

BRUSSELS AIR TRANSPORT BRIEF: MARCH 2021

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European Regulatory Newsletter

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AVIATION REGULATORY AND POLICY

COVID-19: Europe's Airlines Welcome the European Commission's Proposal for a Digital "COVID Passport"

On 17 March 2021, [Europe's aviation sector welcomed the European Commission's \(Commission\) proposal for a so-called Digital Green Certificate system but urged a wider restart plan](#). This proposal requires EU Member States to issue common, inter-operable, and mutually recognized certificates for COVID-19 vaccination, testing, and recovery status that will facilitate free movement during the COVID-19 pandemic and support the restart of travel. Industry associations, Airlines for Europe, ACI EUROPE, ASD, Civil Air Navigation Services Organization, European Regions Airline Association, and International Air Transport Association view these certificates as key to facilitate a safe and efficient resumption of travel and tourism in Europe. They call on the EU Council and the European Parliament to urgently approve the Commission's proposal, and for all EU Member States to immediately begin preparations for their implementation. The associations are urging EU governments to ensure the certificates are operational in time for the peak summer travel months, with vaccination certificates, in particular, enabling the elimination of all restrictions to travel whilst recognizing that vaccination should not be mandatory in order to travel. The industry reiterated their call for an EU Task Force for the Restoration of the Free Movement of People, and urged the European Institutions to immediately begin work on an EU roadmap setting out the conditions, criteria and possible timing for the easing and lifting of travel restrictions.

COVID-19: EUROCONTROL Publishes its Comprehensive Assessment of COVID-19's Impact on European Air Traffic

On 25 March 2021, [EUROCONTROL published its Comprehensive Assessment of COVID-19's Impact on European Air Traffic](#). In the context of the COVID-19 pandemic, EUROCONTROL is publishing a regular comprehensive assessment of the latest traffic situation in Europe and provides a comparison to the same period in 2019. There were 10,562 flights (37 percent of 2019 levels) on Wednesday, 24 March 2021. A significant proportion of flight operations for some of the largest airlines are actually non-commercial (i.e., training flights and circular flights to maintain pilot ratings). After having reached a minimum at network level in the second week of February, the traffic has shown a positive steady trend since mid-February, which has accelerated over the last week. The main traffic flow is the intra-Europe flow with 7,760 flights on Wednesday, 24 March, which has been increasing (+8 percent) over two weeks. Compared to 2019, intra-Europe flights have declined by 65 percent and intercontinental flows by 57 percent.

All segments showed unchanged trends since mid-January 2021 and air-cargo is the only segment consistently growing, posting a 9 percent increase from 2019, charter moved into positive territory (2 percent), Business Aviation recorded a decrease of 18 percent, while traditional and low-cost, which account for the majority of flights, recorded (stable) declines at 70 percent and 87 percent respectively.

COVID-19: EUROCONTROL Publishes its Data Snapshot on COVID-19's Impact on Europe's Long-Haul Network

On 16 March 2021, [EUROCONTROL published its Data Snapshot on COVID-19's impact on Europe's long-haul network](#). EUROCONTROL's seventh Data Snapshot is dedicated to the shift to Europe's high-frequency long-haul network being cut by two-thirds as a result of COVID-19. By February 2020, COVID-19 had already begun to affect the long-haul network out of Europe, in particular some routes to China. A normal network usage can be last observed in February 2019, when there were 61 high-frequency long-haul connections from Europe connections in the European network, ('high-frequency' is defined as three return flights per day, six flights in total). The largest airports—London Heathrow, Frankfurt, Paris CDG, and Amsterdam Schiphol—have high-frequency connections both eastward and westward. However, there are also smaller, more focused airports: Madrid and Lisbon with connections to South America; and Dublin with connections to New York JFK, Zurich, Milan, and Rome. London and Paris also have high-frequency connections from secondary airports, Gatwick and Orly. With COVID-19, very few long-haul routes could support this frequency. Heathrow dropped from 25 routes to just seven, while Madrid, Lisbon, Dublin, Rome, and Zurich have no high-frequency routes at all. Frequent connections remain in just five countries: United States, United Arab Emirates, Qatar, China, and South Korea. Long-haul connections have a much lower frequency—the number of long-haul airport pairs with at least one return flight per week declined only by 21 percent, from 1,147 to 910, between February 2019 and February 2021. Meanwhile high-frequency routes have fallen by more than two-thirds, from 61 to 19 (69 percent).

COVID-19: ICAO Council Approves New Pandemic Response and Recovery Measures

On 12 March 2021, [the International Civil Aviation Organization \(ICAO\) Council approved new pandemic response and recovery measures](#). The ICAO Council approved six new COVID-19 recommendations, and amended two others. These recommendations and updated guidelines are contained in the High-Level Cover Document and 'Take-off' Guidelines issued by the ICAO Council's Aviation Recovery Task Force (CART). The areas addressed by the CART relate to the transport of vaccines on commercial aircraft, requiring attention and action on behalf of pharmaceutical manufacturers, airline and airport operators, and national aviation regulators. These include addenda to the ICAO Technical Instructions for the Safe Transport of Dangerous Goods by Air to help better ensure that vaccines are safely handled, transported, and accepted to promote their rapid and effective global distribution. The ICAO Manual on Testing and Cross-Border Risk Management Measures, first issued last November, has also been updated to provide more detailed guidance on risk management and Public Health Corridors, information on recent scientific evidence regarding COVID-19 testing, as well as a new section on vaccination and its interdependencies with other tools available to states as part of their multilayer risk management framework. The ICAO Council agreed to convene a high-level conference with ministerial participation in October to muster the political will of states and obtain commitment towards a full recovery of international air transport.

Aviation Safety: EASA Issues Guidelines for Management of Drone Incidents at Airports

On 8 March 2021, the European Union Aviation Safety Agency (EASA) [published its manual 'Drone Incident Management at Aerodromes,'](#) which addresses unauthorized drone usage in the vicinity of airports. The EASA guidelines aim to offer guidance and best practice advice to help aviation operators and national authorities manage drone incidents nearby airports, and to prepare them to take the right steps when they occur in order to minimize the extent of disruption ensuring that aviation operations remain safe. The number of incidents involving drones has steadily increased in Europe and around the globe over recent years. Such incidents may occur by accident, when individuals are simply not aware of the problems their actions may create, or due to individuals acting with deliberate intent to disrupt, and, at the extreme, these incidents may have criminal or terrorist motivation. The guidelines developed with input from law enforcement authorities, provide guidance on how to ascertain whether a criminal offense has been committed. The recommendations are addressed to all aerodromes in the scope of the European Aviation System and other aviation actors, such as air traffic control and air operators. The intention is to provide a user-friendly guide that can also be applied at small aerodromes, which may not have the resources to develop the more extensive plans currently being tested and deployed by larger operators. The guidelines are divided into three parts: Part 1 'The challenge of unauthorized drones' describes the challenges and raises awareness for the issue and it is publicly available. The other two parts are addressed specifically to those parties involved in management of these incidents and are not being widely published due to the varied nature of the threat.

Aviation Safety: EASA Publishes Easy Access Rules for AMC-20 Amendment 20 on Ageing-Aircraft Requirements

On 16 March 2021, [European Union Aviation Safety Agency \(EASA\) published Easy Access Rules for AMC-20 Amendment 20 on ageing-aircraft requirements.](#) Amendment 20 of AMC-20 (Easy Access Rules for Acceptable Means of Compliance for Airworthiness of Products, Parts and Appliances) incorporates the elements of ED Decision 2020/023/R on acceptable means of compliance (AMC) and guidance material into AMC 20-20A, which supplements and is referenced in the means of compliance provided in CS-26 for new ageing-aircraft requirements introduced into Part-26.

Aviation Safety: EASA Publishes Updated Easy Access Rules for Continuing Airworthiness

On 2 March 2021, [European Union Aviation Safety Agency \(EASA\) published updated Easy Access Rules for Continuing Airworthiness.](#) This revision from February 2021 incorporates amendments to Regulation (EU) 2020/1159 regarding the compliance of the M.A.302 Aircraft Maintenance Program with additional airworthiness requirements established in Part-26 (Regulation (EU) 2015/640) and the related ED Decision 2020/023/R.

Aviation Safety: International Civil Aviation Organization Announces Partnership on a New Runway Safety Training Initiative

On 5 March 2021, the [International Civil Aviation Organization \(ICAO\) announced to partner with Airports Council International \(ACI\), International Air Transport Association \(IATA\), and the Civil Air Navigation Services Organization on a new runway safety training initiative.](#) On 4 November 2021, the ICAO Global Reporting Format for Runway Surface Conditions (GRF) will be effective and will establish a new methodology for assessing and reporting runway surface conditions to improve take-off and landing performance. Since the GRF is coming into effect, ICAO has agreed to partner on a new joint GRF training program. The new online training course has been specifically designed for air traffic controllers and aeronautical information service staff, and will be available for

enrolment in April 2021 on the ICAO Global Aviation Training website. It complements existing courses developed in cooperation with ACI for airport operations staff, and with IATA for flight crews. “Runway safety continues to remain aviation's biggest safety challenge, representing more than half of all accidents reported to ICAO for commercial operations,” emphasized ICAO Secretary General Dr. Fang Liu. The agreement between the three international organizations is the first of its kind, and sets the stage for future collaboration on global safety enhancement initiatives.

Civil Aviation: Single European Sky ATM Research Publishes: 'Women in Aviation: An Untapped Resource'

On 8 March 2021, the [Single European Sky ATM Research \(SESAR\) published an article: 'Women in aviation: An untapped resource'](#) highlighting a stark gender imbalance: more than three quarters of SESAR 2020 research is carried out by men, and only 13 of SESAR Joint Undertaking's (SESAR JU) 68 projects are led by women. The article also highlights that in the broader aviation and air traffic management industry women remain underrepresented, especially at the top. SESAR JU administrative board member and ENAIRE Business Development Director Mariluz De Mateo García says that there are very few women in leadership roles, and flags a downward trend among female students in science, technology, engineering, and math careers. A 2019 study into the gender gap in aviation found that women hold 15-25 percent of leadership roles in air navigation, and indicates lack of opportunities, unclear career paths, and absence of role models as inhibitors to the advancement of women. Florian Guillermet, SESAR JU executive director says that with only 13 of SESAR JU's 68 projects led by women, the program risks missing out on the benefits that a more diverse workforce can offer, and that gender parity will be a priority for the SESAR JU in the coming years.

Single European Sky: European Parliament TRAN Committee and Security and Defense Subcommittee Jointly Hold an Exchange of Views on the Civil and Military Components of the Single European Sky Reform

On 15 March 2021, the European Parliament Transport and Tourism (TRAN) Committee and the Security and Defense (SEDE) subcommittee [jointly held an exchange of views](#) on the military component of the Single European Sky (SES) reform, discussing the relationship between civil and military components. The chair of the EU Military Committee, General Claudio Graziano, and the chief executive officer of the European Defense Agency, Mr. Jiri Sedivy, shared their opinions and concerns regarding the updated European Commission's proposal for SES 2 and its implications for the military sector. They agreed there is a high level of interdependence between civil and military aviation and air traffic management sectors, and highlighted the need for military safeguards to be built in the future architecture of the European airspace in order to guarantee coordination between military authorities and non-dependence on third-country actors in terms of technology and data sharing. In addition, General Graziano voiced concerns about the obstacles to the military intervention overseas and to domestic training operations that may result from the ongoing SES reform and complained about high financial costs borne by the military and general lack of consideration for military needs in the new Commission proposal. TRAN Rapporteur, Mr. Marinescu, did not share those concerns, ensuring that the proposal is the result of extensive consultation with all the stakeholders, including the military. Mr. Marinescu also added that the only significant change in the updated proposal concerns the role of the Performance Review Body and said that information collected by the service providers, even if they operate under market conditions, will stay

with the national authorities and will be available to the military airspace users. TRAN Committee will now prepare for a vote on the updated mandate to take place before the end of June 2021.

IATA Reports: IATA Releases its January 2021 Air Passenger Market Analysis - Passenger Traffic Fell

On 2 March 2021, [the International Air Transport Association \(IATA\) releases its January 2021 Air Passenger Market Analysis](#). In its analysis, IATA announced that passenger traffic fell in January 2021, both compared to pre-COVID levels and compared to December 2020. Because comparisons between 2021 and 2020 monthly results are distorted by the extraordinary impact of COVID-19, unless otherwise noted all comparisons are to January 2019 which followed a normal demand pattern. Total passenger demand in January 2021 (measured in revenue passenger kilometers) was down 72 percent compared to January 2019, while domestic passenger demand was down 47.4 percent. International passenger demand in January was 85.6 percent below January 2019, a further drop compared to the 85.3 percent year-to-year decline recorded in December. European carriers had an 83.2 percent decline in traffic in January compared to January 2019, worsened from an 82.6 percent decline in December compared to the same month in 2019.

IATA Reports: IATA Releases its January 2021 Air Cargo Market Analysis - Air Cargo Demand Recovered to pre-COVID Levels

On 2 March 2021, [International Air Transport Association \(IATA\) released its January 2021 Air Cargo Market Analysis](#). Air cargo started the year on a positive note: The data showed that air cargo demand returned to pre-COVID levels, January 2019, for the first time since the outbreak of the crisis. January demand also showed robust month-to-month growth over December 2020 levels. Global demand, measured in cargo tonne-kilometers, was up 1.1 percent compared to January 2019 and 3 percent compared to December 2020. All regions saw month-on-month improvement in air cargo demand. The recovery in air cargo global capacity was adversely impacted by new capacity cuts on the passenger side of the business. The recovery in global capacity measured in available industry-wide available cargo tonne-kilometers shrank 19.5 percent compared to January 2019 and fell 5 percent compared to December 2020, the first monthly decline since April 2020. European carriers' international cargo demand slipped 0.6 percent in January compared to same month in 2019. This was an improvement from the 5.6 percent fall in December 2020 over the year-ago period. International capacity decreased 19.5 percent, a deterioration from the 18.4 percent year-to-year decline recorded for December.

IATA Reports: IATA Releases its Annual Safety Report

On 25 March 2021, International Air Transport Association (IATA) published its 57th [Annual Safety Report](#) (Report) and released data for the 2020 safety performance of the commercial airline industry. The Report includes an in-depth review of global and regional aviation statistics, including insights into global and regional accident rates and contributing factors. The airline industry saw its safety performance improve in 2020 with regard to some key metrics, as the number of total accidents, fatal accidents, and fatalities all declined compared to 2019 as well as to the five-year trend lines. Based on a fatality risk of 0.13 for air travel, on average, a person would have to travel by air every day for 461 years before experiencing an accident with at least one fatality, and on average, a person would have to travel every day for 20,932 years to experience a 100 percent fatal accident.

The all accident rate for airlines on the IATA Operational Safety Audit (IOSA) registry—which includes all IATA airlines—was nearly three times better than that of non-IOSA airlines for 2020 (1.20 vs. 3.29). The all accident

rate for airlines on the IOSA registry was 1.20 per 1 million. For the first time in more than 15 years there were no Loss of Control Inflight accidents in 2020, which have accounted for the largest share of fatalities since 2016. In 2020 an estimated 1.795 billion passengers flew safely on about 22 million flights. The total number of accidents decreased from 52 in 2019 to 38 in 2020. The total number of fatal accidents decreased from eight in 2019 to five in 2020. The all accident rate was 1.71 accidents per million flights. This is higher than the five-year (2016-2020) average rate, which is 1.38 accidents per million flights. IATA member airlines' accident rate was 0.83 per million flights, which was an improvement over the five-year average rate of 0.96.

ANTITRUST AND COMPETITION

COVID-19: European Commission Publishes an Updated Overview of State Aid Rules and Public Service Obligations Rules Applicable to the Air Transport Sector During the COVID-19 Outbreak

On 25 March 2021, the European Commission (Commission) published an [update to its guidance on the state aid rules and public service obligations rules applicable to the air transport sector during the COVID-19 outbreak](#), which provides an overview on the various support measures that EU Member States may use in line with EU state aid rules and public service obligations rules in the exceptional context of the COVID-19 outbreak. This document is based on the development of the pandemic so far and the Commission's experience with support measures adopted by EU Member States over the past year, and does not regard exit plans and post-crisis recovery. This document has four Sections: (i) Section 1 provides a general overview on the impact of the COVID-19 outbreak on European transport and mobility, and on the air transport sector; (ii) Section 2 describes the measures that do not constitute state aid within the meaning of Article 107(1) TFEU and, therefore, do not need to be notified to the Commission; (iii) Section 3 describes the state aid measures that may be exempted from notification to the Commission if they fulfil certain requirements; and (iv) Section 4 describes the measures that constitute state aid and need to be notified to the Commission.

State Aid: European Commission Approves a €10 Million Italian Aid Measure to Compensate Toscana Aeroporti for Damage Caused by the COVID-19 Outbreak

On 2 March 2021, [the European Commission \(Commission\) approved, under EU state aid rules, a €10 million Italian aid measure to compensate Toscana Aeroporti](#) for the damages incurred due to the COVID-19 outbreak. Toscana Aeroporti, the operator of the Pisa and Florence airports, suffered large operating losses due to the COVID-19 and the restrictive measures adopted in order to limit the spread of the virus. On 10 March 2020, Italy imposed a nationwide lockdown, which was lifted as of 3 June 2020, while certain travel warnings, travel bans, and restrictive measures remained in place until at least 15 June 2020. The measure, which will take the form of a direct grant, will enable the Italian authorities to compensate Toscana Aeroporti for the damage suffered during the period between 10 March and 15 June 2020, as a result of the restrictive measures on international and domestic air passenger services implemented by Italy and other countries to limit the spread of the virus. The Commission assessed the measure under Article 107(2)(b) of the TFEU, which enables the Commission to approve state aid measures granted by EU Member States to compensate companies for the damage directly caused by exceptional occurrences, such as the COVID-19 outbreak. The Commission found that the scheme is in line with EU state aid rules, concluding that the notified measure will provide compensation for damage that is

directly linked to the COVID-19 outbreak. It also found that the measure is proportionate, as the compensation does not exceed, and is actually lower, than what is necessary to make good the damage.

State Aid: European Commission Approves a €5 Million Swedish Scheme to Support Companies Active in Air Ambulance Services in the Context of COVID-19 Outbreak

On 5 March 2021, [the European Commission approved, under the State aid Temporary Framework, a €5 million Swedish scheme to support companies active in air ambulance services in the context of the COVID-19 outbreak.](#) The aid, which will take the form of direct grants, will not exceed 70 percent of the uncovered fixed costs incurred by the beneficiaries' air ambulance operations during the period from 1 January to 30 June 2021, and is limited to approximately €1.6 million (SEK 16 million) per company. The scheme's purpose is to restore financial liquidity of air ambulance companies and ensure the continuation of their activity during and after the outbreak. The Commission found that the Swedish scheme is in line with the conditions set out in the Temporary Framework. In particular, (i) the support will not exceed €1.8 million per company, and (ii) the aid will be granted no later than 31 December 2021. The Commission concluded that the measure is necessary, appropriate, and proportionate to remedy a serious disturbance in the economy of an EU Member State, in line with Article 107(3)(b) TFEU and the conditions of the Temporary Framework.

State Aid: European Commission Approves €39.7 Million Latvian Measures to Recapitalize Riga International Airport

On 8 March 2021, [the European Commission approved, under the State aid Temporary Framework, €39.7 million Latvian measures to recapitalize Riga International Airport.](#) Riga International Airport is a company fully owned by the Latvian state, whose core business is the provision of aviation services, but which provides also non-aviation services such as the lease of premises and land, and car parks. Riga International Airport suffered substantial losses due to the COVID-19 outbreak and the travel restrictions, and the company's deteriorating financial situation risks having severe consequences for the connectivity of Latvia with the rest of Europe and third countries. Latvia notified the Commission of state recapitalization measures in favor of Riga International Airport for up to €39.7 million, comprising: i) €35.2 million capital injection, and ii) €4.5 million waived dividend payment for the 2019 financial year. The Commission found that the recapitalization measure notified by Latvia is in line with Article 107(3)(b) TFEU and the conditions set out in the Temporary Framework. The Commission approved the measure under EU state aid rules concluding that the recapitalization measures are necessary, appropriate, and proportionate to remedy a serious disturbance in the economy of the EU Member States. The measure aims at restoring the financial position and liquidity of Riga International Airport in the exceptional situation caused by the COVID-19 pandemic, while maintaining the necessary safeguards to limit competition distortions.

State Aid: European Commission Approves a €16.3 Swedish Subsidized Loan Scheme to Support Air Traffic Control Services Affected by COVID-19 Outbreak

On 11 March 2021, [the European Commission approved, under the State aid Temporary Framework, a SEK 164 million \(approximately €16.3 million\), Swedish subsidized loan scheme to support air traffic control services affected by the COVID-19 outbreak.](#) In the context of the COVID-19 outbreak, the restrictions introduced to avoid the spread of the virus have caused dramatic drops in air travel; in 2020 the number of air passengers in Sweden was 75 percent lower than in 2019. The scheme's aim is to cover the losses for 2020 and 2021 incurred by small- and medium-sized companies active in air traffic management. Under the scheme, the public support will take the form of loans provided by the Swedish National Transport Administration with subsidized interest rates. The

Commission found that the Swedish scheme is in line with the conditions set out in the Temporary Framework. In particular, (i) the maturity of the loans is limited to six years, (ii) a 1 percent flat rate interest rate applies for the entire duration of the loans, (iii) the amount of the loans corresponds to the level foreseen in the Temporary Framework, (iv) the loans relate to working capital needs, and (v) the loan contracts will be signed by 31 December 2021 at the latest. The Commission concluded that the measure is necessary, appropriate, and proportionate to remedy a serious disturbance in the economy of an EU Member State, in line with Article 107(3)(b) TFEU and the conditions of the Temporary Framework.

State Aid: European Commission Approves Around €350 Million Finnish Support to Finavia in the Context of the COVID-19 Outbreak

On 17 March 2021, [the European Commission approved, under EU State aid rules, around €350 million Finnish measures to support the airport operator Finavia in the context of the COVID-19 outbreak](#). Finavia is a major airport operator in Finland, whose financial situation is at risk. Finland notified the Commission of three measures in favor of Finavia, namely (i) a €249 million capital injection, (ii) a €33 million subordinated loan, both under the State aid Temporary Framework, and (iii) a €68 million measure to compensate the company for the damage directly suffered as a result of the COVID-19 outbreak under Article 107(2)(b) of TFEU. The Commission assessed the capital injection and subordinated loan in favor of Finavia under the state aid Temporary Framework, in line with the notification by Finland. With respect to the capital injection, the Commission found that the recapitalization measure notified by Finland is in line with Article 107(3)(b) TFEU and the conditions set out in the Temporary Framework. With respect to the subordinated loan, the Commission also found that the measure is in line with the conditions set out in the Temporary Framework. In particular, (i) the loan will last for maximum six years; (ii) it will be granted before 31 December 2021; and (iii) the interest rate will ensure minimum remuneration, in line with the conditions of the Temporary Framework. With respect to the damage compensation measure, the Commission found that the measure is directly linked to the COVID-19 outbreak and proportionate as the compensation does not exceed what is necessary to make good the damage. The Commission concluded that the subordinated loan and capital injection are necessary, appropriate, and proportionate to remedy a serious disturbance in the economy of an EU Member State, in line with Article 107(3)(b) TFEU and the general principles as set out in the Temporary Framework. The Commission also concluded that the Finnish damage compensation measure is in line with EU State aid rules.

AIR TRAVEL - PASSENGERS' RIGHTS

Passengers' rights: EU Court of Justice Finds that a Strike Organized by a Trade Union of the Staff of an Air Carrier to Secure Pay Increases does not Release the Airline from its Obligation to pay Compensation for Cancellation or Long Delay

On 23 March 2021, [the European Court of Justice of the European Union \(CJEU\) pronounced its decision in the case C-28/20, Airhelp Ltd against Scandinavian Airline System \(SAS\)](#). The case concerned the request for a preliminary ruling referred by a Swedish Court for the interpretation of a provision of the Air Passenger Rights Regulation, which arose in proceedings concerning SAS's refusal to compensate a passenger for the cancellation of his flight due to a SAS's pilots' strike. The CJEU held that a strike organized by a trade union of the staff of an air carrier that is intended in particular to secure pay increases does not fall within the concept of an 'extraordinary circumstance' capable of releasing the airline from its obligation to pay compensation for cancellation or long

delay in respect of the flights concerned within the meaning of the Air Passenger Rights Regulation. That is so even if the strike is organized in compliance with the conditions laid down by national legislation. In this case, the CJEU took a different view from [Advocate General Pikamäe's Opinion](#), who had concluded that a strike organized by pilots' trade unions constitutes, in principle, an extraordinary circumstance that may release the air carrier from its obligation to pay compensation for the cancellation or long delay of the flights concerned, but in order to be released from that obligation, the air carrier must prove that it took all reasonable measures to avoid such cancellation or delay.

INTERNATIONAL TRADE – BREXIT

International Trade: European Union and United States Agree to Suspend all Tariffs Linked to the Airbus and Boeing Disputes

On 5 March 2021, [the European Union and the United States agreed to suspend all retaliatory tariffs on EU and U.S. exports imposed in the Airbus and Boeing disputes](#). European Commission President Ursula von der Leyen and U.S. President Joe Biden agreed on the mutual suspension for four months of the tariffs related to the World Trade Organization (WTO) aircraft disputes. The suspension will cover all tariffs both on aircraft as well as on non-aircraft products, and will become effective as soon as the internal procedures on both sides are completed. This will allow the European Union and the United States to ease the burden on their industries and workers and focus efforts towards resolving these long running disputes at the WTO. This provides an important boost to exporters, since the United States had been authorized to raise tariffs on US\$7.5 billion of EU exports to the United States. Similarly, EU tariffs will be suspended on some US\$4 billion worth of U.S. exports into the European Union. The European Union and the United States are committed to reach a comprehensive and durable negotiated solution to the aircraft disputes. Key elements of a negotiated solution will include disciplines on future support in the sector, outstanding support measures, monitoring and enforcement, and addressing the trade distortive practices and challenges posed by new entrants to the sector from non-market economies, such as China. These steps signal the determination of both sides to embark on a fresh start in the relationship: EU representatives deem this suspension as a significant step forward, which marks a reset in the EU relationship with the United States, will help restore confidence and trust, and give the space to come to a comprehensive and long-lasting negotiated solution.

International Trade: European Commission Published the Market Access Commitments of the EU-China Investment Agreement

On 12 March 2021, the European Commission published the [market access offers under the EU-China Comprehensive Agreement on Investment \(CAI\)](#), concluded in principle on 30 December 2020. The CAI's objective is to rebalance the asymmetry in terms of market access and investment between the EU and China (i.e., new openings for EU operators in several sectors, on top of the autonomous market access already made by China over the last 20 years). In the services sector, China has made commitments across the board, including in the air transport-related services. Details of the schedules of commitments are included in the Annexes to the agreement. [China's schedule of commitments and reservations](#) contains, in Annex I - Entry 9 and 10 respectively, contain details regarding air transportation and services related to air transport with a focus on control of foreign investors. The publication of market access “offers” (i.e., proposed commitments) represents the next step in the process towards adoption and ratification, and provides the basis for informed political deliberations and public

debate. The text of the agreement will now be legally reviewed and translated before it can be submitted by the Commission for adoption and ratification by the Council of the European Union and the European Parliament.

Brexit: EASA Publishes its Design and Certification Newsletter 2021/03 Including a Brexit Update

On 1 March 2021, [European Union Aviation Safety Agency \(EASA\) published the second issue of its Design and Certification Newsletter](#), a bi-annual newsletter that includes articles related to news and events impacting aviation. This edition contains, among others, news regarding (i) Brexit, (ii) COVID-19 crisis response, (iii) airworthiness, (iv) EASA and China's CAAC cooperation, and (v) international cooperation. In relation to Brexit, the newsletter provides an update of the provisions of the Trade and Cooperation Agreement (Agreement) reached between the European Union and the United Kingdom regarding new terms and conditions for EU-UK cooperation in the area of aviation safety, focusing on (i) design aspects, (ii) recognition of production system, and (iii) negotiations for a Technical Implementation Procedure (TIP). In terms of design aspects, the agreement ensures that existing design certificates issued under EU rules before the end of the transition period shall remain valid, so that products and designs covered can continue to be used in aircrafts registered in the European Union. In terms of recognition of production system, the Agreement provides for mutual recognition of the production certifications and production oversight systems: UK POA holders are recognized in the European Union and their parts, appliances, engines, and propellers released with UK CAA Form 1 on or after 01/01/2021 are accepted in the European Union. In terms of TIP, negotiations between EASA and UK CAA started on 6 January 2021 based on an EASA proposal and will be signed and adopted during the first COB meeting between EASA and UK CAA.

PUBLIC CONSULTATIONS AND EVENTS

TRAN Committee Workshop: “The use of Hydrogen Fuel in Transport,” Including a Session on Hydrogen and Aviation: Opportunities and Perspectives

On 16 March 2021, [the European Parliament Transport and Tourism \(TRAN\) Committee organized the workshop: “The use of hydrogen fuel in transport,”](#) focused on an overview of hydrogen as an alternative transport fuel, the role of hydrogen fuel in the green transition, and mapping of relevant and ongoing joint projects. The workshop focused on the state of play and perspectives of hydrogen fuel as a game changer for rail, maritime, aviation, and road sectors, and the emerging solutions and technical obstacles to its full exploitation. Among the topics discussed, the future actions needed to strengthen the path towards the hydrogen economy, project financing and legislative options, including the forthcoming revision of the Alternative Fuels Infrastructure Directive. The workshop also included a dedicated session “Hydrogen and aviation: opportunities and perspectives”, with as speaker Josef Kallo, coordinator energy system integration, German Aerospace Centre.

SESAR's Second Webinar of the FLY AI Webinar Series

On 23 March 2021, [Single European Sky ATM Research \(SESAR\) organized the 'FLY AI' webinar](#), and online event part of the 'FLY AI' webinar series organized on behalf of the European Aviation High Level Group on Artificial intelligence (AI) as a first step towards building an AI community of practice for aviation. This second webinar of the series, moderated by the SESAR Joint Undertaking, explored the research and innovation opportunities in AI for the aviation sector. Topics discussed included the progress made in the fields of machine learning and AI, which opened the door to a myriad of applications in ATM. Many tasks in aviation that can only be performed by humans today have the potential to be performed collaboratively by hybrid human-machine

team, enabling higher performance levels. AI-powered systems are being integrated into the cockpit and into systems on the ground, which is redefining the principles of pilot/ATC interactions.

First Meteorological Technology World Expo Conference for Aviation Meteorology

On 24 March 2021, [the first Meteorological Technology World Expo Conference for Aviation Meteorology was held online](#). The Conference aimed to provide a platform for aviation meteorologists, airline and airport operators, air navigation services and other key stakeholders to discuss the next generation of systems, solutions, and services for the aviation industry. The Conference discussed the future industry trends and current challenges debated with leading vendors, trade bodies, and industry leaders. Systems and solutions discussed included detection solutions for runway GRF, AWOS, remote sensing technology, visibility sensors, weather radar, wind-shear detection, software for data processing, automated weather/chart creation, application of GIS, and many other topics. The Single European Sky ATM Research (SESAR) Joint Undertaking participated in the Conference with a series of presentations showcasing some of the latest validation results and most solutions coming out of the SESAR research and development program.

EUROCONTROL's Stakeholder Forum on the Air Cargo Industry - What will Future Air Cargo Operations look Like?

On 31 March 2021, [EUROCONTROL organized the 'Stakeholder Forum on the air cargo industry, what will future air cargo operations look like?'](#). During the forum major questions for cargo operations have been tackled, including: How will technology impact and shape future cargo operations and flights; the potential of electric and autonomous technology in producing new greener and more efficient ways of flying; the challenges that need to be addressed to deliver this transformation; and how innovative organizations can work together to promote sustainable technologies in the cargo industry. These webinars offered an opportunity to discuss the aviation industry's current challenges whilst charting its course to a safe, sustainable, and cost-efficient recovery.

EUROCONTROL's Innovation Hub Promote Event - Accelerating User-Driven Innovation in Aviation

On 13 April 2021, [EUROCONTROL organized 'the Innovation Hub Promote Event - Accelerating user-driven innovation in aviation.'](#) The aim of this online event was to share the results of the initial six-month development cycle of the EUROCONTROL's Air Transport Innovation Hub initiative. This initiative, launched in October 2020 by EUROCONTROL's Experimental Centre in Brétigny, plans to work with end-users to develop agile, digital solutions and services that accelerate the uptake of Single European Sky ATM Research solutions in aviation.

EASA's Information Session on Implementation of PART 26 Ageing Aircraft Requirements OPERATORS/CAMO

On 19 April 2021, [European Union Aviation Safety Agency \(EASA\) organized an information session on implementation of PART 26 Ageing Aircraft Requirements OPERATORS/CAMO](#). The scope of this info session was to provide an overview of the new ageing aircraft structures requirements affecting the continuing airworthiness domain and in particular the aircraft maintenance program together with the relevant means of compliance published by EASA. In this context, the EASA will also describe some typical cases, relevant best practices, and possible difficulties that might be encountered by operators when preparing aircraft maintenance programs embodying elements related to ageing aircraft structures.

SESAR's Webinar Innovation in Airspace Utilization

On 29 April 2021, [Single European Sky ATM Research \(SESAR\)](#) is organizing the webinar 'Innovation in Airspace Utilization' which aims to explore how SESAR research is innovating the way the airspace is being utilized to integrate existing and new types of air traffic into the digital European sky. This webinar will put a spotlight on how SESAR solutions are innovating airspace utilization, allowing conventional aircraft to share the airspace with other types of air vehicles (e.g., drones and air taxis in U-space and over cities, airliners in conventional airspace and up to the higher airspace, supersonic aircraft, balloons in the stratosphere). This panel will offer an opportunity to hear about specific projects that help Europe tackle innovation in airspace utilization and to explore what research has already been done, what research still needs to be done, and how detailed operational research, supported by technological innovation, can bring about fundamental changes to the way we manage air traffic in European airspace.

2021 Federal Aviation Administration - European Union Aviation Safety Agency International Aviation Safety Conference - Postponed Until 2022

[The 2021 Federal Aviation Administration \(FAA\) - European Union Aviation Safety Agency \(EASA\) International Aviation Safety Conference has been postponed until 2022.](#) In consideration of recommendations regarding large, in-person gatherings that may be in place for the foreseeable future, FAA and EASA have postponed to 2022 the in-person 2021 FAA-EASA Aviation Safety Conference that was supposed to take place on 1 June 2021. FAA and EASA are working to secure dates and a location for the 2022 event.

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