontrol value of time for passengers

84% worse than 2017

**STILL IN CRISIS  
SITUATION**

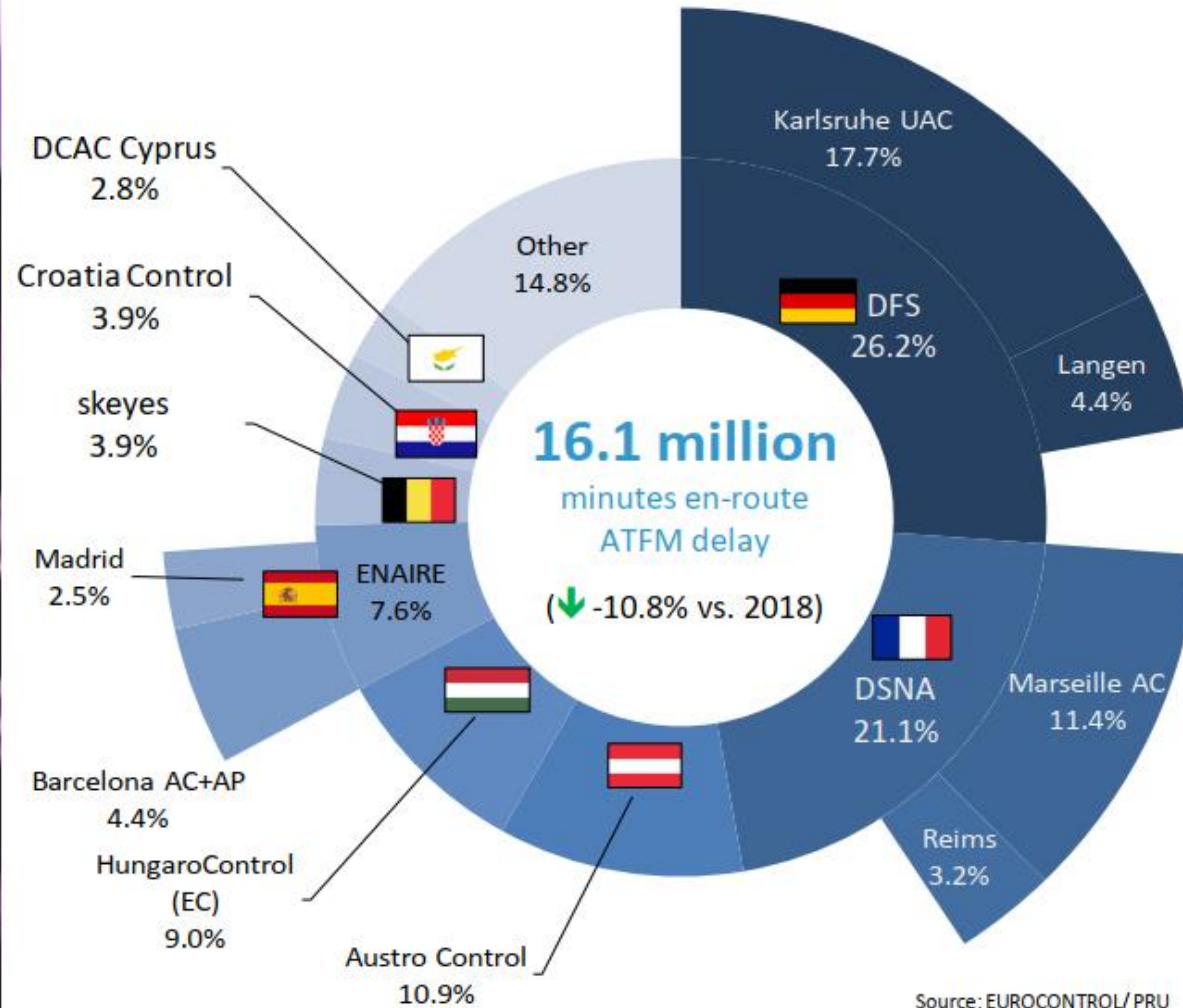
"WE CANNOT  
SOLVE OUR  
PROBLEMS  
WITH THE SAME  
THINKING WE  
USED WHEN WE  
CREATED THEM"



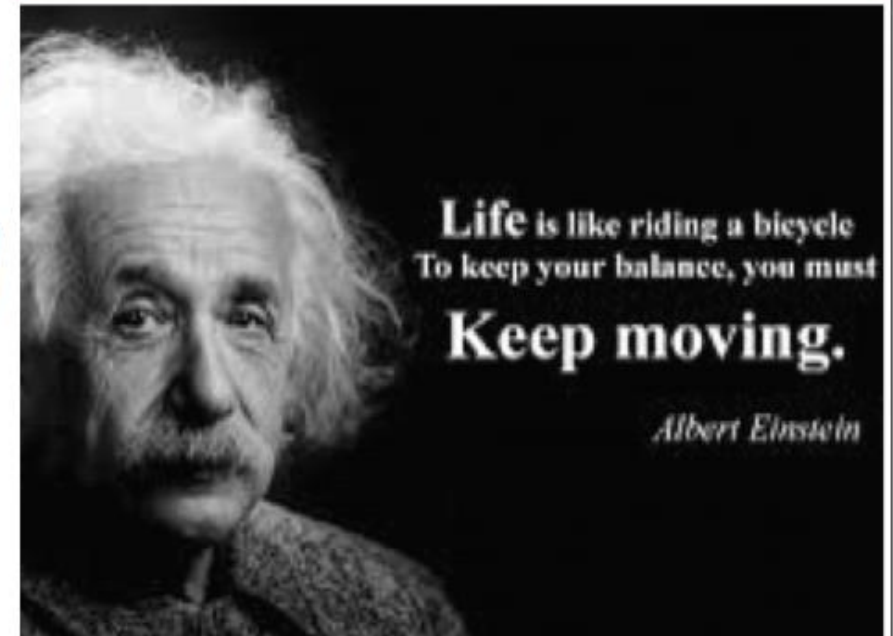
**Eamonn Brennan**  
Director General  
Eurocontrol



## Share of total en-route ATFM delay(%) January-October 2019

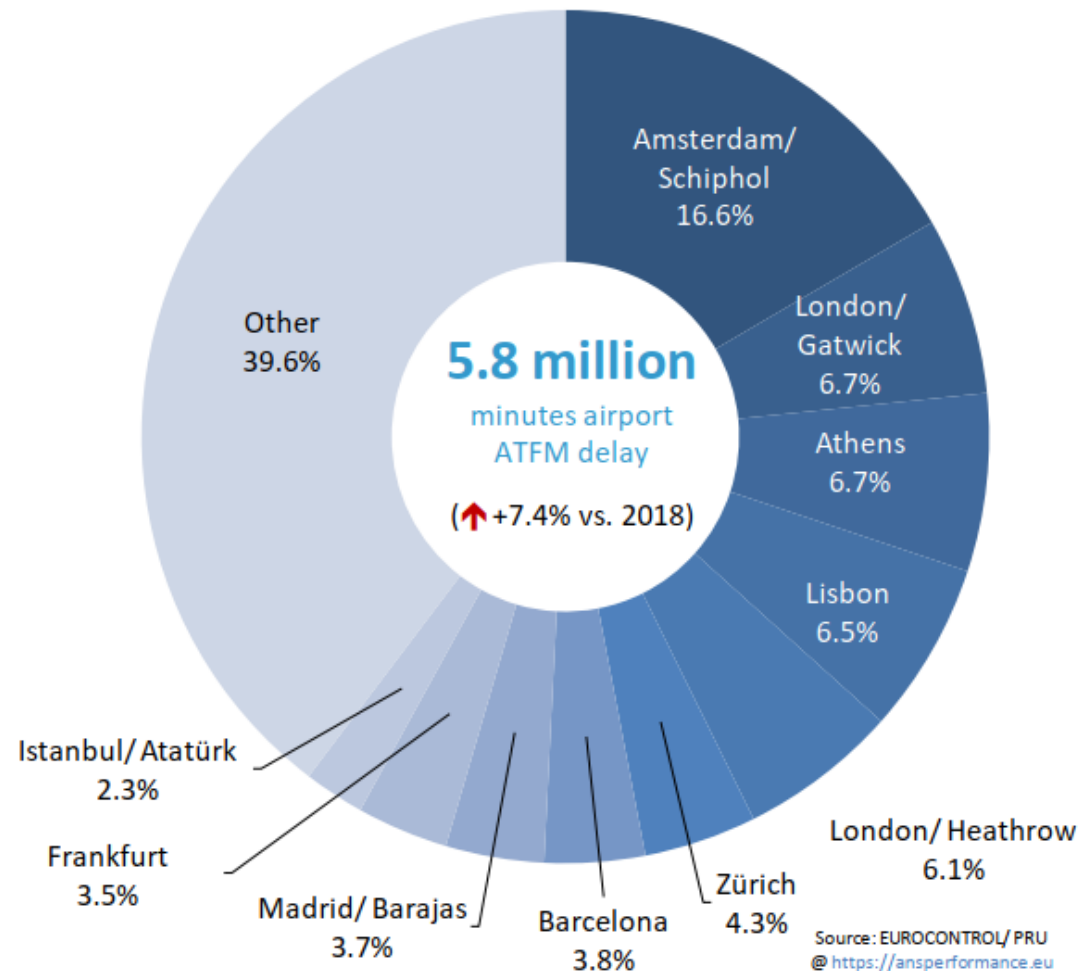


2019 - Improved Predictability  
But **NOT** Long-term Solution





Share of total airport ATFM delay(%)  
January-October 2019



*...and the  
airports?*

**27% of the  
Delay Problem**

# See you again in 20 minutes

## COFFEE BREAK



# Samples of ART Regulation

## 1. BLQ :

- ☐ Reduction of the asset base remunerated by the regulated charges
- ☐ Credit/debt balance excluded from the regulated charges
- ☐ Design costs to be recharged to the users only after implementation of the infrastructure
- ☐ Fast track service to be availed transparently and without discrimination to all users

## 2. BRI ( First Italian Network of Airports ) :

- ☐ A new consultation with the Users must be convened and new, revised charges must be set before May 2020

## 3. VCE :

- ☐ IBAR has filed a formal complaint with ART to request the adoption of the appropriate inflation rate ( 0,8% vs 1,5% calculated by the Airport ) - 156m x 0,7% = 1,1m

# Samples of ENAC Regulation

**The project for the new FCO runway has always been strongly supported by ENAC, despite the lack of consultation with the Users and with no in-depth analysis of alternative options**

**2020 PRM charges at CTA : the Airport proposes a 23% yoy increase, the Users vote against , ENAC approves the proposed charge without delay**

# The legal battle around the new regulatory framework

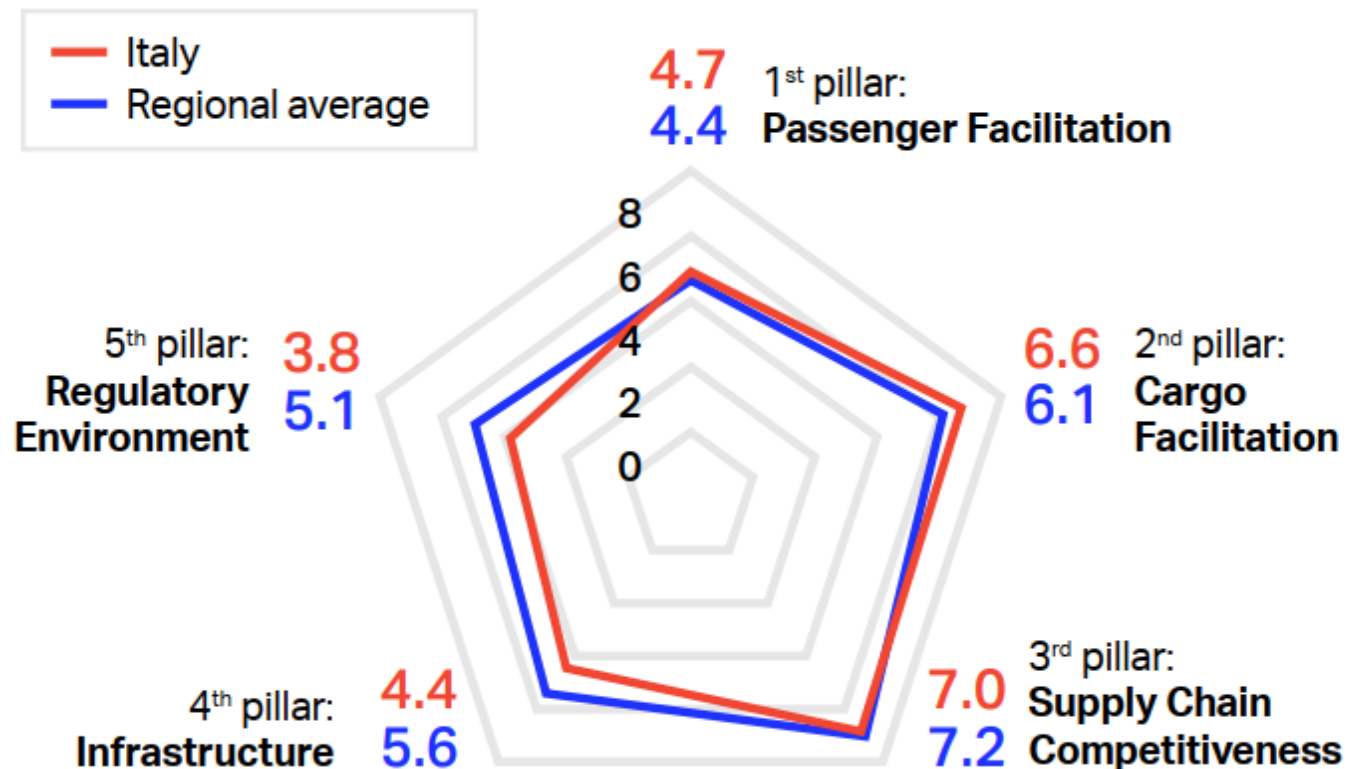
1. **May** : A new Law is passed to extend the scope of the ART economic regulation to all Italian Airports , including ROM , MIL and VCE
2. **August** : ART publishes a Deliberation to open the public consultation on the new Models for the regulated charges
3. **October** : ROM and VCE Airports impugn the ART Deliberation and summon IBAR to Court
4. **November** : IATA and IBAR inform the EU Commission that the prerogatives of the Italian Independent Authority are being challenged in Court and request that the infringement procedure against Italy be kept open until full and effective implementation of the Law.

# How Competitive is Air Transport in Italy?

Airport and passenger taxes and charges are the 7th highest in the region, making Italy more expensive as a business destination and a less attractive choice for tourists.

			
	Passengers	EUR GDP	Jobs
2017	87.3 m	€45.95 bn	714,035
2037	Current trends	€60.5 bn	846,281
	Upside	€65.4 bn	914,406
	Downside	€52.5 bn	733,338

Italy  
Air Transport Regulatory  
Competitiveness Indicators





# IATA Recommendations for Italy

## SUMMARY :

- *In order to facilitate the continued growth of aviation and maximize the benefits of air transport, Italy should:*

1. Focus on implementation of the National Airspace Strategy to further modernize Italian airspace;
2. Remove or at least reduce the **Council Tax**; Avoid implementing the Italian Noise Emissions Tax for Civil Aircraft (known as **IRESA**);
3. Align the airport charges process with international best practice by ensuring **efficient consultation** and **transparent, fair and cost-related charges**.

# Short-Medium Term Factors to watch

- 1. Possible 3% taxation on the Concessionaires' profits (budget law 2020)**
- 2. «Carbon»-related taxation is gaining popularity across Europe**
- 3. The «Council» Tax may be used again to finance large-scale welfare plans for the Air Transport Industry**

# API PNR

## New countries' certifications ongoing

### Ongoing discussions



#### \_ Italy (IT) – EN Pilot (on hold)

- Received information that Italy is ready to start PNR Push. Discussions will start to clarify the requirements
- ALMAVIVA is the company in charge to develop the IT software able to process the API – PNR data. ALMAVIVA sub-contracted with SITA for the data processing
- SITA advised: *“PNR certification phase probably will start in July, the formal communication sent to the Airlines is related to the APIS”*

Latest info from IATA : According to the PIU Management , the Carriers will soon start receiving the first certification requests , complete with technical annexes (NOV19)

# Extract of an ASSAEROPORTI presentation (OCT19)

Convergence of the different Airlines' business models also within the Associations



At National level , growing activism by the Airlines' Associations on the Airport charges



Comitato Utenti  
Users Committee

MXP

COMITATO UTENTI  
VENEZIA AIRPORT



# A quick recap on the procedures

The current procedures on the regulated charges' consultations provide for a vote\*:

- ❑ Every **four years** at the beginning of the «regulated charges' period»
- ❑ **Every year** on the PRM charges.

\* Votes are cast on the entire package proposal , not on single parts thereof

Every year , generally in October , the Airport Management must convene a public consultation on the following year's charges , revised according to the actual realization of the planned investments and on other parameters.

In the yearly monitoring consultations , the Users do not vote; however any Airline/Association can address a dispute resolution request to the Authority on specific matters provided their observations/remarks have been minuted.

# IBAR's role in the proceeding

When a vote is foreseen by the procedure :

IBAR , even in the absence of proxies



- ☐ Analyses the charges' proposal.
- ☐ Submits preliminary observations , in coordination with IATA and the local Users Committee.
- ☐ Participates in the consultation meetings.
- ☐ Appeals to the Authority for dispute resolutions

IBAR has proxies



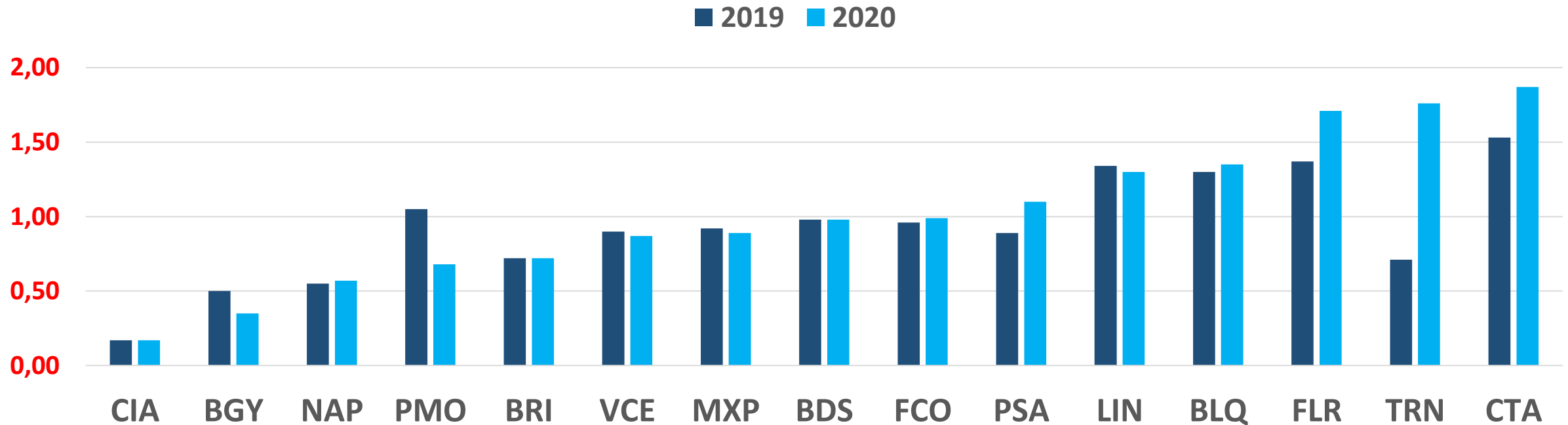
Votes as instructed by the delegating Carrier(s)



# Election of a new EXECUTIVE BOARD Member

Mr Stefano Pontiggia ( AICAI Delegate for Aviation ) has applied for EB Membership.

# PRM charges



The Users' Associations request detailed info on :

- Staff numbers ( internal/external )
- Average cost per employee
- Number of assistances per employee
- Number of assistances per pax
- Average cost per assistance

**Thank you for your attention**

**See you again in 2020 !**

*SEASON'S GREETINGS*