



CONSUMER CHOICE CENTER OPEN LETTER

Dear Director-General Mr. Hololei,

On behalf of the Consumer Choice Center, the consumer advocacy group representing and empowering consumers in the EU and globally, we would like to express our deep concerns about the Commission's intention to extend the waiver of the "use-it-or-lose-it" rule for the entire 2020-2021 winter season. In our view, such a move would be extremely protectionist, distortive, and would do more harm than good.

The overwhelming uncertainty around the second wave of coronavirus, travel restrictions, and a significant drop in demand are some of the crucial issues the aviation industry has faced. It is therefore in the interest of consumers, airports, and the industry itself to arrive at a mutually satisfactory solution. What we need in these times is to encourage more connectivity and not less. Extending the waiver will likely keep flight connections and destinations way below the pre-COVID times. Now might be the right time for new entrants into the market to connect people across Europe and the world

The current waiver of the requirement to fly 80% of granted slots or lose them is set to expire on October 24th. Multiple associations have called on the Commission to extend the waiver "to ensure that the flying of empty planes is avoided" so that "flights are operated in the most sustainable way possible." However, the extension would create the situation in which the biggest airlines will get a chance to monopolise the slots making it impossible for the smaller ones to enter. This explains why low-cost airlines such as Wizz Air oppose the extension of the waiver calling it anti-competitive and such that "would hinder rather than help the recovery of the EU aviation industry and, therefore, European economies."

The extension will disproportionately benefit big players in the aviation market at the expense of hurting consumers and low-cost airlines, and the Commission has to be mindful of these costs before moving forward.

Airport slots are scarce, and that is why they are so valuable and have to be put to the most efficient use. Though pursued out of noble motives, the Commission's waiver policy implies that the airlines are the sole owner of the slots.

While it might not be the Commission's intention to protect big airlines by waiving the slots requirement, it is what will in fact happen should the extension ensue.

The airport slot ownership shouldn't be static. On the contrary, it should constantly rotate between airlines to guarantee the most efficient allocation of the facilities and to encourage responsible use of airports. The "use-it-or-leave-it" rule is, in this sense, fair and just, and should be sustained at all times.

Flying has changed our lives in many ways. Now that consumers all across Europe have got a taste of life without travelling, they would want to fly more not less once the pandemic is over. The European Commission should focus on ensuring that they have a chance to choose between multiple airlines keeping in mind their budget constraint. In order to achieve this, both big and low cost companies have to be treated equally and compete for airport slots.



It is still not too late to preserve competition and consumer choice. With that in mind, the Consumer Choice Center calls on the Commission to reconsider formalising the extension for the entire 2020-2021 winter season. On our end, we would be keen to elaborate further on our view and help the Commission find the most optimal solution.

Sincerely,



Fred Roeder
Managing Director
Consumer Choice Center



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