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COMMUNICATION FROM THE COMMISSION

**extending the transitional period provided for in the Guidelines on State aid to airports
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1. INTRODUCTION

1. The Guidelines on State aid to airports and airlines¹ ('the Guidelines') specify the conditions under which public financing of airports and airlines may constitute State aid within the meaning of Article 107(1) of the Treaty on the Functioning of the European Union, and when it does constitute State aid, the conditions under which it can be declared compatible with the internal market.
2. In principle, operating aid constitutes a very distortive form of aid and can only be authorised under exceptional circumstances. The Commission considers that airports and airlines should normally bear their own operating costs. Nevertheless, historically, regional airports have often relied on public support to finance their operations. Therefore, the Guidelines provide that certain categories of operating aid to airports can still be justified under certain conditions in order to enable regional airports to adjust their business model.
3. Thus, the Guidelines provide for a transitional period of 10 years from 4 April 2014 during which airports with annual average traffic of up to 3 million passengers per annum can receive operating aid. By the end of the transitional period in 2024, all airports must have reached full coverage of their operating costs and no operating aid to airports will be considered compatible with the internal market after that date, with the exception of operating aid granted in accordance with horizontal State aid rules, such as rules applicable to the financing of services of general economic interest².
4. The Guidelines recognise that airports with annual passenger traffic of up to 700 000 may face increased difficulties in achieving full cost coverage during the 10-year transitional period. The Guidelines therefore provided for a specific regime for such airports for an initial period of five years until 3 April 2019. The Communication from the Commission concerning the prolongation of the specific regime for operating aid for airports with up to 700 000 passengers per annum provided for in the Guidelines on State aid to airports and airlines³ adopted on 18 December 2018 ('the 2018 Communication') extended that specific regime until the end of the transitional period, i.e., until 3 April 2024.

¹ Communication from the Commission — Guidelines on State aid to airports and airlines, [OJ C 99, 4.4.2014, p. 3](#).

² See Commission Decision 2012/21/EU of 20 December 2011 on the application of Article 106(2) of the Treaty on the Functioning of the European Union to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest ([OJ L 7, 11.1.2012, p. 3](#)); Commission Communication on a European Union framework for State aid in the form of public service compensation (2011) ([OJ C 8, 11.1.2012, p. 15](#)).

³ Communication de la Commission relative à la prolongation du régime spécifique applicable aux aides au fonctionnement en faveur des aéroports accueillant jusqu'à 700000 passagers par an prévu dans les lignes directrices sur les aides d'État aux aéroports et aux compagnies aériennes, [OJ C 456, 18.12.2018, p 27](#).

5. Since the adoption of the Guidelines and the 2018 Communication, the aviation sector has faced a major crisis as a result of the COVID-19 pandemic and the aggression of Russia against Ukraine. The pandemic and resulting health and travel restrictions heavily affected the aviation sector and resulted in a sharp decrease in traffic at Union airports⁴. Furthermore, the energy crisis resulting from the aggression of Russia against Ukraine added to the negative economic consequences for the European aviation sector, notably by significantly increasing the energy costs of airport operators in particular in 2022. Thus, airports have been facing lower revenues and higher costs, which has had a negative impact on their profitability and could lead to closures. This could have negative consequences for connectivity in the Union. Therefore, the transitional period during which the regional airports are given the opportunity to reach full coverage of their operating costs with the help of operating aid should be prolonged to take into account the exceptional occurrences, in particular the COVID-19 crisis.
6. To address this situation, it is appropriate to amend the Guidelines and to prolong the existing rules on operating aid to regional airports. Extending the transitional period will provide continuity and legal certainty in the treatment of this type of aid. Therefore, the Commission considers that the regime set out in points 13, 14, 17(d) and 112 to 137 of the Guidelines as well as the specific regime applying to airports with up to 700 000 passengers per annum set out in point 130 of the Guidelines needs to be extended until 3 April 2027.
7. Having regard to the above, the Guidelines should be amended as set out in points (8) to (16) below.
8. Point 17(d) of the Guidelines is replaced by the following: “for a transitional period of 13 years, operating aid to regional airports can be declared compatible with the internal market pursuant to Article 107(3)(c) of the Treaty”.
9. Point 112 of the Guidelines is replaced by the following: “Operating aid granted to airports either as individual aid or under an aid scheme will be considered compatible with the internal market pursuant to Article 107(3)(c) of the Treaty for a transitional period of 13 years starting from 4 April 2014 provided that the cumulative conditions in point 79 are fulfilled as set out in points 113 to 134.”
10. Point 113 of the Guidelines is replaced by the following: “As stated in point 13, in order to give airports time to adjust to new market realities and to avoid any disruptions in the air traffic and connectivity of the regions, operating aid to airports will be considered to contribute to the achievement of an objective of common interest for a transitional period of 13 years, if it:
 - (a) increases the mobility of Union citizens and the connectivity of the regions by establishing access points for intra- Union flights; or
 - (b) combats air traffic congestion at major Union hub airports; or
 - (c) facilitates regional development.”
11. Point 121 of the Guidelines is replaced by the following: “In order to provide proper incentives for efficient management of an airport, the aid amount is, in principle, to

⁴ For instance, in 2020, there were 1.7 billion fewer passengers at European airports and 6.1 million fewer flights compared to 2019 (source: Eurocontrol).

be established ex ante as a fixed sum covering the expected operating funding gap (determined on the basis of an ex ante business plan) during a transitional period of 13 years. For these reasons no ex post increase of the aid amount should, in principle, be considered compatible with the internal market. The Member State may pay the ex-ante fixed amount as an up-front lump sum or in instalments, for instance on an annual basis.”

12. Point 128 of the Guidelines is replaced by the following: “In any event, the overall permissible aid amount during the whole transitional period will be limited to 50 % of the initial funding gap for a period of 13 years. For instance, if the annual average funding gap of a given airport over the period 2009 to 2013 is equal to EUR 1 million, the overall permissible amount of operating aid that the airport could receive as an ex-ante established fixed sum would be EUR 6.5 million in total over 13 years (50 % x 1 million x 13). No further operating aid will be considered compatible for that airport.”
13. Footnote 93 of the Guidelines is replaced by the following: “The 50 % intensity corresponds to the funding gap over 13 years for an airport which, starting from the initial operating cost coverage at the beginning of the transition period, achieves full operating cost coverage after 13 years.”
14. Point 129 of the Guidelines is replaced by the following: “By 13 years after the beginning of the transitional period at the latest, all airports must have reached full coverage of their operating costs and no operating aid to airports will be considered compatible with the internal market after that date, with the exception of operating aid granted in accordance with horizontal State aid rules, such as rules applicable to the financing of SGEIs.”
15. Point 130 of the Guidelines is replaced by the following: “Under the current market conditions, airports with annual passenger traffic of up to 700 000 may face increased difficulties in achieving the full cost coverage during the 13-year transitional period. For this reason, the maximum permissible aid amount for airports with up to 700 000 passengers per annum will be 80 % of the initial operating funding gap for a period of 13 years after the beginning of the transitional period. For instance, if the annual average funding gap of a small airport over the period 2009 to 2013 is equal to EUR 1 million, the maximum amount of operating aid that the airport could receive as an ex-ante established fixed sum would be EUR 10.4 million over 13 years (80 % x 1 million x 13).”
16. Point 134 of the Guidelines is replaced by the following: “Further, in order to limit the negative effects on competition and trade, the Commission will approve operating aid to airports for a transitional period of 13 years beginning from 4 April 2014.”