

Position Paper



The Europeans for Fair Competition (E4FC) calls for action to safeguard the European airline industry and its competitiveness in response to COVID-19

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Aviation is crucial for the European Union, its economy and its people. It connects Europeans with each other and the world. The members of E4FC represent 200,000 high-skilled professionals.

The Europeans for Fair Competition welcomes the package of guidelines and recommendations to help Member States gradually lift travel restrictions published by the European Commission on 13 May. This comprehensive and articulated guidance for lifting current travel and border restrictions and for restoring air connectivity will guide Member States and put the travel industry on the track of slow recovery.

The COVID-19 outbreak has an unprecedented impact on the airline industry. The E4FC air carriers and their employees are working together to protect the jobs in the industry and to safeguard the future of European aviation.

The Europeans for Fair Competition, therefore, calls on the European Commission and the Member States to safeguard the European airline industry and their workers and to guarantee fair competition following the crisis:

1. While the Commission's communication acknowledges the importance of coordination not only among the EU Member States but also with third countries and the International Civil Aviation Organization (ICAO), it falls short of addressing the impact of the opening of EU external borders and the ensuing influx of traffic from third country carriers. The European Commission should, therefore, further clarify the **guidelines to Member States** encouraging them to consider a gradual 'back to normal' process of non-EU carriers' operations in line with the resumption of flights by European airlines. This would ensure that the EU market would not be dumped by capacity of subsidised third country carriers or carriers receiving a volume of aid that is not comparable with what would be permissible under EU regulations.
2. The European Commission and the co-legislators (Council of the EU and the European Parliament) should ensure that **legislations stemming from the Green Deal** presented by the European Commission on 11 December 2019, as well as earlier announced environmental initiatives will not result in putting European airlines at a **competitive disadvantage vis-à-vis third country carriers**. This should be addressed through bilateral agreements and/or carbon border adjustment mechanisms.

3. In order to ensure fair competition conditions for EU carriers that operate globally, and thereby to safeguard connectivity for Europeans, E4FC advocates for **comprehensive and consistent regulatory frameworks** for the internal and external EU aviation markets.
4. Providing financial stability during these difficult times is critical to sustain the industry until there is a sufficient return in demand for air travel and cargo services. A large number of countries are already deploying or are planning to deploy major aid packages to provide relief for airlines and other stakeholders in the aviation value chain. This support, however, should not adversely affect the fair and equal opportunity of air carriers or be used to distort competition. **Financial aid or other support** should therefore be provided by states in a **transparent manner for a limited period of time and in accordance with EU rules**.
5. E4FC welcomes the support measures already granted by Member States for combatting the economic and social impacts of the crisis. E4FC calls on the Commission to adhere to the principles laid down in its Communication on social standards in the aviation sector¹ that **ensures the principles of socially responsible behaviour**. Airlines should be obliged to adhere to social standards and engage in constructive and genuine social dialogue with unions.
6. The COVID-19 crisis should not lead to certain air carriers gaining competitive advantages by circumventing applicable social law and disrespecting social rights. The European Commission should monitor airlines' activities to ensure that **employees are treated in accordance with the respective national labour law**.
7. With regards to the **ongoing negotiations of EU comprehensive air transport agreements** with the Sultanate of Oman and the ASEAN, due to the current circumstances, further negotiations should be **postponed** to a later date and the **provisions on market opening should be further evaluated based on actual levels of demand**. Prior to the signature of the agreement with the State of Qatar, the entry into force of the opening of the market foreseen for the start of the IATA Winter Season 2020/2021 must be postponed.

About E4FC

Europeans for Fair Competition (E4FC) is a coalition of EU airlines and unions that have been advocating that the European aviation industry must remain competitive and seize the opportunities offered by a fast-changing global economy, in a sustainable way.

E4FC has been stressing the crucial importance of an EU-based airline industry which serves the best Europe's strategic interest, creates jobs, protect consumers' interest, investments, competitiveness and connectivity. It is vital that the EU pursues a policy that strengthens the accessibility of Europe's secondary and tertiary destinations through European hubs to safeguard connectivity and consumer choice on a long term, always in a fairly competitive environment. Furthermore, connectivity through Europeans hubs rather than extra-European detours also contributes to making aviation more sustainable allowing passengers to shorten the flown distances and consequently reduce their carbon footprints.

Aviation is viciously competitive. European airlines can compete with any airline provided the playing field is level, therefore E4FC continues its effort to enforce international and EU-level aviation and trade rules, ensure fair and equitable competition. E4FC believes that sustainable aviation will only evolve through such a level playing field where the airlines are economically fit to contribute to a Green deal investment.

¹ [Aviation Strategy for Europe: Maintaining and promoting high social standards, 1 March 2019](#)