

CALL FOR EVIDENCE FOR AN IMPACT ASSESSMENT

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| TITLE OF THE INITIATIVE | Aviation Guidelines – Revision |
| LEAD DG (RESPONSIBLE UNIT) | DG Competition – Unit F2, State aid - Transport |
| LIKELY TYPE OF INITIATIVE | Commission autonomous act – Commission Communication |
| INDICATIVE TIMETABLE | The revision process should be completed before the expiry date of the extended transitional period for operating aid to regional airports (Q2 2027) |
| ADDITIONAL INFORMATION | |

This document is for information purposes only. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described, including its timing, are subject to change.

A. Political context, problem definition and subsidiarity check

Political context

The [2014 Guidelines on State aid to airports and airlines](#) ('the aviation guidelines') set out criteria under which certain State support measures granted to airlines and airports are compatible with the single market. The objective of the aviation guidelines is to offer sector-specific guidance on the notion of aid in the aviation sector and to describe the compatibility conditions for State aid.

The aviation guidelines were amended in [2018](#) to prolong the specific regime for operating aid to airports with up to 700 000 passengers per year, until 3 April 2024, ie. until the end of the 10-year transitional period for operating aid to all regional airports contained in the aviation guidelines. The aviation guidelines were then amended in [2023](#) to prolong the 10-year transitional period for operating aid to all regional airports by a further 3 years, from 2024 (when it was originally due to expire) until 2027, to cater for the impact of the COVID-19 pandemic.

The aviation sector has evolved significantly since the adoption of the aviation guidelines. The Commission's [Fitness Check of the 2012 State aid modernisation package](#) conducted in 2019-2020 ('the fitness check') identified the need to amend the aviation guidelines in the medium term, in particular to ensure that they are fully aligned with the objectives set out in the Green Deal.

Against this background, the Commission plans to review the aviation guidelines. In doing so, the Commission will also consider, for consistency reasons, the existing options of granting aid to the aviation sector other than under the framework of the aviation guidelines. These other options are set out in the bullet points below.

- Airports and airlines may be entrusted with public-service obligations and compensated for these obligations under the State aid rules applying to [services of general economic interest](#) ('the SGEI package').
- The [General Block Exemption Regulation](#) permits operating aid to airports with up to 200 000 passengers a year and investment aid to airports with up to 3 million passengers a year under certain conditions.
- The [Commission's guidelines on State aid for climate, environmental protection and energy \('the CEEAG'\)](#) or the [framework for State aid for research and development and innovation \('the R&D&I State aid guidelines'\)](#) both allow grant aid for the greening of the aviation sector.
- The [rescue and restructuring guidelines](#) allow support to be given to airlines or airports in difficulty under certain conditions.

Problem the initiative aims to tackle

The Commission's fitness check identified a need to amend the aviation guidelines in the medium term to ensure in particular that they are fully aligned with the objectives set out in the Green Deal. The aviation guidelines do not specifically address the need to mitigate the aviation sector's impact on the environment and the climate. The aviation sector may already benefit from support under both the CEEAG and R&D&I State aid guidelines in this respect, but additional measures in the revised aviation guidelines could be useful to decarbonise the sector.

Furthermore, the fitness check suggested that the 10-year transitional period allowing operating aid under the aviation guidelines would not be sufficient for many smaller regional airports to ensure they are able to cover their costs by that time. Although the transitional period has been extended by 3 years until 2027 in order to cater for the impact of the COVID-19 pandemic, it is possible that at the end of this 3-year extension some regional airports may still remain unprofitable. Therefore, the question arises whether a longer-term solution is needed in this respect, and if so, which one.

The Fitness Check also generally stressed the need for a clarification of the rules laid down in the aviation guidelines. In this respect, experience has shown that some of the key provisions (such as those on operating aid for airports and start-up aid for airlines) have been rarely used in practice. This raises some questions as to how appropriate these rules are for addressing the connectivity objectives pursued.

The aviation guidelines may also not reflect changes in the nature of competition between airlines and the impact of these changes on competition between airports, in particular the impact on the notion of catchment area. The notion of catchment area is key when assessing the compatibility of aid to airports to avoid undue competitive distortions with existing nearby airports.

Basis for EU action (legal basis and subsidiarity check)

Legal basis

Articles 107 to 109 of the Treaty on the Functioning of the European Union (TFEU).

Practical need for EU action

Competition policy is an exclusive competence of the European Union, pursuant to Article 3 TFEU. The Commission has exclusive competence to assess the compatibility of State aid measures under Article 107(3)(c) and Article 106(2) TFEU. The subsidiarity principle therefore does not apply and the EU added value appears confirmed.

B. Objectives and policy options

Objectives

The general objective of the revision of the aviation guidelines is to ensure an effective and efficient State aid framework that promotes both connectivity for people and the objectives of the Green Deal while ensuring fair competition in the aviation sector.

Specifically, the initiative is aimed at:

- analysing: (i) how the aviation market has evolved since the adoption of the 2014 aviation guidelines and is likely to evolve in the future; (ii) the case practice of the Commission as regards the enforcement of the aviation guidelines; and (iii) the needs of the aviation sector that could be addressed by revised aviation guidelines;
- assessing whether the aviation guidelines should be updated and simplified to reduce administrative burden and improve compliance by Member States;
- assessing whether and how the aviation guidelines could be better aligned with the priorities of the Green Deal, while considering the support that can already be provided under the CEEAG and the R&D&I State aid guidelines.

Policy options

The baseline scenario is that the aviation guidelines continue to apply without any amendments and that the possibility to provide operating aid to unprofitable regional airports ends in 2027 (end of the extended transitional period).

Alternative policy options that could be considered raise in particular the following questions set out in the four bullet points below.

- Can the current objective of the aviation guidelines (i.e. ensuring sufficient connectivity) and the need to decarbonise the aviation sector be satisfactorily addressed by other existing instruments (e.g. the SGEI package, the General Block Exemption Regulation, the CEEAG, and the rescue and restructuring guidelines)?
- Should start-up aid for airlines and investment aid to airports be maintained? If so, should the conditions attached to these types of aid be adjusted and how?

- Should unprofitable regional airports continue to receive operating aid beyond the extended transitional period? If so, should this aid be given under revised aviation guidelines (and if so under which conditions?) or another legal basis (e.g. the SGEI package)?
- How could revised aviation guidelines better contribute to achieving the Green Deal objectives while ensuring connectivity through either: (i) specific new aid measures; or (ii) more eco-conditionality? What additional contribution would these revised aviation guidelines make that are not already contained in the CEEAG and R&D&I State aid guidelines?

C. Likely impacts

The three likely impacts of the revision are set out in the bullet points below.

- Improved services and/or better prices for EU consumers – The revision of the aviation guidelines should ensure that only real and verifiable connectivity needs are supported to the extent necessary, while promoting competition and a level playing field in the aviation sector.
- Administrative burden reduction for Member States, airports and airlines – Clearer and simpler rules in the revised aviation guidelines should facilitate and increase compliance with State aid rules.
- Emissions reductions in the aviation sector – Aligning the aviation guidelines with the priorities of the Green Deal should complement the possibilities already offered by the CEEAG in terms of reducing the environmental footprint of the aviation sector.

D. Better regulation instruments

Impact assessment

An impact assessment will be carried out to support the review and to inform the Commission's decision. According to tentative planning, the revision process should be completed before the expiry date of the extended transitional period for operating aid to regional airports (Q2 2027).

Consultation strategy

The call for evidence is open to everyone and aims to collect comments and views on the current needs of the aviation sector that could be addressed by revised aviation guidelines. The Commission will promote the call for evidence as part of its regular contacts with stakeholders. A news item will also be published on the Commission's website.

The document will be available in all 24 official EU languages. Replies can be submitted in any of the official languages.

The call for evidence will be open for 6 weeks.

The Commission will also conduct a study to be finalised by summer 2025 to assess further the characteristics and needs of the aviation sector and will conduct an open public consultation as part of this study.

The Commission will also conduct a 12-week public consultation to gather further views from the stakeholders on specific questions.

All feedback to the call for evidence and public consultation will be published on the [Have Your Say](#) portal.

Why we are consulting?

The objective of the call for evidence is to gather feedback on a possible future revision of the aviation guidelines.

Target audience

Concerned stakeholders include in particular national authorities, airports, airlines, airports and airlines associations, and organisations active in the aviation sector.