

EU Commission

COMMITMENT TO FAIR COMPETITION

Europe's prosperity is closely linked to the diversity of flight connections available. Domestic airlines have a special role to play here – via their various hubs, they not only connect the continent with the rest of the world, they also connect the cities and regions of Europe with one another. With a new directive to address fair competition, the EU Commission wants to ensure that this very special aspect is retained in the future too.

Long-haul routes – indispensable for mobility within Europe

The major hubs such as Frankfurt, London and Paris are known for their flight connections with the whole world. What is less well-known is the fact that these airports also play a decisive role in providing a diversity of flight connections – known in Brussels jargon as connectivity – within Europe. These long-haul routes are connected by dozens of feeder flights going across Europe. These include flights which are not only booked by long distance travelers but also by passengers whose destinations are within Europe. If the customer group of long distance travelers shrinks, then many routes to the hubs will no longer be worth operating – and the diversity of connections between the regions will decline.

It therefore becomes all the more important that network carriers such as Air France/KLM and the Lufthansa Group continue to offer their long-haul routes in the future. The basis for this is fair competition with non-European airlines. This is precisely what the EU Commission wants to ensure with their new directive. According to this, in the case that EU airlines

are demonstrably being disadvantaged by an unfair practice of a non-member state, the EU will in future be able to take counteractive steps. Other countries, such as the USA, have already introduced laws to this effect. From Lufthansa's point of view, these are the key issues:

- The possible measures should have a preventative effect and should from the outset deter non-member countries from violating the rules of fair competition.
- EU airlines must be able to seriously defend themselves against unfair competition. The right to make a complaint in accordance with this must therefore be effective and realistic in terms of usability
- It must be possible for investigations which have been initiated to be concluded quickly and in a consistent manner by the European Commission.

Lufthansa has always believed in open access to markets. This brings benefits for both airlines and customers alike. However – the more open a market is, the more important it is that everyone is playing by the same set of rules.

DOMESTIC AIRLINES SECURE EUROPE'S CONNECTIVITY

In many cases, indirect flights within Europe are worth operating because they transport passengers to their long-haul routes – if long-haul flights are dropped because of unfair competition, this would have medium to long-term effects on connectivity within Europe.

Example Estonia

Destinations from Tallin

39	187
direct	indirect*

Example Latvia

Destinations from Riga

72	177
direct	indirect*

Example Slovenia

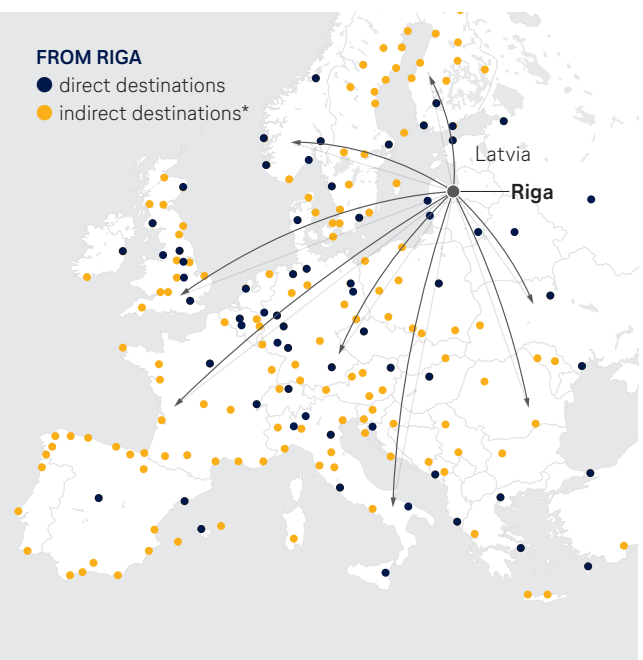
Destinations from Ljubljana

22	132
direct	indirect*

Example Slovakia

Destinations from Bratislava

43	68
direct	indirect*



* change flights once, maximum transit time under 2 hours; source – OAG 2017