

Position paper Traffic Distribution Rule for Schiphol and Lelystad Airport

7 February 2019

Royal Schiphol Group N.V. ("RSG") submits this position paper in support of a traffic distribution rule ("TDR") for Amsterdam Airport Schiphol and Lelystad Airport.

RSG believes a legal or regulatory instrument, supported by the EC, is the way forward to realize additional airport capacity in the Netherlands and maintain the connectivity of Schiphol as major hub for the EU. RSG believes this can be done in a **balanced, proportionate way** and **fully aligned with the European Aviation Strategy**. The opening of Lelystad Airport and the creation of an airport system is one of the key instruments to grow connectivity in the Netherlands and the EU, while using the scarce capacity we have in a balanced and efficient way. We believe a working TDR, in compliance with Regulation 1008/2008, is possible and ask the EC to support such a measure.

Creating airport capacity – fostering connectivity

- Schiphol is among Europe's major hubs, providing direct connectivity to over 300 destinations worldwide. Our extensive route network is of great importance for access to the EU and the Netherlands. Many of these destinations would not be sustainable if there was no 'hubbing' at Schiphol. Connectivity by air is crucial for the Dutch economy and the international business climate in the wider metropolitan region (Randstad).
- Capacity on the ground and in the air is scarce at Schiphol and will remain scarce in the coming years, due to environmental and political concerns over the rapid growth of aviation.
- RSG has developed Lelystad Airport as twin airport for Schiphol. It provides a dedicated alternative for traffic that does not necessarily need the hub-supporting infrastructure of Amsterdam Airport Schiphol. RSG thereby adds capacity to the Dutch aviation market, in the interest of airlines and consumers, while providing relief for Schiphol.
- RSG's other regional airports like Eindhoven and Rotterdam, also serving the wider metropolitan area of the Netherlands with point-to-point traffic, are popular and are almost at full capacity.
- Lelystad Airport is located in the catchment area of Schiphol. Both airports serve Amsterdam and its conurbation. Lelystad Airport is well connected to Amsterdam and other major cities like Utrecht by highway and public transport (less than 1 hour). In comparison, travel time from existing airports serving the London and Paris areas to their respective city centers (or even between them) is similar or even longer.
- The opening of Lelystad Airport for commercial operations was originally envisaged by 2018 but has been postponed by the Dutch government. A final, political decision on the opening of Lelystad Airport requires safeguards that its capacity is primarily used by traffic from Schiphol. A TDR is the instrument that could provide this assurance.

Balanced, transparent and proportionate

- RSG firmly supports the principles of the European free and common aviation market. A TDR does not restrict access to the Dutch aviation market. This TDR has a voluntary character. Airlines will not be forced to transfer any traffic from Schiphol to Lelystad. We believe market incentives will provide additional leverage: Lelystad Airport will offer substantial lower airport charges and a product tailor-made to point-to-point traffic.
- RSG supports a TDR that is transparent and proportionate. A mechanism should be in place to ensure that slots of airlines which move (part of their) operations to Lelystad can be used to maintain and strengthen the quality of the network at Schiphol, in line with the legal duty of RSG. We see this as a legitimate and balanced way to foster connectivity, while providing strong guarantees against misconduct and discrimination of business models and/or airlines.

Aligned with the EU aviation strategy

- The Commission is keen to tackle the capacity crunch at European airports. With the opening of a new airport, we are addressing this major issue. The opening of a new airport within the European aviation area is quite unique. Yet, opening a new airport should not necessarily mean more of the same in terms of connectivity. This erodes societal support. It should lead to a growth in connectivity that is most valuable to society and regional development.
- The key objective of the European aviation strategy is providing more connectivity for its citizens. Connectivity is realized through a strong network. Connectivity cannot be based only on local demand, therefore strong hubs are needed. RSG addresses this by providing additional capacity at Lelystad.