Basic information

2020/0069(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Common rules for the operation of air services in the Community in view of the COVID-19 pandemic Amending Regulation 2008/1008 2006/0130(COD) **Subject** 3.20.01 Air transport and air freight 4.20 Public health 4.20.01 Medicine, diseases **Legislative priorities** The EU's response to the Covid-19 pandemic	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	TRAN Transport and Tourism		
Council of the European Union			
European Economic and Social Committee			
European Committee of the Regions			

Key events

Date	Event	Reference	Summary
29/04/2020	Legislative proposal published	COM(2020)0178	Summary
13/05/2020	Decision by Parliament, 1st reading	T9-0126/2020	Summary
13/05/2020	Results of vote in Parliament		
13/05/2020	Committee referral announced in Parliament, 1st reading		
14/05/2020	Results of vote in Parliament		
15/05/2020	Results of vote in Parliament		
25/05/2020	Act adopted by Council after Parliament's 1st reading		
25/05/2020	Final act signed		
26/05/2020	End of procedure in Parliament		
27/05/2020	Final act published in Official Journal		

Technical information

Procedure reference	2020/0069(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Amending Regulation 2008/1008 2006/0130(COD)
Legal basis	Rules of Procedure EP 170 Treaty on the Functioning of the European Union TFEU 100-p2
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	TRAN/9/02872

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Text adopted by Parliament, 1st reading/single reading		T9-0126/2020	13/05/2020	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00013/2020/LEX	25/05/2020	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2020)0178	29/04/2020	Summary
Commission response to text adopted in plenary	SP(2020)229	10/06/2020	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Regulation 2020/0696
OJ L 165 27.05.2020, p. 0001 Summary

Common rules for the operation of air services in the Community in view of the COVID-19 pandemic

2020/0069(COD) - 13/05/2020 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 541 votes to 29, with 17 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC)

No 1008/2008 of the European Parliament and of the Council on common rules for the operation of air services in the Community in view of the COVID-19 pandemic.

Parliament adopted its position at first reading under the ordinary legislative procedure. As an agreement was reached between Parliament and Council, Parliament's position corresponds to the final legislative act.

The proposed Regulation aims at temporarily amending the rules applicable to air services in order to help airlines and airports to cope with the sharp decline in air traffic caused by the COVID-19 outbreak.

Specifically, the Regulation:

- amends the rules for the licensing of air carriers in the event of financial difficulties due to the COVID-19 pandemic in order to avoid unnecessary administrative burdens: on the basis of assessments carried out between 1 March 2020 and 31 December 2020, the competent licensing authority may decide before the end of this period not to suspend or revoke the operating licence of the Union air carrier, provided that safety is not jeopardised and that there is a realistic prospect of a satisfactory financial recovery within the following 12 months;

- introduces a derogation from the procedures used by Member States to impose restrictions on traffic rights in order to deal with emergency situations: Member States shall thus be able, without the Commission's agreement, to refuse, limit or impose conditions on the exercise of traffic rights if such measures are necessary to deal with the COVID-19 outbreak. These measures must respect the principles of proportionality and transparency and be based on objective and non-discriminatory criteria. The Commission may suspend this derogation at the request of any Member State involved or on its own initiative;

- introduces new temporary rules on the provision of ground handling services: the aim is to help airports continue their activities in the event of the bankruptcy of a ground handling company (i) by introducing a direct procedure for the selection of service providers to provide these services for a maximum period of 6 months or until 31 December 2020 and (ii) by allowing the prolongation of existing contracts until 2022.

Common rules for the operation of air services in the Community in view of the COVID-19 pandemic

2020/0069(COD) - 27/05/2020 - Final act

PURPOSE: to adopt support measures to mitigate the impact of the COVID-19 pandemic on the EU aviation sector.

LEGISLATIVE ACT: Regulation (EU) 2020/696 of the European Parliament and of the Council amending Regulation (EC) No 1008/2008 on common rules for the operation of air services in the Community, in view of the COVID-19 pandemic.

CONTENT: the Regulation aims to temporarily amend Regulation (EC) No 1008/2008 in order to help airlines and airports to cope with the sharp fall in air traffic caused by the COVID-19 pandemic. Figures published by Eurocontrol indicate a drop of around 90% in air traffic in Europe at the end of March 2020 compared to March 2019. The result is severe liquidity problems for air carriers.

Air carrier licensing rules

The granting of a temporary licence under Regulation (EC) No 1008/2008 may send a negative signal to the market about the ability of an air carrier to survive, which in turn would aggravate financial problems that would otherwise be temporary.

The Regulation amends the rules for the licensing of air carriers in the event of financial difficulties due to the COVID-19 pandemic, in order to avoid unnecessary administrative burdens for air carriers.

On the basis of assessments carried out between 1 March 2020 and 31 December 2020, the competent licensing authority may decide before the end of that period not to suspend or revoke the operating licence of the Union air carrier, provided that safety is not jeopardised and that there is a realistic prospect of a satisfactory financial recovery within the following 12 months.

Emergency measures linked to the COVID-19 pandemic

The Regulation introduces a derogation from the procedures used by Member States to impose restrictions on traffic rights in order to deal with emergency situations.

This derogation establishes that a Member State may temporarily maintain a justified emergency measure in place for a period longer than 14 days, but that such a measure may only remain in force as long as there are clear public health risks related to the coronavirus pandemic. Such emergency measures shall respect the principles of proportionality and transparency and be based on objective and non-discriminatory criteria.

The Commission shall continuously monitor the situation and present a summary report to the European Parliament and the Council on this matter by 15 November 2020 at the latest.

Ground handling services

At airports where the number of suppliers of ground handling services is limited, suppliers may be selected for a maximum of 7 years. Suppliers for which this period is coming to an end may, consequently, experience difficulties obtaining access to financing.

The Regulation introduces new temporary rules on the provision of ground handling services. The aim is to help airports to continue their activities in the event of the bankruptcy of a ground handling company:

- by introducing a direct procedure for the selection of service providers to provide services for a maximum period of 6 months or until 31 December 2020, and

- by authorising the extension of existing contracts until 2022.

Delegated Acts

The Commission may adopt delegated acts to extend:

- the period during which the competent licensing authorities may decide not to suspend or revoke operating licences,

- the period during which Member States may refuse, limit or impose conditions on the exercise of traffic rights, and

- the period during which the contracts of suppliers of ground handling services may be prolonged and during which the managing body of the airport may choose a supplier of groundhandling services directly.

ENTRY INTO FORCE: 28.5.2020.

Common rules for the operation of air services in the Community in view of the COVID-19 pandemic

2020/0069(COD) - 29/04/2020 - Legislative proposal

PURPOSE: to temporarily amend several provisions of existing aviation legislation in order to mitigate the impact of the COVID-19 pandemic on the EU aviation sector.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure on an equal footing with the Council.

BACKGROUND: the COVID-19 pandemic led to a sharp fall in air traffic due to a significant drop in demand and the adoption by Member States and third countries of direct measures, such as border closures and flight bans, to curb its spread. Figures published by the EU Network Manager at the European Organisation for the Safety of Air Navigation (‘Eurocontrol’), indicate a fall in air traffic of around 90% for the European region at the end of March 2020 as compared to March 2019.

The aviation sector is of strategic importance to the European Union and makes a vital contribution to the EU’s overall economy and employment. In 2016, for example, the aviation sector supported 9.4 million jobs in the EU and contributed more than EUR 624 billion to the EU's GDP. It also contributes to the success of SMEs and tourism. The liquidity crisis in the aviation sector may lead to insolvencies within a few months if left unaddressed.

Given the contribution of aviation to the overall performance of the EU economy and the importance of its overall weight, the Commission considers it essential that the EU takes action to support the EU aviation sector.

CONTENT: the proposed Regulation aims to temporarily amend several provisions of Regulation (EC) No 1008/2008 of the European Parliament and of the Council to allow the Commission and national authorities to more easily address a number of negative consequences of the COVID-19 pandemic, and to mitigate of the impacts on the aviation sector for the duration of the crisis.

These temporary measures include the following:

Modification to air carrier licencing rules in case of financial difficulties due to the COVID-19 outbreak

Pursuant to Regulation (EC) No 1008/2008, Member States must suspend or revoke the operating licence of any air carrier, which may not to be able to fulfil its actual or potential financial obligations for the next twelve months. Alternatively, the authorities may grant a temporary licence to such airlines.

However, experience has shown that it also sends a very negative signal to the market about the ability of an airline to survive, which in turn aggravates its financial problems, in particular in terms of cash flow.

Accordingly, the proposal proposes that based on assessments, carried out from 1 March 2020 until 31 December 2020, the competent licensing authority may decide before the end of that period not to suspend or revoke the operating license of the Union carrier provided that safety is not at risk, and that there is a realistic prospect of a satisfactory financial reconstruction within the following 12 months.

Simplification of procedures for the imposition of restrictions on traffic rights

The proposal provides for a temporary derogation to procedural requirements of Regulation (EC) No 1008/2008. The derogation clarifies that a Member State may temporarily keep a justified and proportionate emergency measure in place for a period beyond 14 days – but limited to the duration of public health risks clearly linked to the COVID-19 pandemic. Member States should be able to refuse, limit or impose conditions on the exercise of traffic rights to deal with problems resulting from the COVID-19 pandemic which could be of extended duration. Such emergency measures taken in the context of the COVID-19 pandemic should respect the principles of proportionality and transparency and should be based on objective and non-discriminatory criteria.

At the request of any of the Member State(s) involved or on its own initiative, the Commission may suspend this action if it does not meet the requirements of the Regulation or is otherwise contrary to Union law. To this effect, Member States are obliged to inform the Commission about changes in duration and scope of their emergency measures.

Improving the efficiency of ground handling contracting during the COVID-19 crisis

The proposal allows the managing bodies of airport to prolong contracts of suppliers of ground handling service until 31 December 2021, in derogation of Directive 96/67/EC. It also allows the managing body of an airport to directly choose a ground handling service for a maximum period of six months.

The amendments also provide for the possibility for the Commission to extend the periods concerned by means of delegated acts.