

STATE OF THE EUROPEAN AIRPORT INDUSTRY



**AIRPORTS COUNCIL
INTERNATIONAL**

**Olivier Jankovec
Director General**

AIR TRANSPORT WORKSHOP

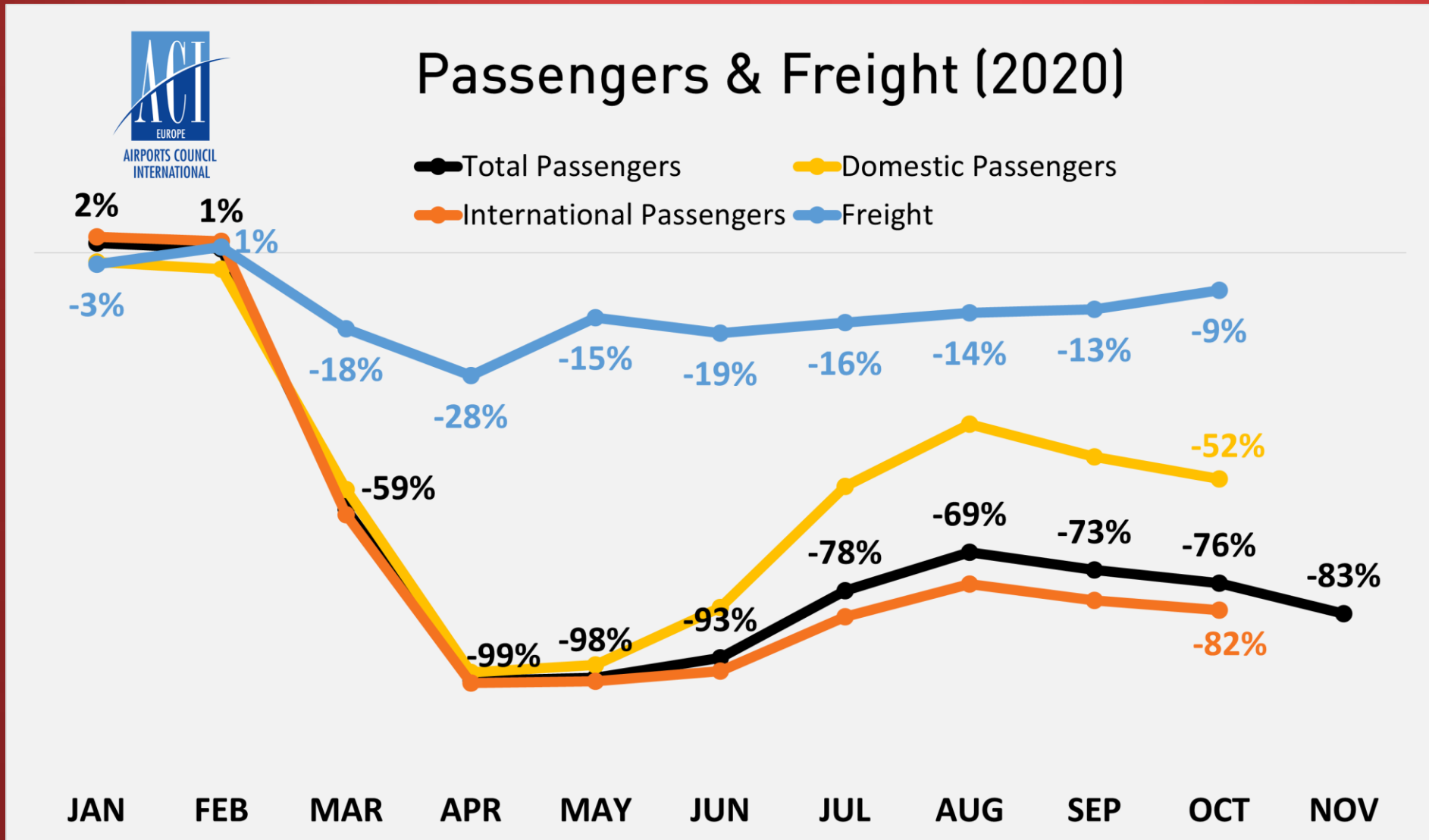
Rome, 11 December 2020



@ACI_EUROPE

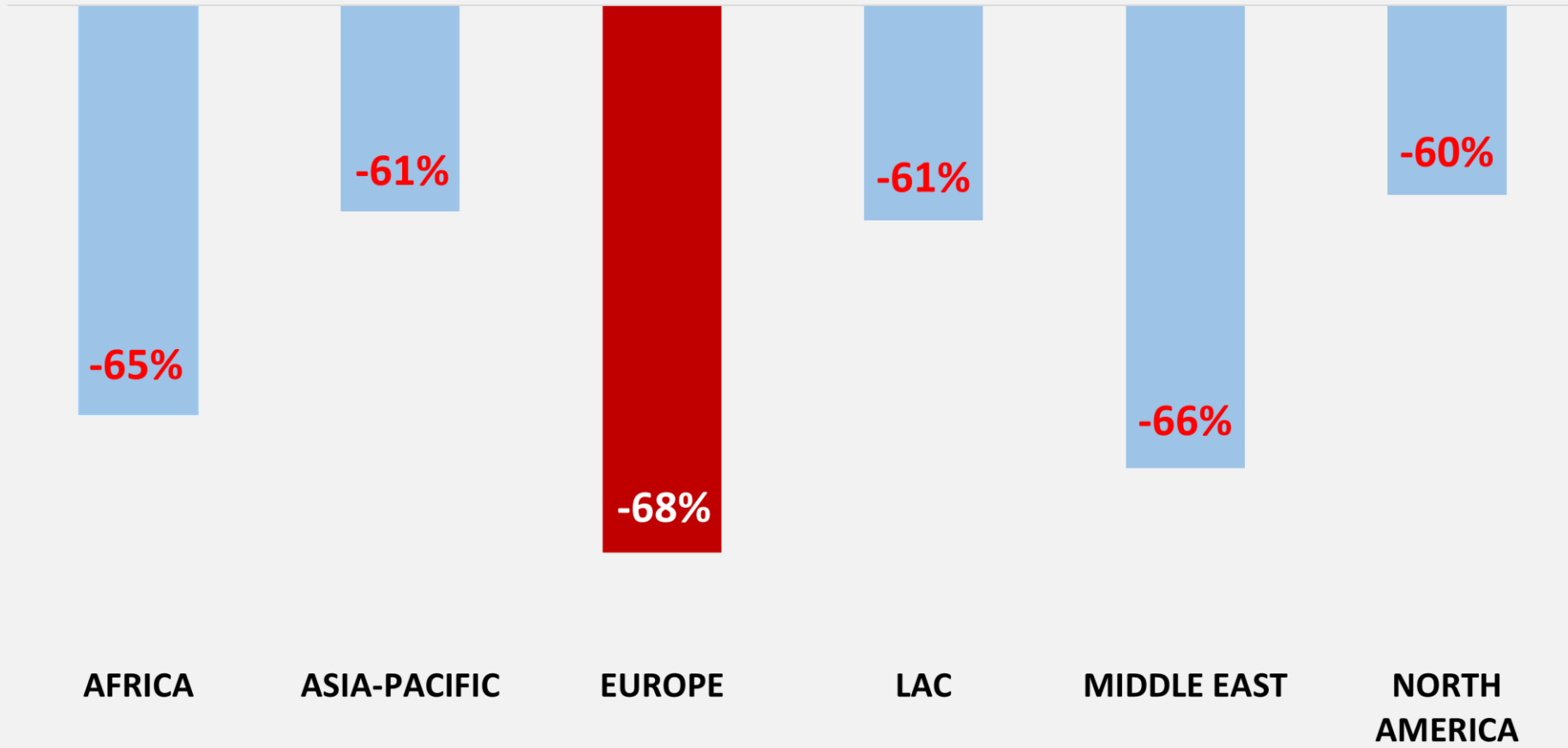
COVID-19 SHOCK

1) TRAFFIC – *FREE FALL*



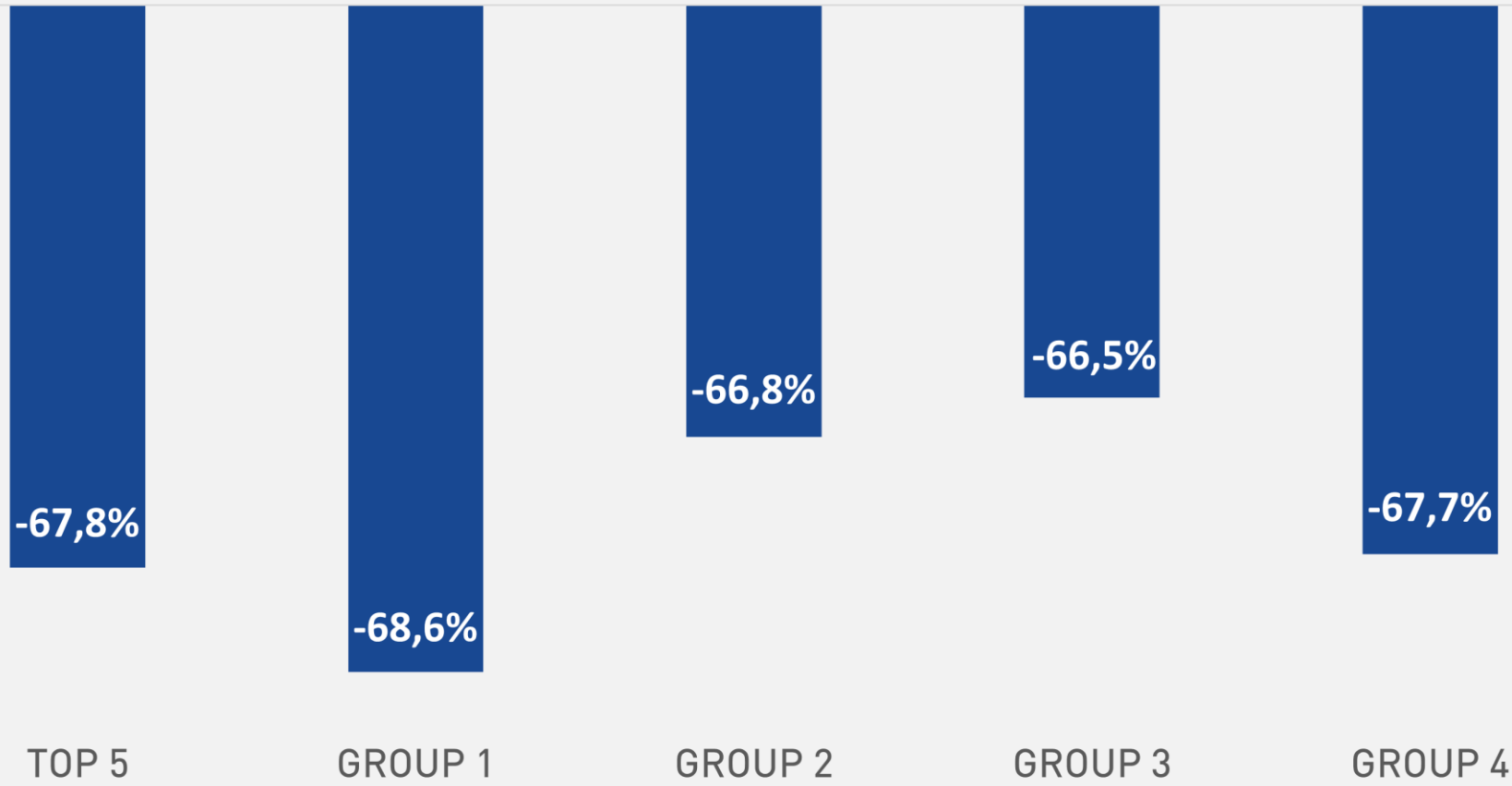


World Regions' Passenger Traffic (Jan-Sep 2020)

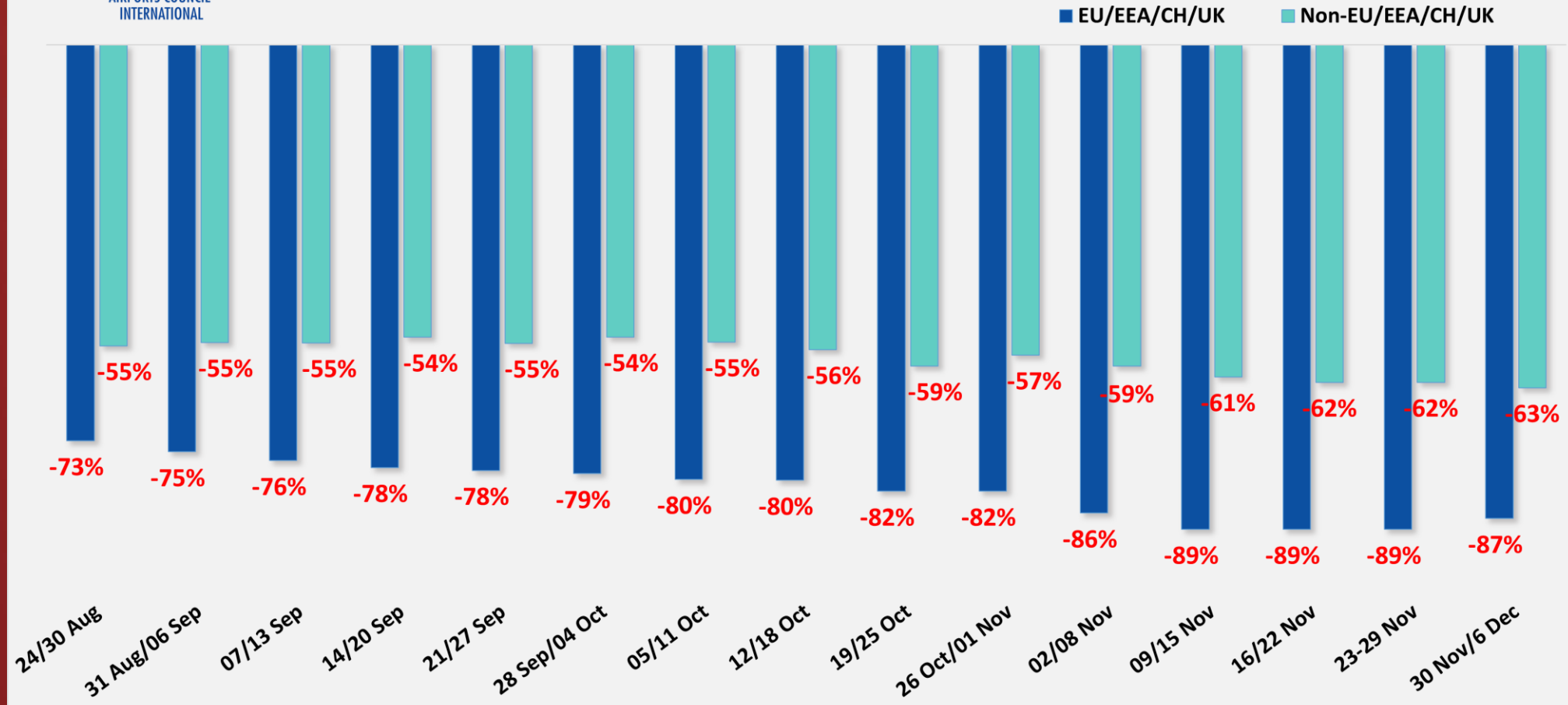




Airport Group Performance (Jan-Oct 2020)



Airport Passenger Traffic - Weekly Developments





TOP 10 EUROPEAN AIRPORTS OCTOBER 2020

RANK	CODE	CITY	PASSENGERS
01	IST	Istanbul	1,926,899
02	SAW	Istanbul	1,898,632
03	AYT	Antalya	1,854,525
04	SVO	Moscow	1,775,769
05	DME	Moscow	1,524,965
06	VKO	Moscow	1,404,497
07	LHR	London	1,245,666
08	CDG	Paris	1,215,906
09	AMS	Amsterdam	1,337,741
10	LED	St Petersburg	1,141,693



-1.6 billion

**passengers lost for European Airports
(YTD)**

As of 6 December 2020

2) AIRPORTS RESPONSE



- **Slashing Costs to the Bone**

- Reducing OPEX

-€3 bil

REDUCTION IN OPERATING EXPENSES (YTD)

@ TOP 20 AIRPORTS

-22%

Dublin and Cork airports may see up to 1,000 jobs lost over coronavirus

Daa chief says air travel will be safe but stressful experience for the near future

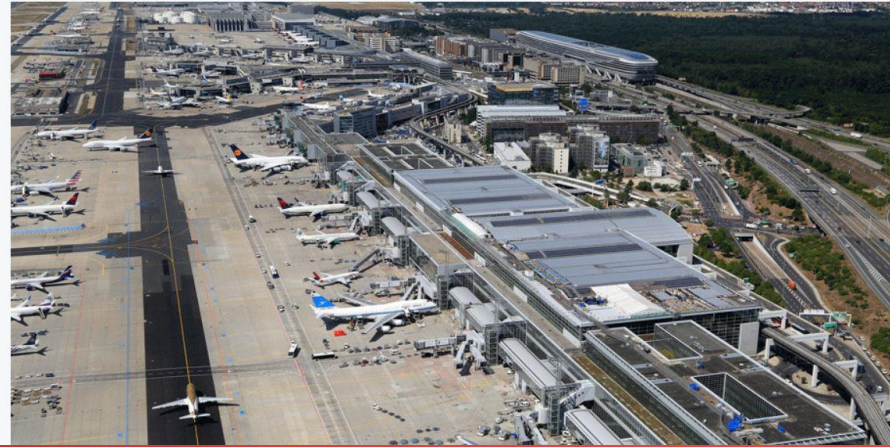
© Tue, Jun 23, 2020, 13:24 | Updated: Tue, Jun 23, 2020, 15:30

Vivienne Clarke



Frankfurt airport plans to cut as many as 4,000 jobs

19 Jun 2020 by Alex McWhirter



Covid-19: Leeds Bradford Airport to cut more than 100 jobs

© 20 October



Finavia cutting up to 480 jobs

Facing a near-standstill of flights, the firm says it needs to prepare for years of recovery within the industry.

Share



Covid: Gatwick Airport job losses affect 40% of employees

© 22 October

Coronavirus pandemic



Airports | Amsterdam Schiphol Airport (AMS) | Eindhoven Airport (EIN) | Lelystad Airport (LEY) | Rotterdam The Hague Airport (RTM)

Royal Schiphol Group to lay off hundreds of people after loss of €246 million in first half of 2020

By André Orban - 28 August 2020

541 0

➔ Airport handicap = fixed costs & diseconomies of scale

- Reducing CAPEX

-€4.3 bil

LOST INVESTMENT (YTD)
@ TOP 20 AIRPORTS

-37%

➔ **BUT...**

Regulatory driven costs (EDS 3)

Essential maintenance

Projects started & nearing completion



Long-term strategic position?

- **Helping Out Airlines & Partners...**

...Where Possible

- Waiving & deferring parking fees
- New COVID-19 rebates & incentives

70%

of Europe's Airports

On top of pre-crisis rebates & incentives

= pricing at a loss to rebuild air connectivity

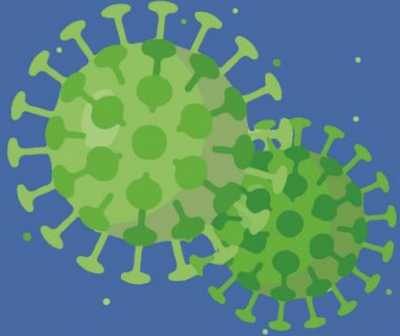
• Stay Open & Get Ready For Restart




Issue date: 21/05/2020
Issue no: 1.1

COVID-19
Disease caused by the SARS-CoV-2 virus

COVID-19 Aviation Health Safety Protocol

Operational Guidelines for the management of air passengers and aviation personnel in relation to the COVID-19 pandemic



ACI EUROPE and EASA sign Cooperation Agreement as airport industry publishes Guidelines for a Healthy Passenger Experience

Brussels, 17 July 2020: Olivier Jankovec, Director General of Airports Council International Europe (ACI EUROPE), and Patrick Ky, Executive Director of the European Union Aviation Safety Agency (EASA), today signed a groundbreaking agreement supporting the ongoing safe and secure recovery of aviation following the devastating impact of the COVID-19 pandemic.



Rapid one-hour Covid tests begin at Heathrow airport



Des tests antigéniques à l'aéroport de Nice



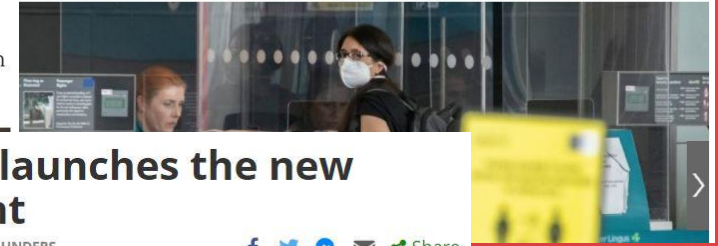
Publié le 30 octobre 2020 à 12h00 par Thierry Blancm dans [Actualité](#), [Info pratique](#) - [12 commentaires](#)
L'aéroport de Nice-Côte d'Azur a déployé v des tests antigéniques gratuits en parten compagnies aériennes Air France et Alita servant à ce test grandeur nature.

Dublin Airport says pre-flight Covid tests possible 'within days'

Cork, Dublin and Shannon call for Government approval for pre-departure screening

© Wed, Oct 28, 2020, 17:16 | Updated: Wed, Oct 28, 2020, 21:14

Barry O'Halloran



Major French airports to launch fast new coronavirus test

The goal is for the tests to help bring an end to travel restrictions such as quarantine on arrival



Torino Airport launches the new Covid Test Point

POSTED ON 16TH OCTOBER 2020 BY EDDIE SAUNDERS

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EASA
European Union Aviation Safety Agency

ecdc
EUROPEAN CENTRE FOR DISEASE PREVENTION AND CONTROL

= Restoring Passenger Confidence

OUTLOOK

The Economist

The economy Joe Biden will inherit

America's allies: a long wishlist

The trouble with value investing

Zambia, becoming the next Zimbabwe

NOVEMBER 14TH–20TH 2020

Suddenly, hope



1) EPIDEMIOLOGICAL SITUATION TRAVEL RESTRICTIONS & QUARANTINES = Shifting Horizons & Navigating Uncertainty



2) BUSINESS CONTINUITY RISKS

- Weekly Cash Burn = **€350 million**

€600 million in Q2



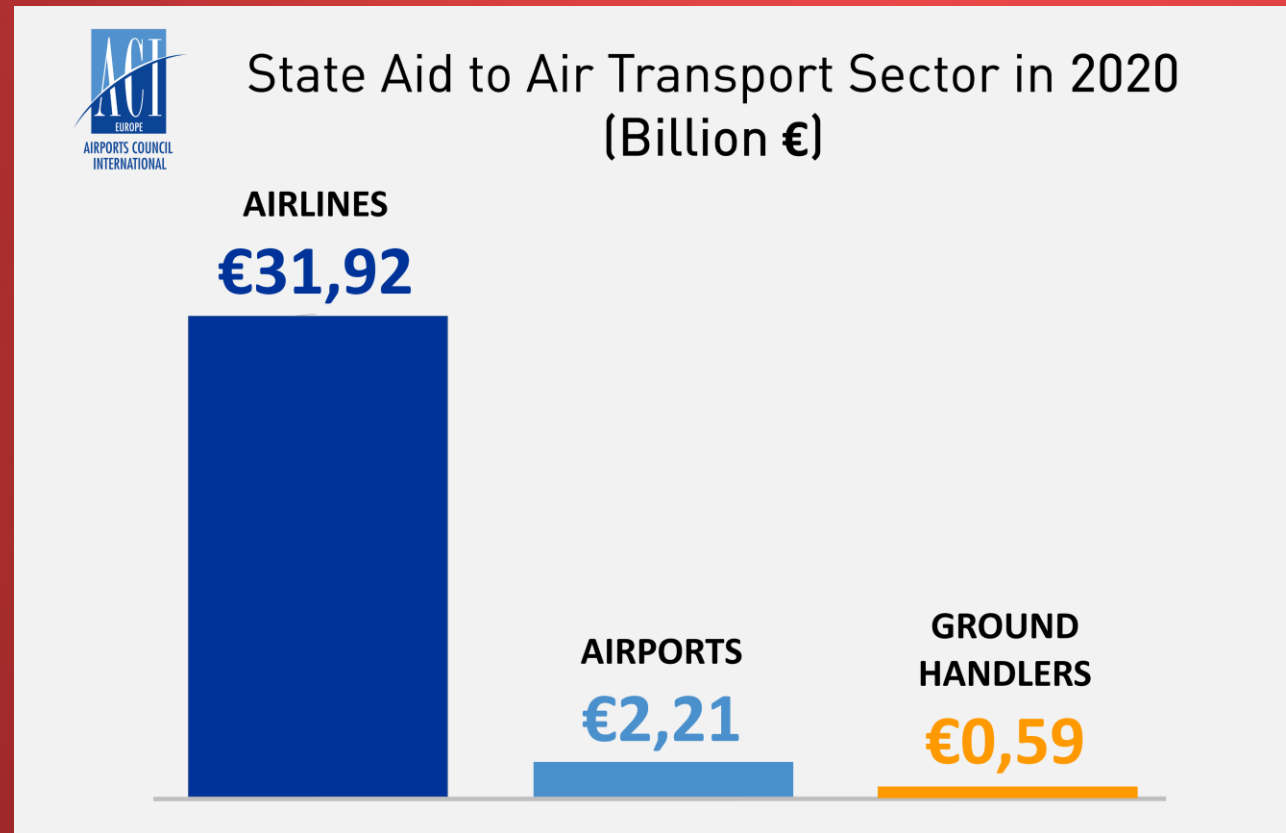
Almost 200 European airports face insolvency, airports body ACI Europe says

By Marine Strauss



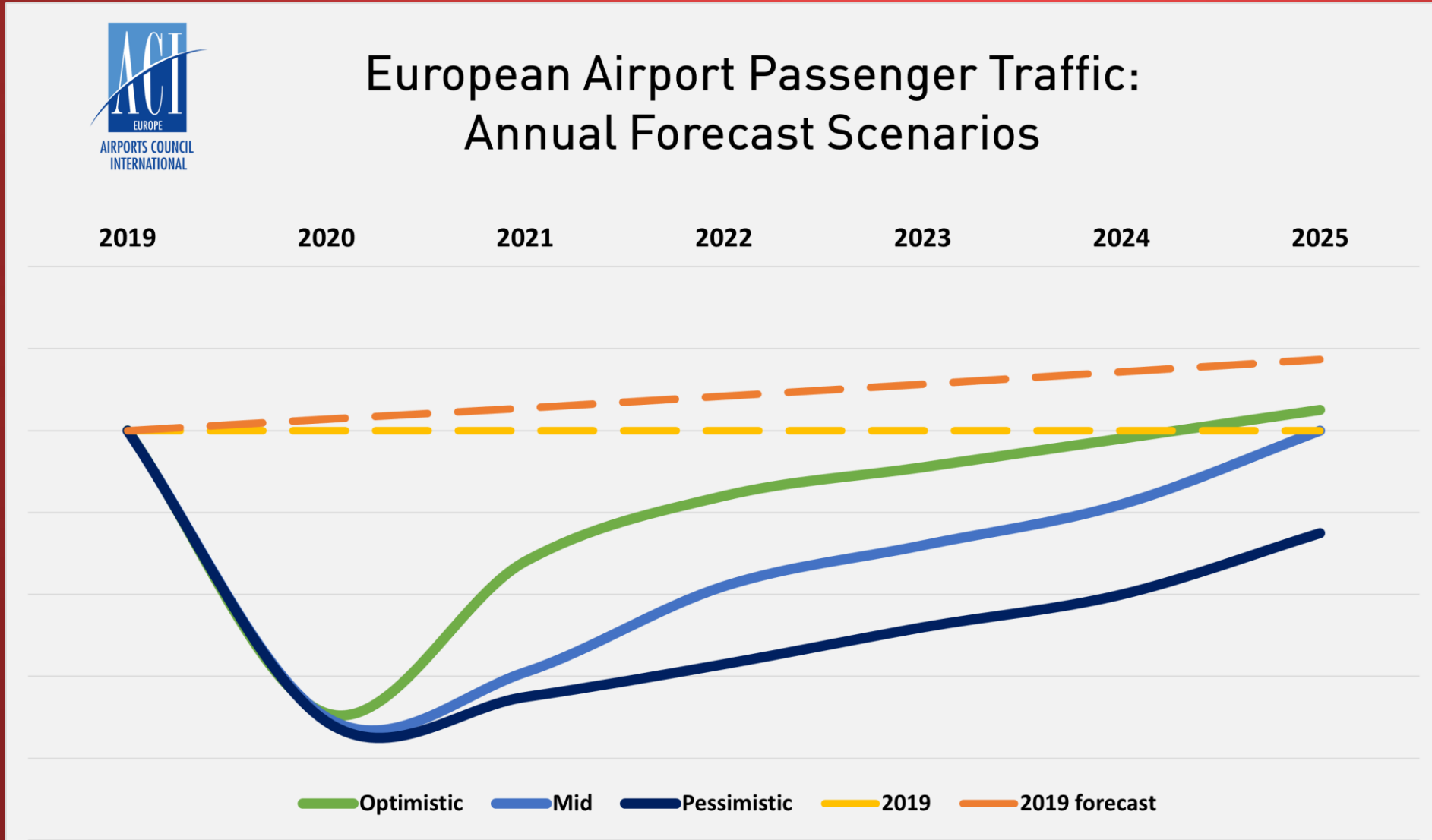
+€16 billion
(Additional) Debt
@ top 20 European
airports

• Inadequate Gov't Responses



- ➔ Single Market Integrity @ risk
- ➔ Societal risks
 - i) Local & regional developments
 - ii) Cohesion & inequality

3) SLOW & UNCERTAIN RECOVERY



MULTI-FACETED RECOVERY STRATEGY

1) TESTING & VACCINATION + HEALTH DOCUMENTATION & CONTACT TRACING

- **EU Coordination = Prerequisite for Recovery**
- **Replacing Quarantines with Testing = Interim Solution**
 - **Bilateral approaches = A MUST (failure of EU coordination)**
- **Health Documentation & Contact Tracing**

2) RECOVERY FRAMEWORK FOR AVIATION



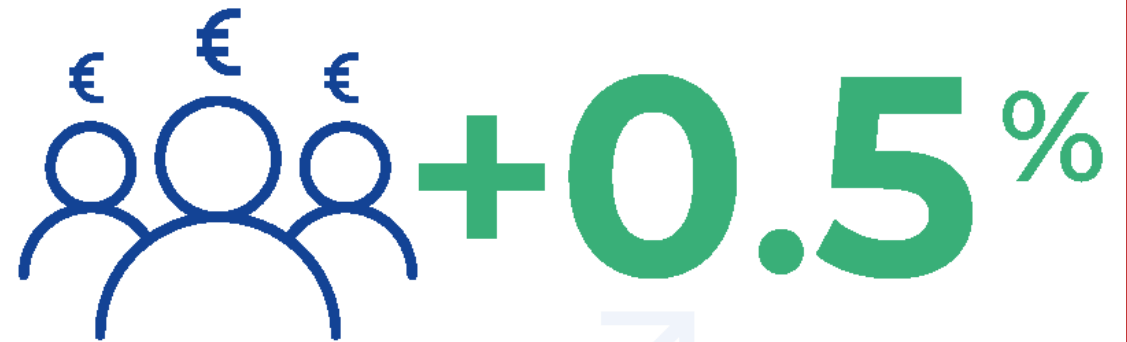
- **Support Needed Beyond June 2021 + Airport Economic Model Challenged**
- **Compensation for Damages + Connectivity Restart Schemes + Increased Flexibility (State Aid – Operating & Investment Aid)**
- **Use of EU Recovery Funds**

- **Aviation Recovery = Economic Recovery & Cohesion**



DIRECT CONNECTIVITY

=



GDP PER CAPITA

3) SAFEGUARDING MEDIUM/LONG-TERM INVESTMENT

- Sustainability, Digitalisation, Capacity



- 14 Italian airports certified
& 7 Italian airports carbon neutral
- EU Green Deal + Smart & Sustainable Mobility Strategy

4) POLICY & REGULATION

– REFOCUSED & MARKET DRIVEN

- **Cost Reduction**
- **Charges = Airport Competition
& *'User Pays'* Principle**
- **Industry Cooperation**

THANK YOU



www.aci-europe.org

www.airportcarbonaccreditation.org