On 7 April the EUROCONTROL Member States announced agreement on a financial package enabling airlines to defer the payment of up to €1.1 billion of air traffic control fees due for payment to Europe’s air traffic management industry in the coming months.

As a result of COVID-19, the number of flights operating daily in European airspace has declined by 90%. This dramatic reduction in operations is likely to continue for a number of weeks to come and therefore the airline industry had sought the support of EUROCONTROL Member States to help it deal with its sudden and significant cash flow crisis.

Eamonn Brennan Director General, EUROCONTROL, commented: ‘I am really delighted that our Member States have approved this essential measure. It will provide much needed liquidity support. Many airlines contacted EUROCONTROL to confirm that they would not be in a position to facilitate their next payments.

‘With traffic down 90%, our Member States have clearly recognised the shared challenge. This payment deferral will ease the immediate burden on airlines and it provides certainty on financial planning to both airlines and the air navigation service providers (ANSPs) on when payments will be made after the crisis has abated.

‘It is important to acknowledge the overwhelming support provided by our Member States for this measure, along with their air navigation service providers, as it provides vital assistance to the airline industry in their hour of need.’

About EUROCONTROL
EUROCONTROL is an intergovernmental organisation with 41 Member and 2 Comprehensive Agreement States. We are committed to supporting European aviation and building, together with our partners, a Single European Sky that will deliver the air traffic management (ATM) performance required for the twenty-first century and beyond.

Over 1,900 highly qualified professionals spread over four European countries work at EUROCONTROL, deploying their expertise to address ATM challenges.
CANSO welcomes adoption of rescue package for European ANSPs

It was reported from Amsterdam on 14 April that CANSO – the Civil Air Navigation Services Organisation which represents the air traffic management industry – has welcomed the adoption by European States of a rescue package for air navigation service providers (ANSPs).

**Deferment of ATC fees**
It was stated that the current crisis has caused aviation traffic in Europe to plunge by 90%, putting the whole sector in jeopardy. Last week, EUROCONTROL Member States agreed to help airlines operating in Europe by deferring their payments of air traffic control fees worth €1.13 billion for periods between seven and thirteen months. While this provides relief for one branch of the aviation industry, it clearly shifts the burden to ANSPs, who will find it difficult to maintain financial stability without further support.

CANSO therefore supports the related proposal adopted yesterday (13 April) which enables EUROCONTROL to apply for funding which guarantees a minimum level of financing for European ANSPs until September. Under this, EUROCONTROL is authorised to take a loan worth up to €1.27 billion, which it will use to pay ANSPs 51% of their operating costs for four months. EUROCONTROL will recover these sums through the deferred fees and other later payments due to ANSPs.

CANSO Director General, Simon Hocquard commented: ‘*We are very pleased that with the adoption of this second package, EUROCONTROL Member States have taken a significant step forward in affording much needed financial security for our members.*

‘*We continue to urge States and the European Commission to provide EUROCONTROL with all the support needed to secure the loan. ANSPs are already cutting costs, but as they have a mandate to keep Europe’s skies open, there is a limit to what savings are possible.*

‘*With the drastic drop-off in their income, financial support is vital to maintain their essential services both in the coming months and during the eventual recovery of the aviation sector.*’

‘*CANSO and its members worked closely with EUROCONTROL to put together this rescue package and to persuade Member States to support it. Airlines and ANSPs cannot survive without each other, and CANSO therefore welcomes this industry-wide solution.*’