



Newsletter n. 3/2018

July - September

Handlers' limitations 1 – (MXP and LIN)

At the beginning of August , ENAC summoned the airport users of MXP and LIN for a formal consultation on the SEA proposal to limit , as per usual on safety and security grounds , the number of ground handlers operating at both airports.

During the meeting IBAR , IATA and the local AUC/AOCs expressed their strong opposition to the limitations.

However , the expected outcome of the procedure will be an ENAC decision to introduce the limitation.

Handlers' limitation 2 – (VCE)

On September 14th , SAVE closed the selection procedure for ground handling services' providers at VCE Airport.

Five applicants have applied for the two licenses that will be awarded at the end of the procedure , in lieu of the current three.

SAVE has announced a decision by the end of October.

The IBAR Board, in coordination with the other users' Associations, is closely following both the above developments and will decide – in coordination with the other Associations - on the steps to be taken in an effort to prevent the foreseeable rise in handling costs already experienced in other airports following the introduction of similar limitations.

Passport Controls

On September 28th , Following up on a previous letter written last May , IATA and IBAR reiterated their appeal to the Ministry of Interior –

Directorate General of the Border Police - to take urgent measures in order to alleviate the discomfort imposed on the passengers arriving at FCO , MXP and VCE by the long queues for passport controls , often lasting more than two hours.

BAR – Europe Meeting

The yearly meeting of the European BARs' representatives was held in Frankfurt on August 31st.

Main topics :

a) - **legal update on the BREXIT** negotiations and the repercussions of a possible no-deal on the aviation sector.

Freedom of Movement of Goods, Services, Persons, Establishment and Capital will be terminated on 30 March 2019.

For the aviation sector , no agreement has been reached as yet on such important matters as ownership and control , traffic rights and operating licences.

The negotiatiion deadline is set for October 18th , (EU Council Summit).

UK would like to revive the old bi-lateral aviation agreements , most of which were signed in the '40s and '50s and have never been suppressed.

EU is willing to negotiate only a UK-EU comprehensive package.

b) - **Airline representation at National level**
Cooperation between the local IATA offices and the local BARs is to be improved in several Countries.

In Italy both Associations work within a framework of full coordination and often join resources.

Moreover, both Parties engage in close cooperation with the local Airport Users' Committees (AUC) and Airport Operators' Committees (AOC) so as to ensure that the interests of the Airline Community are clearly stated and pursued at all levels.

API/PNR data

The Legislative Decree incorporating in the National Legislation the provisions of the EU Directive 2016/681 (PNR Directive) was published on the Official Gazette on May 25th.

The Ministry of Interior's Circular with the technical specifications has just been released.

IBAR and IATA will shortly provide the Associated Carriers with a courtesy translation.

Italian ban on all cutting weapons

As advised in the previous newsletter, in June the Italian Authorities decided that the ban on cutting weapons to be taken on board should have been extended also to those with a **blade shorter than 6 cm** (which are instead permissible by EU Regulations).

According to the information currently available, *this ban is suspended until further notice* as its unilateral enforcement has proven impossible in the absence of a pre-agreed coordination with the other EU Member States.

Cluster Cargo Aereo (CCA)

In September CCA requested to meet the new Minister of Transport and Infrastructure.

The main objective of such meeting will be a revitalization of the coordination at National Level that was successfully established with the previous Minister and was aimed at removing the regulatory, infrastructural and bureaucratic bottlenecks hampering the air cargo sector.

Academic survey on the cargo sector

In September , CCA released a bid to identify the Academic Institution to be entrusted with the task of benchmarking MXP vis a vis other EU Cargo hubs.

The study will be presented next May in Milan , before an audience of some 500 cargo & logistics Professionals, Airport Managers, Representatives of the Institutions and Members of the press.

Sponsorship opportunities for this high-visibility event will soon be made available to the IBAR Members.

Closure of Milano Linate

On July 17th , ENAC released an official notice advising that LIN airport would be closed from dal 27/07/2019 al 27/10/2019 for runway resurfacing and major terminal works.

The Carriers who are planning to divert their flights from LIN to MXP during this period are advised to apply for the slots as soon as possible.

UE Directive 2015/2302 on IT packages

In July-August , following the introduction of the new EU Directive on IT packages , several Carriers were approached by ASTOI (the Italian Tour Operators' Association) seeking an agreement on the costs related to the cancellation/reissuance of tickets in case of name changes (allowed by the Directive up to 7 days prior to departure).

IBAR did not engage itself directly in the correspondence, and instead arranged for the IATA Brussels Office to reply to ASTOI stating that, from a legal point of view, *the obligations set out by Directive cannot be transferred by the tour organizers to its suppliers, such as the Airlines.*

ENAC guidelines on PRM charging mechanisms

In August , ENAC released a new set of guidelines for the PRM charges.

The document was released primarily to fill a regulatory gap , as ENAC is overseeing the PRM service and charges also at the Airports regulated by ART.

Disappointingly, the IBAR requests to introduce more efficiency-driven criteria in the PRM charge-setting mechanism were only partially incorporated in the final document.

Transport Regulation Authority (ART) Models' revision

On September 13th , ART officially announced the opening of the procedure for the revision of the regulatory models used for the determination of airport charges at the Italian Airports (except ROM , MIL , VCE).

For the new models, ART will apply the “Yardstick competition” method , with particular focus on :

1. Efficiency and elasticity of the airport operating costs.
2. Optimal utilization of the airport capacity
3. Treatment of the commercial margins (i.e. : single till vs dual till)
4. Impact of the aviation-related incentives paid out by the airport on the charges.
5. Definition of the investment plans for new infrastructures.
6. Airports with yearly traffic volumes of less than 1m pax and airport networks.
7. WACC (i.e. : average return on the invested capital)
8. Regulatory accounts

The release of the new models is scheduled for September 2019

IBAR will actively participate in the consultation procedure on this all-important subject, which will have an impact on the Carriers' operating costs for many years to come.

Yearly Consultations on the regulated charges

So far , IBAR has received notice of the following yearly monitoring consultation meetings at the following airports :

VCE	15OCT
CAG	22OCT
BGY	24OCT
PMO	25OCT
BLQ	26OCT
TRN	26OCT
GOA	30OCT
TRS	31OCT

SLA MXP

The kick-off of the MXP SLA test period at the beginning of 2019 is confirmed.

Negotiations for LIN , FCO, CIA, VCE will start soon thereafter.

ARRIVALS & DEPARTURES

We say goodbye to :

Ms Frances Ouseley – General Manager Italy Easyjet