Basic information

1999/2113(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
The European airline industry: competitiveness, from singlemarket to world-wide challenges **Subject** 3.20.01 Air transport and air freight	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
RETT Regional Policy, Transport and Tourism	STERCKX Dirk (ELDR)	31/08/1999

Committee for opinion	Rapporteur for opinion	Appointed
ITRE Industry, External Trade, Research, Energy	FOSTER Jacqueline (PPE-DE)	04/10/1999

Council of the European Union

Key events

Date	Event	Reference	Summary
20/05/1999	Non-legislative basic document published	COM(1999)0182	Summary
13/09/1999	Committee referral announced in Parliament		
22/03/2000	Vote in committee		Summary
22/03/2000	Committee report tabled for plenary	A5-0075/2000	
03/05/2000	Debate in Parliament		
04/05/2000	Decision by Parliament	T5-0200/2000	Summary
04/05/2000	End of procedure in Parliament		
07/02/2001	Final act published in Official Journal		

Technical information

Procedure reference	1999/2113(COS)
Procedure type	COS - Procedure on a strategy paper (historic)

Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 148
Stage reached in procedure	Procedure completed
Committee dossier	RETT/4/11014

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A5-0075/2000 OJ C 040 07.02.2001, p. 0004	22/03/2000	
Text adopted by Parliament, single reading		T5-0200/2000 OJ C 041 07.02.2001, p. 0027-0052	04/05/2000	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(1999)0182	20/05/1999	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0080/2000 OJ C 075 15.03.2000, p. 0004	26/01/2000	

The European airline industry: competitiveness, from singlemarket to world-wide challenges

1999/2113(COS) - 20/05/1999 - Non-legislative basic document

PURPOSE : the objectives of the present communication include, first of all, to take stock of the progress made by the European air transport industry in the wake of market liberalisation, and then, to define new strategies in order to improve competition in the sector. CONTENT : the Commission points out that European airlines, forced to adjust to a new competitive environment and to cope with the pressures resulting from the United States' open skies policy, have had to adopt new strategies, whereby, over the last decade, they have achieved considerable productivity improvements and created jobs. The available statistics show that AEA (Association of European Airlines) member airlines' traffic increased by 9.7%; capacity by 6.7%; and freight traffic by 5.3%. More recent data tell us that the trend is continuing in 1998. However, the European airlines still suffer from relative commercial fragility compared with their main competitors, notably, North-American carriers. The present communication highlights the deficiencies of the regulatory framework of air transport activities, which stand in the way of adjustment by the European companies. To help the industry towards this strategy, the European Commission identifies the following policy orientation : - the Commission uses all the tools at its disposal to ensure integration of the European market. This includes the application of EC competition law to prevent attempts to re-fragment the market through public intervention or anti-competitive alliances or mergers; - the elimination of technical obstacles to trade, in particular by faster and more efficient harmonisation of safety rules through the creation of a European Aviation Safety Authority and by giving impetus to ICAO activities in the environment field will help the industry; - the fragmentation of the internal market results also from the lack of an external dimension. Ownership rules and the bilateral agreements system create obstacles to industry restructuring at European level and to fair competition with the open skies countries. These economic consequences add to legal justification for a genuine external dimension permitting to insert the alliances within a fair European framework; - the Commission reinforced its role as an observatory of the European air transport industry. For this purpose, it is carrying out a long term project for the creation of a comprehensive database of the European airline industry. This will increase the quality and availability of data and analyses on capacity, traffic, financial performance, productivity, industry and route structure, airports, and employment that are necessary to support a policy aiming at safeguarding the competitiveness of the industry. Information and analyses on industry trends will be available to the general public on the

Commission's internet site. This communication will be the subject of discussion that the Commission intends to hold with the industry, national regulators and users.

The European airline industry: competitiveness, from singlemarket to world-wide challenges

1999/2113(COS) - 04/05/2000 - Text adopted by Parliament, single reading

In adopting the report drafted by Mr. Dirk STERCKX (ELDR, Belg), the European Parliament approves the resolution on the communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions - the European Airline Industry: from Single Market to World-wide Challenges. Overall, the European Parliament considers that the development of a single market in the European airline industry has led to positive competition with the result that consumers now have a greater choice of flights, often at more favourable prices. However, the features of liberalisation which are welcome for passengers should not be diminished by other factors such as delays and congestion. The Parliament insists that safety concerns must remain an underlying principle in all measures and policies in air transport. It reiterates its support for the initiative to set up a European Aviation Safety Authority which should extend beyond the EU and include as many European States as possible. Evidently, it supports the plan to set up a single air transport safety regulatory authority. Furthermore, it requests for completion of the internal market by creating a single European airspace for the benefit of all its users, including the need for more use to be made of military airspace for civil aviation purposes. It, therefore, calls on the Member States to transfer to the European Union regulative competencies for ATC and calls on the EU to establish a uniform system of European air safety. The European Parliament also believes that the scientific and technological research effort to develop new traffic management systems must continue to be given active support by the aeronautical industry to alleviate the current problems regarding air traffic management and congestion. Therefore, it supports the Galileo project as a state of the art navigation system. With regard to slot allocation, the Parliament urges the Commission to revise the present system of slot allocation which encourages a static and inflexible situation and, as a matter of urgency, to present a proposal for revision of the slot allocation regulation, giving due consideration to slot allocation according to environmental criteria, and in particular the noise and emissions from aircraft. As regards competition, the Parliament considers that competition authorities should rigorously enforce rules against unfair practices or other practices having similar effects, since effective application of competition rules is essential to the good functioning of a liberalise market. The concept of a Transatlantic Common Aviation Area with the objectives of ensuring full market access and convergence of other commercial and regulatory issues such as safety, etc, is supported by the European Parliament. Passenger rights is a very important issue and the Parliament considers that the overbooking, ticketing and seat allocation arrangement does not always work to the benefit of travellers and is in need of review. Moreover, passengers should be fully informed in advance about details of the services, in particular the name of the operating carrier. Finally, the Commission is called upon to propose measures torestict as far as possible the adverse effects of the growth in aviation. It requests that the Commission support all measures which may be taken by the airlines and the aviation industry to achieve a further reduction in emissions (a further reduction in kerosene consumption and development and use of huskits).