

# **Airport Access – The challenge for Business Aviation in the 21st century**



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# THE VOICE OF EUROPE'S AIRPORTS

- **More than 400 AIRPORTS / 46 COUNTRIES**  
(27EU + 19)

- **172 WORLD BUSINESS PARTNERS**  
*Investors, Banks, Construction Companies, Security equipment manufacturers, Retailers, Consultants, etc.*

- **5 NATIONAL ASSOCIATIONS**
  - ALFA ACI (French Speaking airports Worldwide)
  - UAF (France)
  - Assaeroporti (Italy)
  - AOA (UK)
  - ADV (Germany)

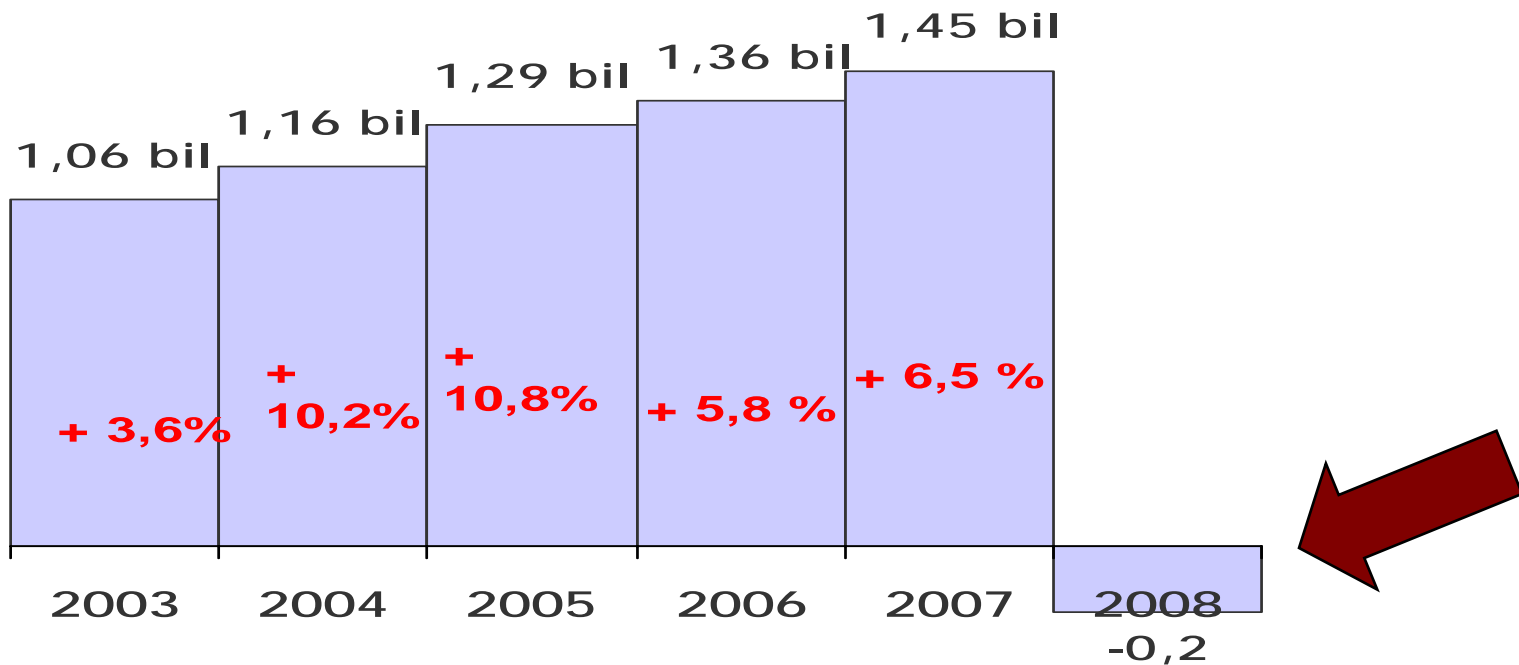


# ACI EUROPE'S MISSION

**"ACI EUROPE advances the collective interests of Europe's airports and promotes professional excellence in airport management and operations"**

# TRAFFIC EVOLUTION 2003-2008

- EUROPEAN AIRPORTS PASSENGER TRAFFIC: +42,5% (2003 – 2007)



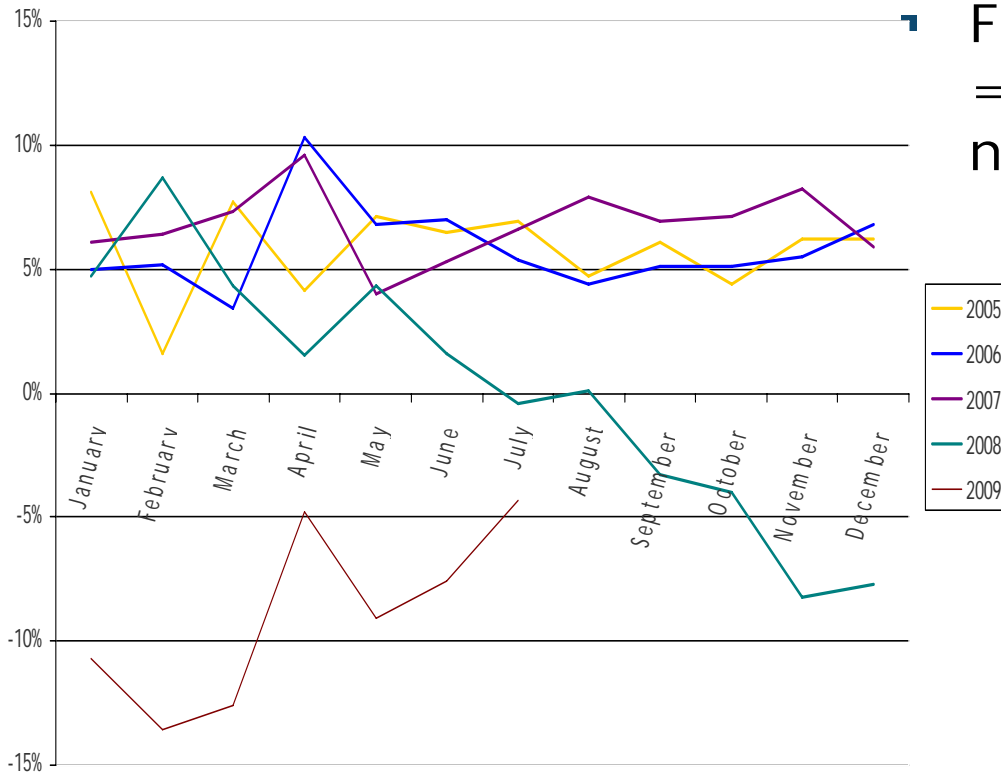
- EUROPEAN AIRPORTS PASSENGER TRAFFIC: ... (2008)

# SETTING THE SCENE: THE ECONOMIC CRISIS AND AIRPORTS



Overall passenger growth in Europe

- Airports heavily affected by Economic crisis
- Falling passenger-numbers = less commercial- and non-commercial revenues



# HOW ARE AIRPORTS REACTING?

## ■ TIGHTENING THEIR BELTS

- *Cost cutting programmes*
- *Staff reduction AMS 10-25% (220-550) SEA: up to 30%*

## ■ DEFERRING “NON-ESSENTIAL” INVESTMENTS

- *Review of capex programmes*
- *But, not always possible/advisable...*
- *No European stimulus package for airports (\$ 2 bil in US!)*

## ■ RESPONDING PROACTIVELY ON CHARGES

- *Crisis incentive schemes*
- *No charges increase, where possible*

## ■ POSITIONING FOR THE NEXT ENVIRONMENT...

***Despite the current crisis traffic  
is set to double by 2030.  
Airports need to anticipate this  
growth!***

# THE AIRPORT CAPACITY CHALLENGE

- **THE CRUNCH (EUROCONTROL)**

- *11% to 25% of demand not accommodated by 2030!*
- *19 to 39 Heathrow-style congested airports in Europe!*
- *Unprecedented congestion levels!*

- **FINANCING ISSUE**

- **POLITICAL ISSUE**

- *Lack of EU support (priority is Single European Sky project)*
- *Increasing environmental pressure*
- *Aviation's license to grow at risk!*



# CAPITAL INTENSIVE BUSINESS

- **2000-2015: EUR 120 billion planned investment!**
  - *50% pax and cargo terminal facilities*
  - *30% aircraft movement areas*
  - *20% equipments, property, parking, ...*
- **2008-2030 : 41% PLANNED CAPACITY INCREASE**
  - *5 new airports*
  - *27 new runways*
  - *Air/ground side increase at 79 airports*
- **AIRPORTS ARE CAPITAL-INTENSIVE**

**« To meet their cost of capital, airlines must generate an operating margin of 9%, by contrast, airports need to generate a rate of return on sales of nearly 25% »**

IATA, Value Chain profitability report (2006)

# IMPORTANCE OF BUSINESS AVIATION FOR EUROPEAN REGIONS

- ACI EUROPE recognises the increasing importance of Business Aviation for
  - Local economies;
  - Small airports;
  - Regions with limited scheduled services and city pairs in larger metropolitan areas to cater for business related travel between smaller regions.

# CHALLENGES RAISED BY BA OPERATIONS

- Mega hubs: typically capacity issues (coordinated airports)
- Secondary hubs: will accommodate BA but capacity issues or other at certain times of the day/week/year (coordinated or scheduled facilitated airports)
- Small and regional airports: typically keen to attract BA. May have ATC or environmental constraints

# CHALLENGES RAISED BY BA OPERATIONS

- No-slot flights
  - A particular problem for coordinated airports;
  - Scheduled facilitated airports may also face problems with such flights depending on time of arrival;
  - Less of a problem for non-coordinated airports.
- Poor slot performance (off-slot)
  - Number one challenge currently raised by BA;
  - Heavy effect on coordinated and scheduled facilitated airports;
  - Penalties not appropriate (no history, financial penalties not effective for BA);
  - A pragmatic, co-operative approach is needed to effectively address this challenge.

# CHALLENGES RAISED BY BA OPERATIONS

- In slot allocation timing is of the essence
  - History has shown that a number of BA operators address their slot requirements at very short notice;
  - This is difficult to reconcile with the way co-ordinated and scheduled facilitated airports operate;
  - Timely communication (when feasible) from the operator would effectively address this challenge.

# CHALLENGES RAISED BY BA OPERATIONS

- Slot bypass strategies
  - Such as, for instance, filing of the intended arrival airport as an alternate airport in the ATC flight plan, causes significant slot management difficulties;
  - Not a general problem but does increase unwelcomed congestion when it occurs.
- Use of certain types of equipment
  - Such as, for instance, turboprops or very small business jets which have a reduced approach speed results in delays at airports and, therefore, impacts their capacity.

# OPERATIONAL CONSEQUENCES

- Higher level of congestion
  - That is a particularly acute problem in the case of no-slot or off-slot flights trying to reach coordinated or scheduled facilitated airports.
- Inefficient use of scarce capacity
  - Mainly as a consequence of flight equipment used;
  - A particular problem for coordinated and for a number of scheduled facilitated airports.
- Generally, the challenges exposed above add significant difficulty to the complex slot allocation process in place at airports

# LOOKING FOR SOLUTIONS

- Measures may include:
  - improvement of the data-exchange process between airport operators through the use of A-CDM;
  - granting business aviation operators access to latest information relating to online slot coordination;
  - continuous education of pilots (an « airport coordination » chapter should be taught as a distinct subject in the CPL/ATPL licence programme).



# IN CONCLUSION

- Role and importance of business aviation for local and regional development must be recognised
- Access to hub airports will be increasingly difficult for BA
  - Specialisation of airports
  - Alternate airports may provide a solution for BA
- Need to ensure BA access to Europe's key urban areas
- Political decisions needed (revision of slot Regulation)
- Discuss the potentially positive role for local rules
- Evaluate an effective penalty system
- Reconcile slot management process with realisation of the Single European Sky project while ensuring the most efficient use of scarce airport capacity

*Thank you!*

*[www.aci-europe.org](http://www.aci-europe.org)*