

Long-haul routes at BER

# POSSIBLE, YET OFTEN NOT ECONOMICAL

The connection between the German capital city and its airport is subject to constant political and public debate. Tourism representatives, chambers of commerce and, most recently, the Berlin Senate and Brandenburg State Cabinet are all regularly calling for more direct long-haul flights from BER. While this desire is understandable, it is far removed from economic reality.

Contrary to popular belief, the limited number of direct inter-continental connections from BER is not due to unwillingness on the part of airlines or a lack of traffic rights. The real reason lies in Germany's historical division, which prevented the capital from evolving into a global hub. Comprehensive long-haul services are typically viable when organized through

hubs - at least at one end of the route. Passengers from around the world arrive at these hubs, connecting to various international destinations. This ensures large, long-haul aircraft are sufficiently filled, thus operating in an ecologically and economically sustainable manner. Intercontinental flights outside of major hubs are rarely profitable.

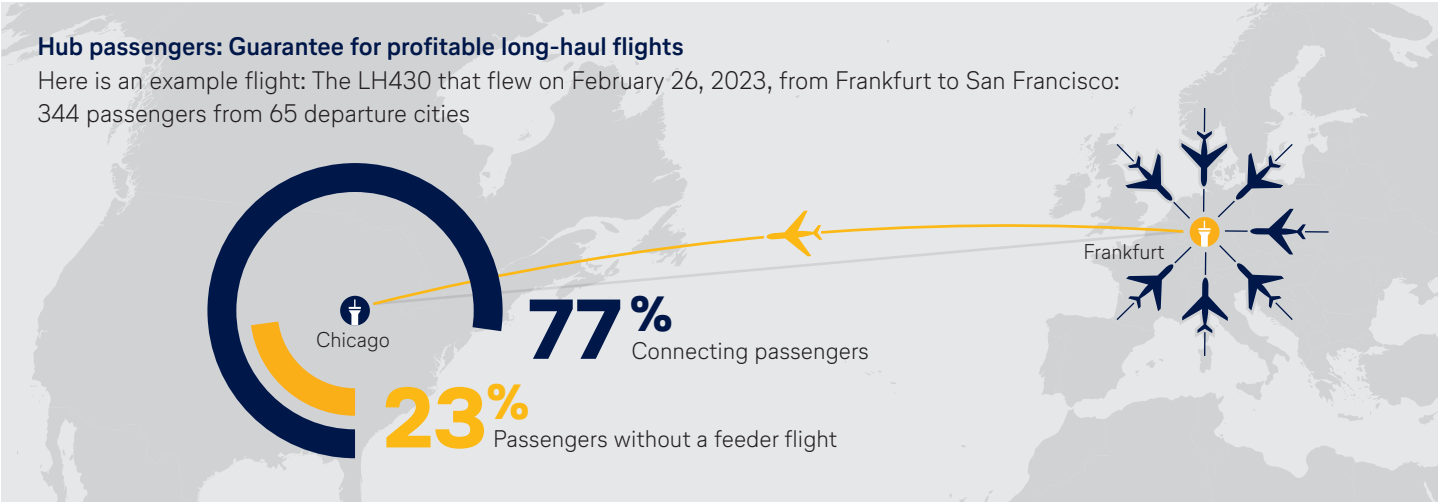
**Direct flights from Berlin: airlines keep suspending North American routes**

Two airlines currently operate to destinations in North America from Berlin. However, numerous providers have had to withdraw their connections from the program in recent years due to a lack of profitability.



**Hub passengers: Guarantee for profitable long-haul flights**

Here is an example flight: The LH430 that flew on February 26, 2023, from Frankfurt to San Francisco: 344 passengers from 65 departure cities



## German hubs depend on transfer passengers

In Frankfurt and Munich, approximately three-quarters of passengers on long-haul flights are connecting passengers. In the absence of such feeder-flights, intercontinental connections require a sufficiently large local market. Airports in London and Paris, for example, have a reach of around thirteen and ten million people, respectively, within an hour. No other region in Germany, not even Berlin, represents such a strong catchment area. Even Munich and Frankfurt's catchment areas combined are significantly lower.

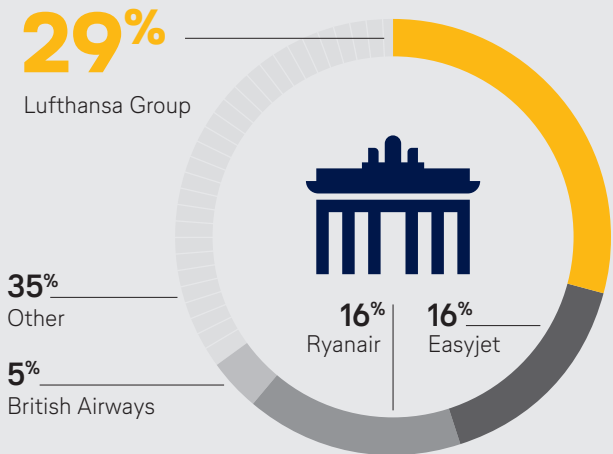
## Long-haul flights from Berlin = Hub connections

Because the capital is neither an international hub, nor does it have a sufficiently strong catchment area, there are only a few direct long-haul flights from BER. Typically, airlines offering intercontinental flights connect Berlin to their own hubs in their respective home countries. For instance, Lufthansa partner United Airlines operates non-stop flights from BER to its home base in Newark. Consequently, the primary factors hindering more direct long-haul flights from BER are predominantly economic. All airlines with flights to Germany have access to the capital as their traffic rights apply nationwide. Germany is one of the most liberal aviation markets in the world.

So, what are these traffic restrictions repeatedly mentioned by the federal state governments of Berlin and Brandenburg? One highly debated exception involves the United Arab Emirates (UAE). Airlines from the UAE, such as Emirates, are granted permission to fly to any four cities in Germany with unlimited frequency. Given the enormous disparities in labor and social standards, climate protection requirements, and consumer rights, this concession alone is a substantial one. The surprising demand for additional landing rights in a fifth city raises concerns: Firstly, such a move would leave Berlin without a single direct connection to America or the Far East,

## Market leader in Berlin

Flights from Berlin: The Lufthansa Group is the undisputed leader at BER in the current winter flight schedule.



Source: Winter 2023/2024 flight schedule data; not equal to 100% due to rounding

as Emirates exclusively operates flights to its Dubai hub from Germany. Secondly, this proposal directly contradicts German and European interests. Adding another landing point in Berlin doesn't enhance connectivity; rather, it risks diverting traffic away from Europe.

## Aviation agreements must ensure fair competition

Air traffic agreements, in essence, must guarantee fair competition and safeguard Europe's connectivity with the rest of the world. Liberalization should be limited to markets that align with the economic and regulatory standards of the EU and Germany. The absence of reciprocity would disadvantage European airlines, as demonstrated clearly by the case of the Qatar agreement.

## Strong commitment to Berlin

The Lufthansa Group is by far the market leader at the capital's airport. While other airlines have scaled back their services following the COVID-19 pandemic, we have expanded our commitment at BER.



- Passengers can reach **270 destinations** around the world with a single transfer at the hubs in Frankfurt, Munich, Vienna, Zurich and Brussels.



- Over 50 flights** with the Lufthansa Group's airlines are available daily from Berlin. This winter, there are four weekly flights to Dubai, as well as daily nonstop flights to the United States with our partner United Airlines.



- The Lufthansa Group employs **over 2,000 people** in various parts of the company in Berlin.