Europe's airport industry commits to set new vision of sustainability

For immediate release   19 June 2018

Brussels, 19 June 2018: On the occasion of the Global airport industry Annual General Meeting taking place in Brussels this week, Dr Michael Kerkloh, President of ACI EUROPE and CEO of Munich Airport outlined the challenges faced by Europe's airports.

As businesses around the world are confronted with increasing political instability and fast changing societal values and expectations, Europe's airports see sustainability as the number one challenge for the future of aviation.

Dr Michael Kerkloh, President of ACI EUROPE & CEO of Munich Airport said: "*By facilitating air connectivity for their communities, airports have a clear social mandate. But beyond all the macro-level figures about the economic benefits of aviation, we must provide a satisfactory answer to our citizens when they ask this simple question: "What's in it for me?". For that, we must reinforce, prove and better articulate our wider societal value.*"

AIRPORT CLIMATE ACTION & BEYOND

Through the *Airport Carbon Accreditation* programme[1], airports have shown the power of collective action and delivered tangible results. Kerkloh announced that 133 European airports are now certified under the programme – meaning they are all engaged on addressing their own carbon emissions. Over the past 12 months, Europe's airports have reduced their CO_2 emissions by more than 163.000 tons. With 33 of them having achieved carbon neutrality, the airport industry is progressing towards meeting its target of 100 carbon neutral airports in Europe by 2030 – a commitment which was announced by ACI EUROPE in June 2017, following the initial pledge made at COP21 in December 2015 to reach 50 carbon neutral airports.

Building on these achievements, Kerkloh announced a wider sustainability agenda for the airport industry: "*We need to embrace a broader vision of sustainability. This means that we need to go beyond environmental protection and CSR and also put sustainability in its socio-economic dimension - at the core of our business strategy. This is about increasing our outreach and contribution to our local communities, but also leveraging the function of airports as multi-purpose facilities and living spaces. For that, the Board of ACI EUROPE has mandated our organization to develop, within a year, a comprehensive sustainability strategy for the airport industry. This will include looking at establishing a set of sustainability metrics for airports. This is an ambitious goal, and I really look forward to making sure we deliver by June 2019. Sustainability is the next frontier in our business evolution.*"

THE PASSENGER AS PRIORITY

Along with putting sustainable connectivity at the top of its agenda, ACI EUROPE also focused on how the passenger has taken central stage in the airport business. With the 2nd edition of its *Guidelines on Passenger Services* released today, the trade body now provides the most comprehensive guidance on how to conceptualise, plan, deliver and assess the airport passenger experience.

Kerkloh said: "*Some airlines would still like airports to be just a shed - nothing more. That certainly flies in the face of what consumers actually want and expect. In Europe, corporatization and privatization have transformed airports from mere infrastructure providers to multi-facet businesses in their own right – focused on quality, efficiency and the passenger. Technology and digitalization are*

now opening up exciting opportunities to deliver an integrated and much improved passenger experience. By increasing transparency and breaking operational silos between all partners – airports, airlines, ground handlers, Air Traffic Control, border & customs authorities and even surface access companies – technology and digital will allow us to put the passenger at the very heart of our processes."

However, echoing EUROCONTROL's announcements today, Kerkloh made clear that all these quality gains risk being negated if Europe's airports are unable to plan, finance and deliver new capacity in time and for the long term: *"EUROCONTROL shows the airport capacity crunch that Europe is facing will result in unprecedented levels of congestion and disruptions. Aside from a much degraded passenger experience, the resulting inefficiencies, reduced connectivity and unmet demand for air travel will result in more than €88bn in foregone economic activity in Europe by 2040"*.

Turning to policy making and regulations, Kerkloh was adamant that moving forward, the same end-user focus, as well as wider societal benefits need to guide the EU and national governments – especially, as regards user charges and airport slots.

On airport charges, Kerkloh said: *"Let's be frank, the equation here is between lower airport costs and higher airlines profits. It is not about consumer benefits. ACI EUROPE recently demonstrated what everybody already knew: that lower airport charges would not result in lower air fares*. Indeed, even if airport charges were abolished, a ticket between Brussels and Strasbourg during the sessions of the European Parliament would still cost more than €700. The risks of a downward pressure on airport charges through regulation cannot be ignored: this would compromise our ability to invest in capacity and quality, and would end up limiting airline competition – hurting consumers and the economy"*.

Kerkloh very much regretted the fact that airports have been drawn into an acrimonious battle with airlines on this matter, and pointed to missed opportunities for both: *"The result is that while long-term challenges aviation is facing have never been so daunting, airports and airlines are more divided than ever. We can and must work better together. But this requires an acceptance by airlines of our own business model."*

ENDS

Notes for Editors

[1] Find out more about *Airport Carbon Accreditatio*n at www.airportCO2.org

[2] Download the 2nd of ACI EUROPE's *Guidelines for Passenger Services at European Airports* here: https://www.aci-europe.org/component/downloads/downloads/5591.html

[3] ACI EUROPE's synopsis of ICF's study on the drivers of Air Fares, entitled **Insights into the Logic of Air Fares** can be downloaded here: https://www.aci-europe.org/component/downloads/downloads/5476.html

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ACI EUROPE is the European region of Airports Council International (ACI), the only worldwide professional association of airport operators. ACI EUROPE represents over **500 airports** *in 45 European countries. Our members facilitate over 90% of commercial air traffic in Europe:* **2 billion passengers**, **20 million tonnes of freight** *and* **23.7 million aircraft movements** *in 2016. These airports contribute to the employment of* **12.3 million people**, *generating* **€675 billion** *each year (***4.1%***) of GDP in Europe.*

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