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COMMISSION OF THE EUROPEAN COMMUNITIES

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REPORT FROM THE COMMISSION

on the application of Council Directive 96/67/EC of 15 October 1996

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1. INTRODUCTION

1. On 15 October 1996 the Council adopted Directive 96/67/EC on access to the groundhandling market at Community airports. The Directive was a first step towards the gradual opening-up of access to the groundhandling market so as to help reduce the operating costs of air carriers and improve the quality of service. Article 22 of the Directive requires the Commission to draw up a report on the application of the Directive. This Report by the Commission sets out to comply with this requirement.

2. At the request of the Commission, in 2002, a study 'on the quality and efficiency of groundhandling services at EU airports as a result of the implementation of Council Directive 96/67/EC' was carried out. The Commission has published this study on its website[1] as it contains valuable information on the economic effects the Directive has had in the various Member States.

3. It is recalled that the Directive makes an important distinction between two types of groundhandling services: (1) the categories of services to which, at airports reaching a certain threshold, free access exists for suppliers of groundhandling services and for which airport users are free to perform self-handling; and (2) the limited number of specific categories of groundhandling services[2], which may, at certain airports, be reserved for a limited number of groundhandling service suppliers and self-handling users respectively. The latter are generally also referred to as restricted services and this terminology is used in the text below.

2. THE FINDINGS OF THE STUDY

4. <u>Transposition of the Directive into national legislation</u>

Transposition of the Directive into the legislation of Member States has in most instances been a relatively smooth process even if with many Member States the Commission has had to engage in correspondence and consultations in order to clarify and provide information and assistance on how to transpose the Directive correctly. Another matter was the rather slow speed with which transposition has been completed: most new national legislation was adopted before 1999 while four Member States were as late as 1999 to adopt legislation and one needed till as late as 2000.

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1 www.ec.europa.eu/transport/air_portal/index_en.htm. Study carried out by SH&E International Air Transport Consultancy, London.

2 I.e. baggage handling, ramp handling, fuel and oil handling, freight and mail handling as regards the physical handling of freight and mail between the air terminal and the aircraft.

5. In two instances the Commission has disagreed with Member States on the way they transposed Article 18 of the Directive, which stipulates that Member States may take the necessary measures to ensure protection of the rights of workers. The Commission took the view that the national legislation adopted by the Member States in question went against the effective application of the Directive. The European Court of Justice eventually ruled accordingly[3] and one Member State has now complied with the Court ruling. The Commission is considering taking legal action against the other Member State on the basis of Article 228 of the Treaty.

6. Exemptions on the basis of Article 9 of the Directive

Where at an airport specific constraints of available space or capacity exist, Member States may decide to restrict the number of handlers. Member States must notify the Commission of any exemption granted by them. On the basis of Article 9 the Commission has received ten notifications. After examination, the Commission has granted eight exemptions and turned down two. A list of the airports concerned is presented below.

Airport	Date of Commission decision	Exemption granted until
Frankfurt	14 January 1998	1 January 2001
Hamburg	30 October 1998	31 December 2000
Stuttgart	30 October 1998	31 December 2000
Berlin Tegel	27 April 1999	31 December 2000
Düsseldorf	14 January 1998	31 December 2000
Düsseldorf	5 January 2000	31 December 2001
Paris CDG	27 April 1999	31 December 2000
Funchal	10 January 2000	31 December 2001

Exemptions requested by the airports of Cologne/Bonn on 30 October 1998 and Oporto on 10 January 2000 respectively were not granted.

Annex A gives a general picture of the capacity and space constraints that were encountered by airport operators after the implementation of the Directive. This Annex is based on a postal survey and does not include all major EU airports[4]. It appears that apart from the airports mentioned above, which had filed an exemption request that was upheld, after the entry into force of the Directive most airports did not have any problems to accommodating new handlers or they could make arrangements to find a solution quickly. Their view is widely shared by the service suppliers.

7. Application of the Directive

Article 1(4) of the Directive requires the Commission to publish each year a list of Community airports at which the groundhandling market must be opened in conformity with the relevant provisions of the Directive. The most recent list was published on 17 November 2006[5]. This list is based on the passenger and cargo

3 ECJ ruling of 9 December 2004, *Case C-460/02 Commission v. Republic of Italy*. ECJ ruling of 14 July 2005, *Commission v. Federal Republic of Germany, Case C-386/2003.*

4 The same applies to the Annexes E, F, G, H and I.

5 OJ C 279, 17.11.2006.

traffic statistics relating to the year 2005 and it is attached as *Annex B*. It follows that in that year there were 95 airports with more than 2 million passenger movements or 50 000 tonnes of freight, and 49 airports were below that threshold but had annual traffic over 1 million passenger movements or 25 000 tonnes of freight.

Of these 144 airports, only 13 airports in the Member States that acceded to the EU in 2004 meet the minimum threshold of 1 million passenger movements/25 000 tonnes of freight[6].

The effects of the application of the Directive which are described below, are predominantly related to the airports in the 15 Member States as the airports of the 'new' Member States have as yet limited experience with the Directive.

8. <u>The cost of groundhandling</u>

It is widely acknowledged that the prices of groundhandling services have gone down across the board in nearly all Member States since the adoption of the groundhandling Directive and this decrease is deemed to be more visible in those Member States which had handling monopolies or a highly regulated market before 1996. It is thus recognised that the Directive has had a positive effect on competition, which may have led to this decrease, even though it is also argued that developments in the airline industry may also have been an important part of the cause of the pressure on prices as cost-cutting air carriers have been pressing groundhandling service suppliers to lower them. *Annex C* demonstrates the price developments at a number of EU airports that have taken place since the implementation of the Directive. The Annex illustrates the overall decrease of prices from the perspective of the respective players in the market even though the precise percentages differ. The perception of the exact decline in prices is not uniform therefore.

9. <u>The quality of groundhandling</u>

Following the adoption and implementation of the Directive, the changes in the level of quality seem to have varied at the different airports. Stakeholders have different views, mostly from the perspective of their respective competitive positions in the market before and after the Directive became applicable, but the instances in which stakeholders, across the board, recognise an increase in quality levels far outweigh the incidental cases where a deterioration is observed. Apart from these two options - higher or lower quality levels - there are instances where there is an absence of any change in quality levels. The overall perception is that the achievements of the increase in market access are a higher degree of competition, an increase in the free choice between service providers and a reduction in the costs of these services. The air carriers are the main beneficiaries of this development but they have used it mainly to play off the various suppliers against one another in order to get the best price, while putting less emphasis on the quality of service.

10. The views on the subject tend to differ according to the perspective of suppliers of groundhandling services, airport operators, and air carriers that self-handle or provide handling services to third parties (or do both) respectively. The general

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[6] Bratislava, Budapest, Larnaca, Ljubljana, Luqa-Malta, Paphos, Prague, Riga, Tallinn, Vilnius, Warsaw, Krakow and Katowice.

conclusion is that air carriers have had more leeway to pick the groundhandler of their choice. Air carriers value this development as it implies in many cases that the traditional monopolies of the airports, which not only provide infrastructure but also act as groundhandling service providers, have been altered and subjected to competition.

11. The airports feel that this effect has certain repercussions on the level of service and the management of the airport itself, as incidental lapses may disturb the efficiency of the airport system as a whole. The User Committee is not the most appropriate place to deal with the subject as national carriers, which in many instances perform self-handling and would thus be affected by any rule on quality, tend to have a strong say in this Committee. Airports take the view that they have insufficient tools to address such situations. *Annex D* provides an overview of the development in quality levels at EU airports since the application of the Directive. The views on this development of the airport operators, the Airport Users Committee and the groundhandler(s) at the airport in question have been taken into account.

12. <u>Competition</u>

The Directive has also had its effect on the degree of competition at EU airports as for almost all categories of groundhandling services the number of service suppliers in the market has gone up. *Annex E* presents the number of third party handlers present at EU airports both before and after the application of the Directive[7]. At the majority of airports where the numbers have changed there has been an increase. Only as regards the fuel and oil handling services have the numbers remained static overall. As to the number of self-handlers (second part of *Annex E*), they have either remained the same or decreased. The number in brackets behind each category of service refers to the number of the category of service listed in the Annex to the Directive.

13. In spite of these higher numbers, which indicate a clear increase in competition at airports, independent groundhandling service suppliers consider that their commercial opportunities have remained limited in view of what they consider to be the relatively small 'contestable market' at notably the larger airports, i.e. the part of the market that is not in the hands of the incumbent air carrier and/or the airport operator and that is therefore free to be captured by independent handlers. This can be explained by the many hub carriers that not only self-handle but that also, as third party handlers, provide handling services for their alliance, code-share or franchise partners on the basis of reciprocal handling arrangements between air carriers ('if I handle you at my airport, you handle me at your airport'). Where at such airports the airport operator is also active in the market, the remaining market share to be captured by independent handlers can indeed be small. This appears not to have changed since the application of the Directive. The independent service suppliers claim that because of this situation their commercial opportunities and profitability have not really improved. Yet, this does not seem to square fully with the higher numbers mentioned above: if the facts and figures were really as moderate for independent handlers as they claim, then not as many would have stayed in the market as happens to be the case.

[7] To complete the picture, the numbers of self-handling air carriers are also included.

14. The selection procedure

Article 11 of the Directive requires Member States to take the necessary measures for the organisation of a selection procedure for suppliers that wish to be authorised to provide groundhandling services at airports where their number is limited. Where an airport operator is not directly or indirectly involved in the provision of similar services it can be made responsible for the selection by the public authorities. In this way, the entity that selects the handler is not to be its competitor once the handler starts offering its services. But in practice the intended distance and independence has not in all instances been assured. There are cases where Member States have a financial stake in an airport which not only provides air transport infrastructure but also groundhandling services. As a result of this direct interest by a Member State in the profitability of the airport company, the authorities concerned are not always prepared to make the choice that is in the best interest of airport users.

15. Article 11 also states that suppliers of groundhandling services are selected for a *maximum* period of 7 years. This period is perceived by service suppliers and air carriers to be too short to allow them to recoup the considerable investments in staff and equipment, although this time constraint is not the only aspect: service suppliers also find it difficult to devise strategies for the longer term as air carriers are reluctant to agree on long-term contracts and commitments. A *shorter* period for a licence, as has been set in some cases, can make it even more difficult, for new entrants especially, to set up a new business and, as a result, it may prove a barrier to access.

16. Participation of the airport operator in the groundhandling market

In a good number of Member States (Austria, Cyprus, the Czech Republic, France, Germany, Italy, Malta, Poland, Portugal) the airport operator is active in the groundhandling market by providing handling services and is thus a direct competitor of suppliers of groundhandling services and air carriers which provide these services for third parties. The reason is that in those Member States, and in some others as well, a legal obligation for airports generally exists to provide groundhandling services. The justification for this is to prevent a situation where airports would exist where no groundhandling services are provided at all. All the same, it is a fact that at many larger airports where a sufficient number of service suppliers are interested in offering their services or where airport users also provide third party handling, the management bodies of airports are active in the market by providing handling services. At many such airports they have a strong position, which makes it difficult for a competitor or a new entrant to gain (additional) market share.

17. Air carriers and handlers consider that at those airports where the management body runs the airport but at the same time acts as a supplier of groundhandling services competition is distorted, as the airport management body can pull too many strings, and thus influence the day to day business at the airport, to make it a normal competitor. In other words, the airport operator is regulator, landlord, operator of infrastructure and groundhandler at the same time and these roles are conflicting. The present Directive does not provide strong enough tools to prevent this kind of situation. On the other hand, the airports argue that independent service suppliers and air carriers enjoy advantages which airport operators do not have, as large independent handlers and the incumbent air carriers operate at a global level and are

thereby in a position to benefit from economies of scale. The table in *Annex F* shows at what EU airports the airport operator is also active as a provider of groundhandling services. This table is not exhaustive as not all airports are mentioned.

18. <u>Centralised infrastructure</u>

Article 8 of the Directive allows Member States to reserve for the airport operator, the management of the centralised infrastructure used for the supply of groundhandling services whose complexity, cost or environmental impact does not allow for its division or duplication. The airport operator may make it compulsory for suppliers and self handling air carriers to use this infrastructure, and may impose charges for the use of the facilities. This provision has given rise to uncertainty concerning the definition of what exactly is centralised infrastructure as well as the cost of using it. As to this definition, in some Member States airport users see no need for the public authorities to interfere in this respect, while in other Member States users are in favour but the authorities have been slow to react. A more pressing point is the way airports charge air carriers for the use of the centralised infrastructure: this varies from one airport to another and is not transparent. There may be an overlap with aeronautical charges but as the way of calculating the charge for the infrastructure lacks clarity, that is not certain. The airport management body may also give a discount on these charges to its own handling customers and this may distort competition. By way of example, *Annex G* mentions a number of EU airports and states whether the centralised infrastructure has been defined or not, what the charging base for the infrastructure is and whether any problems have been encountered.

19. <u>Access to installations</u>

Related to the above subject is the provision of Article 16 of the Directive which guarantees access to airport installations to service suppliers and self-handling airport users. It also stipulates that the space available for groundhandling at an airport must be divided among the various suppliers of groundhandling services and self-handling airport users so as to allow fair competition. The managing body of the airport can place conditions upon this access and in addition collect an access fee which has been further defined as a commercial fee, which has to be determined according to relevant, objective, transparent and non-discriminatory criteria. In practice, the possibility of levying the fee has not been taken up by all airports: some airports do not charge an access fee to handlers or air carriers, but other airports do.

20. The exact nature of the access fee has been the subject of legal proceedings between Lufthansa and Hannover-Langenhagen Airport, the latter taking the position that the fee had to be seen as a fee due for providing air carriers with economic access to the market that is an airport. Lufthansa opposed this and took the view that the fee was a service-related one and that there had to be some relation with the service provided by the airport and the fee itself. On 16 October 2003, the European Court of Justice ruled that Article 16(3) precludes an airport operator from making access to the groundhandling market in the airport subject to payment by a self-handling air carrier or a groundhandling service supplier of an access fee as consideration for the grant of

a commercial opportunity in addition to the fee due by that self-handler or supplier for the use of the airport installations[8]. The fee that can be collected for the use of airport installations must be determined according to the criteria laid down in Article 16(3).

21. At most EU airports, the managing bodies have done what they could to accommodate new entrants to the market by allocating facilities to them even though there have been limitations due to peak periods such as summer seasons or to existing rent agreements to be honoured. In general, there has been no unfair allocation or distribution of facilities and the occasions on which new entrants were deliberately allocated poor facilities are limited. This is valuable confirmation from a competition point of view, as air carriers acknowledge that the allocation of facilities to handlers influences their commercial choice of handler.

22. Employment

Groundhandling is labour-intensive: around three quarters of the total handling costs relate to employment of staff. A general concern in the Member States is that it is difficult for suppliers of groundhandling services to attract, and keep, qualified handling staff as there seems to be a significant turnover of staff. Also, it is alleged that the increase in competition as a result of the Directive has led to incumbent carriers or service suppliers laying off a number of their staff while the new entrants have acquired new workers but generally at lower wages. There has thus been, in some Member States, a degree of pressure on labour relationships, salary levels and working conditions and thus on workforce stability. It is said that the new entrants, and thus indirectly the introduction of competition, may be the cause of the deterioration in the qualification and training of staff and their labour conditions and that thereby the quality of services provided has suffered. However, no recent data are available and this makes it difficult to substantiate or verify the veracity of these assumptions. *Annex H* provides information as to what changes in social conditions have taken place from the viewpoint of airport operators, the Airport Users Committees and service suppliers respectively. It must be noted that a significant number of the stakeholders interviewed have not reacted to the questions on this issue and this may indicate that it is not an item of contention or special concern for them. *Annex I* provides an overview of the opinions of unions and work councils concerning the presumed negative impact of the Directive.

23. Overall results of the Directive

Annex J reflects the overall results of the Directive from the viewpoint of the airport operators, the Airport User Committees - which consists of air carriers -, and the groundhandling service suppliers.

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8 *Case C-363/01 Flughafen Hannover-Langenhagen GmbH vs Deutsche Lufthansa AG.*

3. APPLICATION IN THE TEN MEMBER STATES SINCE THEIR ACCESSION ON 1 MAY 2004

24. As a result of the thresholds established in the Directive, the latter applies to thirteen airports[9] in nine Member States that acceded to the EU in 2004 as the annual traffic of those airports is over 1 million passenger movements. On the basis of the information received from the public authorities of the Member States concerned[10], it appears that in the majority of these Member States the Directive is correctly applied and the Commission has not received indications from market players that contradict that information. In one Member State, the situation is unsatisfactory and the Commission has addressed the public authorities of that Member State on the issue.

The Commission underlines that in all cases where a Member State does not fully and correctly apply the Directive, the Commission will unabatedly continue to actively endeavour to achieve the full application of all provisions of the Directive.

4. GROUNDHANDLING AND SECURITY

25. The Commission has started Community inspections in the field of aviation security only *after* the entry into force of Directive 96/67/EC. As a result, no evaluation of potential differences in the implementation of security measures at Community airports before and after the opening of the ground handling market could be carried out.

On the basis of the results of the Commission's inspections that have been conducted since February 2004, as well as on the basis of the contents of the Member States' annual reports on national quality control in the field of aviation security, there are no indications suggesting that the number of ground handling service providers active at an airport, and which numbers differ significantly between Member States, has an actual impact on the quality and the enforceability of the implementation of security requirements.

Access to certain ground handling activities like aircraft cleaning and catering that can be considered as security sensitive as they take place on the ramp of an airport and in the aircraft itself, has not been restricted in the Directive. At many large EU airports, the number of suppliers of these services is considerably higher than two. Yet, their presence on the ramp has not given rise to security concerns.

26. Detailed security requirements for staff and vehicles entering critical parts of the security restricted area of airports are laid down in Regulation (EC) No 2320/2002 establishing common rules in the field of aviation security, as well as in Commission Regulations (EC) No 622/2003 and (EC) No 1138/2004. These requirements apply to *all* staff working in such areas and include compulsory background checks on a person's identity and previous experience, including any criminal history, strict identity control and physical staff screening upon entry to critical parts of the security restricted area and completion of a security training and awareness

9 See note 6 supra.
10 With the exception of Cyprus.

programme for every staff member concerned. These common requirements have proven to be conducive to providing an adequate level of security, irrespective of the number of ground handling providers at an airport.

5. THE WAY FORWARD

27. In March 2003 the Commission services published a Consultation Paper on issues to be addressed in a revision of the Directive. Member States, the accession countries and stakeholders in the air transport industry were invited to give their views and they have done so extensively. At a hearing that was held on 6 April 2006, the Commission once more consulted with all stakeholders on the various possibilities to devise a proposal for a revision of the Directive.

28. A large number of stakeholders recognised the need for an improvement of the Directive in terms of bringing about a simplification of the Directive as well as a clarification of provisions of which the meaning and scope has been subject to different interpretations in the course of time after 1996. The Commission will define its course of action on the basis of the discussion of this report in the Council and the European Parliament. In addition to simplification and clarification of the Directive, a future proposal could aim to provide for further market opening and regulate issues which have become relevant since the application of the Directive. Such issues are the definition of insurance requirements and quality standards applicable at an airport, and an improvement of the procedure for the selection of service suppliers. In any case, the Commission will continue to closely monitor the groundhandling market with a view to further assess its development.

6. CONCLUSIONS

29. Council Directive 96/67/EC has led to:

   (a) the introduction of competition at many airports which were previously closed or static markets;

   (b) better value for money spent on groundhandling services;

   (c) greater pressure on the prices for groundhandling services;

   (d) dilatory actions in some instances on the part of competent authorities in fully applying the Directive;

   (e) some impact on employment conditions in the industry but no evidence of an overall reduction of jobs;

   (f) a modest shake-up in the market shares in groundhandling at the economically most important EU airports.

ANNEX A

Capacity and space problems - (Source: SH&E Limited, October 2002)

Airport	Did new entrants have any capacity or space constraints?	Have there been problems with suppliers already operating at the airport?	Have you had problems allocating new handlers?	Are there any hindrances for the access of suppliers to the market?	Are you aware of any preferential treatment of handling customers of the airport?
Paris-Orly	Airport operator: Yes, the space allocated to each handler is proportional to its volume of activity. Cariane: No	Airport operator: No Cariane: No	Airport operator: Yes	Airport operator: No Cariane: No	Cariane: No
Marseille-Provence	Airport operator: No AUC: No	Airport operator: No AUC: No	Airport operator: No	Airport operator: No AUC: No	AUC: No
Bâle-Mulhouse	Swissport: No comment	Swissport: Yes, insufficient number of check-in counters		Swissport: No	Swissport: N/a
Bordeaux-Mérignac	Airport operator: Yes, space constraints	Airport operator: Yes	Airport operator: Yes	Airport operator: No	
Strasbourg-Entzheim	Airport operator: No	Airport operator: If new entrance, capacity or space constraints	Airport operator: If new entrance, capacity or space constraints	Airport operator: If new entrance, capacity or space constraints	
Berlin-Schönefeld	Airport operator: Yes	Airport operator: No	Airport operator: Yes	Airport operator: No	
Berlin-Tegel	Airport operator: Yes	Airport operator: No	Airport operator: Yes	Airport operator: No	
Hahn	Airport operator: No	Airport operator: No	Airport operator: No	Airport operator: No	
Dusseldorf	Airport operator: No, space allocation at the apron for ramp handling is limited even if only one third party handler is operating AUC: No Aviapartner: Yes, poor locations, sometimes obligation to take too much space at high cost	Airport operator: No AUC: No Aviapartner: No	Airport operator: No	Airport operator: No AUC: No Aviapartner: not really, concession contracts	AUC: No Aviapartner: No
Hannover-Langenhagen	Ground handler: Aviapartner: Yes, poor locations, sometimes obligation to take too much space at high cost Hannover Aviation Ground Service: Yes	Aviapartner: No Hannover Aviation Ground Service: Yes		Aviapartner: not really, concession contracts Hannover Aviation Ground Service: N/a.	Aviapartner: No Hannover Aviation Ground Service: No
Leipzig-Halle	Airport operator: Yes AUC: No PortGround: Yes, regulations on use of airport	Airport operator: No AUC: No PortGround: No	Airport operator: No	Airport operator: No AUC: No PortGround: No	AUC: No PortGround: No

Köln-Bonn	Airport operator: No AUC: No Aviapartner: Yes, poor locations, sometimes obligation to take too much space at high cost	Airport operator: No AUC: No Aviapartner: No	Airport operator: Yes, in 1998 the airport filed an exemption request caused by capacity constraints. The airport had to build up additional staging areas.	Airport operator: Yes, due to the limitations according to BADV AUC: No Aviapartner: Not really, concession contracts	AUC: No Aviapartner: No
Shannon	Airport operator: No	Airport operator: Yes, space for cargo handling limited- one supplier requires extension to premises.	Airport operator: Not yet	Airport operator: No	
Torino-Caselle	Sagat: No	Sagat: No		Sagat: No	Sagat: No
Porto-Sà Carneiro	Airport operator: Yes		Airport operator: Yes		
Alicante	Aena: No	Aena: Yes	Aena: No	Aena: No	Aena: No
Bilbao	Aena: No Iberia: No	Aena: No Iberia: No	Aena: No	Aena: No Iberia: No	Aena: No Iberia: N/a
Gran Canaria	Aena: Yes / subject to space availability	Aena: Yes	Aena: No	Aena: Yes / rules that handlers must comply with	Aena: N/a
Ibiza	Aena: No Ineuropa: Yes	Aena: No Ineuropa: Yes	Aena: No	Aena: No Ineuropa: No	Aena: No Ineuropa: N/a
Lanzarote	Aena: No	Aena: No	Aena: No	Aena: No	Aena: N/a
Malaga	Aena: No	Aena: No	Aena: No	Aena: Yes /minimum requirements	Aena: N/a
Sevilla	Aena: No	Aena: No	Aena: No	Aena: No	Aena: N/a
Göteborg-Landvetter	AUC: Yes, Servisair has insufficient premises	AUC: No		AUC: No	AUC: N/a
London-Gatwick	Airport operator: No AUC: Yes, capacity and space constraints demand management	Airport operator:Yes, reallocate facilities already used by existing handlers through the transition period. AUC:Yes, check-in and parking problems but have been resolved.	Airport operator:Yes, these were managed through the transition period of introducing another handler	Airport operator: No AUC: Yes, limitation on the number of airside handlers to 4.	AUC: N/a
London-Stansted	Airport operator: Yes, cargo space restriction due to no new construction of space for new entrants initially. ASIG: Yes, facilities to operate from are indequate.	Airport operator: Pre-Directive – No Post-Directive – Yes, due to space constraints	Airport operator: Yes, in all areas with new handlers as initial entrants	Airport operator: No other than accommodation ASIG: Yes, if into-plane companies want to supply services to unhandle the into-wing price of fuel and will not supply fuel separately.	ASIG: No
Luton	Airport operator: Yes, shortage of space	Airport operator: No	Airport operator: No	Airport operator: No	
Newcastle	Airport operator: No Servisair: Yes			Servisair: Yes, a licence is required	Servisair: BA seems to get priority.
Aberdeen	Airport operator: No Servisair: No	Airport operator: No Servisair: No	Airport operator: No	Airport operator: No Servisair: Yes, apron congestion for additional GSE.	Servisair: N/a

Edinburgh	Airport operator: No AUC: No Aviance: No Servisair: No	Airport operator: No AUC: Yes Aviance: No Servisair: Yes, difficulties have been experienced with available property, equipment parking and staff car parking	Airport operator: Yes, airside accommodation	Airport operator: Yes, Space for equipment and accommodation airside AUC: No Aviance: No Servisair: No	AUC: N/a Aviance: No Servisair: No
Glasgow	Airport operator: No Airline Services: No Aviance: No Servisair: Not at start Execair: No	Airline Services: No Aviance: No Servisair: No	Airport operator: No	Airline Services: No Aviance: No Servisair: No	Airline Services: N/a Aviance: N/a Servisair: N/a

ANNEX B

concerning the procedure laid down by Article 1, para 4 of Council Directive 96/67/EC

According to the provisions of Article 1(4) of Council Directive 96/67/EC of 15 October 1996 on access to the groundhandling market at Community airports[11], the Commission is required to publish, for information, a list of the airports referred to in the Directive.

	Airports whose annual traffic is more than 2 million passenger movements or 50 000 tonnes of freight	Airports whose annual traffic is more than 1 million passenger movements or 25 000 tons of freight	Other airports open to commercial traffic
Austria	Vienna	Salzburg	Graz, Innsbruck, Klagenfurt, Linz
Belgium	Brussels, Charleroi, Oostende, Liège-Bierset		Antwerpen
Cyprus	Larnaca	Paphos	
Czech Republic	Prague		Brno, Karlovy-Vary, Ostrava, Pardubice
Denmark	Copenhagen Kastrup	Billund	Aars, Anholt, Århus, Aalborg, Karup, Odense, Esbjerg, Bornholm, Sønderborg, Vojens, Thisted, Stauning, Skive, Roskilde, Hadsund, Herning, Kalundborg, Koster Vig, Laesoe, Lemvig, Lolland-Falster, Viborg, Tønder, Sydfyn, Sindal, Padborg, Ærø, Randers, Ringsted, Kolding, Spjald, Morso, Samso
Estonia			Tallinn, Kärdla, Kuressaare, Pärnu, Tartu
Finland	Helsinki-Vantaa		Enontekiö, Helsinki-Malmi, Ivalo, Joensuu, Jyväskylä, Kajaani, Kemi-Tornio, Kittillä, Kruunupyy, Kuopio, Kuusamo, Lappeenranta, Maarianhamina, Mikkeli, Oulu, Pori, Rovaniemi, Savonlinna, Seinäjoki,Tampere-Pirkkala, Turku, Vaasa, Varkaus
France	Paris-CDG, Paris-Orly, Nice-Côte d'Azur, Marseille-Provence, Lyon-Saint Exupéry, Toulouse-Blagnac, Bâle-Mulhouse, Bordeaux-Mérignac	Pointe-à-Pitre-Le Raizet, Nantes-Atlantique, Montpellier-Méditerranée, Fort de France-Le Lamentin, Beauvais-Tille, Strasbourg	Agen-La-Garenne, Ajaccio-Campo dell'oro, Albi-Le-Sequestre, Angers-Marce, Angoulême-Brie-Champniers, Annécy-Meythet, Aubenas-Vals-Lanas, Aurillac, Auxerre-Branches, Avignon-Caumont, Bastia-Poretta, Beauvoir-cote-de-lumiere, Bergerac-Roumanière, Besancon-la Veze,

[11] OJ L 272, 25.10.1996, p. 36.

			Béziers-Vias, Biarritz-Bayonne-Anglet, Blois-le Breuil, Bourges, Brest-Guipavas, Brive-La Roche, Caen-Carpiquet, Cahors-Lalbenque, Calais-Dunkerque, Calvi-Ste Catherine, Cannes-Mandelieu, Cannes-Palmbeach, Carcassonne-Salvaza, Castres-Mazamet, Cayenne-Rochambeau, Chalon-Champforgeuil, Chalon-Vatry, Chambéry-Aix les Bains, Charleville-Mezières, Chateauroux-Deols, Cherbourg-Maupertus, Cholet-Le-Pontreau, Clermont-Ferrand-Aulnat, Cognac-Chateaubernard,Colmar-Houssen, Courchevel, Deauville-St Gatien, Dieppe-Saint Gatien, Dijon-Longvic, Dinnard-Pleurtuit-St Malo, Dole-Tavaux, Epinal-Mirecourt, Figari-Sud Corse, Gap-Tallard, Granville, Grenoble-St Geoirs, Ile d'Yeu-le-Grand Phare, La Baule-Escoublac, La Mole, La Rochelle-Laleu, Lannion-Servel, La-Roche-sur-Yon-Les-Ajoncs, Lannion, Laval-Entrammes, Le Havre-Octeville, Le Mans-Arnage,Le Puy-Loudes, Le Touquet-Paris-Plage, Lille-Lesquin, Limoges-Bellegarde, Lorient Lann-Bihoue, Lyon Bron, Macon-Charnay, Metz-Nancy-Lorraine, Monbeliard-Courcelles, Montluçon-Gueret, Morlaix-Ploujean, Moulins-Montbeugny, Nancy-Essey, Nevers-Fourchambault, Nîmes-Garons,Niort-Souché, Ouessant,Pau-Pyrénnées, Périgueux-Bassillac, Perpignan-Rivesaltes, Poitiers-Biard, Pontoise-Cormeilles, Port Grimaud, Quimper-Pluguffan, Reims-Champagne, Rennes-St Jacques,Roanne-Renaison,Rochefort-St Agnant, Rodez-Marcillac, Rouen-Vallée de la Seine, St Brieux-Armor, St Denis-Gillot.St Etienne-Bouthéon, St Nazaire-Montoir, St Tropez La Mole, Saint Yan , Samur Saint Florent, Tarbes-Oussun-Lourdes, Toulon-Hyères-Le-Palyvestre,Tours-St.Symphorien, Troyes-Barberey, Valence-Chabeuil, Valenciennes-Denain, Vichy-Charmeil
Germany	Berlin-Tegel, Hamburg, Düsseldorf, Frankfurt/Main, Hahn, Hannover-Langenhagen, Leipzig-Halle,Stuttgart, München, Nürnberg, Köln-Bonn	Berlin-Schönefeld, Bremen, Dortmund, Dresden, Münster/Osnabrück, Paderborn-Lippstadt	Altenburg-Nobitz, Augsburg, Barth, Bayreuth, Berlin-Tempelhof, Bielefeld, Braunschweig, Chemnitz-Jahnsdorf, Cottbus-Drewitz, Cottbus-Neuhausen, Egelsbach, Eisenach-Kindel, Erfurt, Essen/Mühlheim, Friedrichshafen, Gera, Heringsdorf,

			Hof-Plauen, Jena-Schöngleina, Karlsruhe/Baden-Baden, Kassel, Kiel, Lahr, Lübeck-Blankensee, Magdeburg, Marl-Loemühle, Meschede, Mönchengladbach, Niederrhein, Neubrandenburg, Passau-Vilshofen, Porta-Westfalica, Rothenburg/Görlitz, Rostock-Laage, Saarbrücken-Ensheim, Schönhagen, Schwerin-Parchim, Siegerland, Speyer-Ludwigshafen, Stendal-Borstel, Strausberg, Welzow, Zweibrucken
Greece	Athinai, Iraklion, Thessaloniki, Rodos	Chania, Kerkira, Kos	Alexandroupoulis, Araxos, Ioannina, Kalamata, Kastoria, Kavala, Kozani, Nea Anchialos, Preveza, Astypalaia, Chios, Ikaria, Karpathos, Kasos, Kastelorizo, Kefallonia, Kithira, Leros, Limnos, Mikonos, Milos, Mitilini, Naxos, Paros, Samos, Santorini, Siros, Sitia, Skiathos, Skiros, Zakinthos
Hungary	Budapest Ferihegy		Balaton-West, Debrecen, Györ-Pér, Szeged
Ireland	Dublin, Shannon, Cork		Knock, Kerry, Galway, Donegal, Sligo, Waterford
Italy	Roma-Fiumicino, Roma-Ciampino Milano-Malpensa, Milano-Linate, Napoli, Bologna, Catania, Palermo, Bergamo, Venezia, Torino, Verona, Cagliari, Pisa	Olbia, Firenze, Bari, Lamezia, Genova	Albenga, Alghero-Fertilia, Ancona-Falconara, Aosta, Biella-Cerrione, Bolzano, Brescia, Brindisi-Papola Casale, Crotone, Cuneo-Levaldigi, Foggia-Gino Lisa, Forli, Grosseto, Lampedusa, Marina di Campo, Padova, Pantelleria, Parma, Perugia-Sant'Egidio, Pescara, Reggio Calabria, Rimini-Miramare, Siena-Ampugnano, Taranto-Grottaglie, Tortoli, Trapani-Birgi, Treviso-Sant'Angelo, Trieste-Ronchi dei Legionari, Vicenza
Latvia		Riga	Daugavpils, Liepaja, Ventspils
Lithuania			Vilnius, Kaunas, Palanga, Siauliai
Luxembourg	Luxembourg		
Malta	Luqa-Malta		

Netherlands	Amsterdam-Schiphol	Maastricht-Aken , Rotterdam	Eindhoven, Groningen-Eelde, Twente-Enschede
Poland	Warszawa-Okecie		Bydgoszcz, Gdansk, Katowice-Pyrzowice, Krakow, Lódz-Lublinek, Poznan-Lawice, Rzeszów-Jasionka, Szczytno-Szymany, Szczecin-Goleniów, Wroclaw-Strachowice, Zielona-Góra-Babimost
Portugal	Lisboa, Faro	Funchal, Porto	Braga, Chaves, Coimbra, Corvo, Evora, Flores, Horta, Lages, Porto Santo, Santa Maria, Pico, Saõ Jorge, Cascais/Tires, Graciosa, Vila Real, Covilhã, Viseu, Bragança, Ponta Delgada, Portimao, Sines, Vilar de Luz (Maia)
Slovakia			Bratislava, Kosice, Nitra, Piestany, Poprad-Tatry, Prievidza, Sliac, Zilina
Slovenia		Ljubljana	Ajdovscina, Bovec, Celje, Lesce, Maribor, Murska Sobota, NovoMesto, Portoroz, Postojna, Ptuj, Slovenjgrodec, Valenje
Spain	Alicante, Barcelona, Bilbao, Fuerteventura, Gran Canaria, Ibiza, Lanzarote, Madrid, Malaga, Menorca, Palma de Mallorca, Sevilla, Tenerife Norte, Tenerife Sur, Valencia	Jerez, Reus, Santiago, Vitoria	Albacete,Almeria, Asturias, Badajoz, Cordoba, El Hierro, Gomera, Granada, La Coruna, La Palma, Leon, Madrid-C.Vientos, Melilla, Murcia, Pamplona, Salamanca, San Sebastian, Santander, Valladolid, Vigo, Zaragoza
Sweden	Göteborg-Landvetter, Stockholm-Arlanda	Malmo-Sturup, Stockholm/Bromma, Stockholm/Skavsta	Ängelholm, Arvika, Arvidsjaur, Borlänge, Eskilstuna, Falköping, Gällivare, Gällivare/Vassare, Ljungby/Feringe, Ljungbyhed, Ludvika, Gävle-Sandviken, Gothenburg-Säve, Hagfors, Halmstad, Hemavan, Helsingborg/Hamnen, Hultsfred, Jokkmokk, Jönköping, Kalmar, Karlskoga, Karlstad, Kiruna, Kiruna/Loussajärvi, Kramfors, Kristianstad, Lidköping; Linköping/Malmen, Linköping/SAAB, Luleå/Kallax, Lycksele, Mora/Siljan, Norrköping/Kungsängen, Oskarshamn, Pajala, Ronneby, Satenäs, Skellefteå, Skövde, Stockholm/Västeras, Storuman, Stromstadt/Nasinge, Sundsvall/Härnösand, Sveg, Söderhamn, Torsby/Fryklanda,

			Trollhättan-Vänersborg, Umeå, Uppsala, Uppsala/Viktoria, Vilhelmina, Visby, Växjö-Kronoberg, Örebro, Örnsköldsvick, Östersund/Frösön
United Kingdom	Aberdeen, Belfast-International, Belfast-City, Birmingham, Bristol, Edinburgh, East-Midlands, Glasgow, Liverpool, London-Heathrow, London-Gatwick, London-Stansted, Luton, Manchester, Newcastle, Leeds-Bradford, Nottingham East Midlands, Prestwich.	Cardiff Wales, Kent International, London City, Southampton	Teesside, Inverness, Sumburgh, Humberside, Bournemouth, Norwich, Exeter, St Mary's (Scilly), Penzance, Plymouth, Scatsta, Stornway, Kirkwall, Blackpool, City of Derry, Sheffield, Benbecula, Tresco (Scilly), Wick, Cambridge, Islay, Isle of Man, Dundee, Campbeltown, Barra, Biggin Hill, Battersea, Tiree, Lerwick, Southend, Lydd, Hawarden, Coventry, Gloucester, Shoreham, Unst, Carlisle, Barrow, Newquay, Fermanagh

ANNEX C

Summary of price developments - (Source: SH&E Limited, October 2002)

Airport	Airport operator	Airline	AUC	AOC	Handler
Vienna	-15%	Austrian Airlines: -5%	-5%	-10%	VAS: no insight
Brussels	Increase	Lufthansa: increase	No change		BGS: no change Aviapartner: no change
Copenhagen	Decrease			-10 to -15%	Novia: decreased SAS: frozen[1]
Helsinki	No insight	British Airways: no change		Stable	GlobeGround: no major change Finnair: -30% to -40% Fortum: no change
Lyon	-50%	Brit Air: no change	Slight decrease		Aviapartner: -20% Servisair: -20%
Nice		Air France: no change			Swissport: lower
Paris-CDG	-20%	Lufthansa: +8%	Slight decrease		
Toulouse	Decrease		Slight decrease		Servisair: -20% Aviapartner: -20%
Frankfurt	-5% to -15%	British Airways: significant decrease	-10%	No change	Acciona Airport Services: decrease
Hamburg	-5% to -15%		No insight	No insight	Checkpoint B: -15% to -20% Swissport and Menzies: -10% to -15%
Munich	-15%	British Airways: 15% to -25%	Frozen		Aviapartner: -20%
Nuremberg	-10% to -20%	Eurowings: -15%	Frozen		Aviapartner: -20%
Stuttgart	Decrease	Alitalia: no change	-15% to -20%	Decreased	Servisair: airlines expected -25% Aerogate: decreased
Athens	-30% to -40%		Decrease		Swissport: -40% Goldair: large discounts
Heraklion			-15%		
Dublin	No insight	Ryaniar: no insight Aer Lingus: +10%	No change		Servisair: -5% to -7.5% Aviance: no insight
Milan-MXP	-20%				
Naples	-25%		No change		
Rome-FCO	-10 to –25%	Alitalia: Decrease			EAS: -30%
Luxembourg	No change	Cargolux: increased	Increase	Decrease	CSLux: frozen Luxair: frozen
Amsterdam	-5% to -10%	KLM: Decrease[2]		Decrease	GlobeGround: Decrease[2]
Faro	Decrease	Charter airlines: -10%	Decrease	Decrease	Portway: -25% TAP Handling: -15%
Lisbon	Significant reductions up to 50%	Lufthansa: -20%	Decrease	Decrease	Portway: -10%
Barcelona	Decrease			Decrease	Iberia Handling: decrease
Fuerteventura	Decrease				
Madrid	Decrease		Decrease		Ineuropa and Iberia

					Handling: decrease
Palma de Mallorca	Decrease		Decrease		Ineuropa: -20%
Tenerife Sur	Decrease		-20%		
Stockholm	-20% to -30%	Skyways: -10 to -15%	No change	Decrease	Air Cargo Center: slight decrease Novia: -20% to -30% Servisair: decrease
Belfast	No insight	BMI: no insight	No insight	No insight	Servisair: -10% Aviance: -5%
Birmingham	Decrease	Aer Lingus: frozen British Airways: slight increase	Frozen		Groundstar: no change Servsisair: no insight Aviance: frozen
London-LHR	No comment	American: -20% Malaysia Airlines: -10% to –40%	No comment	No comment	Swissport: -25% to -30%
Manchester	+10%[3]	Monarch: no change			Aviance: -20% since 1992 Ringway: no change Servisair: -10% to -15%

(1) But off-peak prices are estimated to have decreased up to 35%.
(2) Price erosion started in 1993 with the entrance of Ogden.
(3) Decrease in prices took place in 1992 when market was opened, but since the implementation of the Directive, Manchester Airport estimates the prices have increased.

Price developments - (Source: SH&E Limited, October 2002)

Airport	Airport operator	AUC	Ground handler
Paris-Orly	No comment		Cariane: Higher (Directive)
Marseille-Provence	-15% (Industry)	Lower (Industry)	
Bordeaux-Mérignac	Lower		
Strasbourg-Entzheim	Unknown		Swissport: – 20% (Directive) Aviapartner: -20% (Directive and industry)
Berlin-Schönefeld	Increase (Industry)		
Hahn	Decrease (Industry)		
Dusseldorf	- 20% (Industry)	-5% (Directive)	Aviapartner: -20% (fear of Directive)
Hannover-Langenhagen			Aviapartner: -20% (fear of Directive) Hannover Ground Aviation Service: -20% to -30% (Industry)
Leipzig-Halle	-10% (Directive and industry)	No change	PortGround: decrease
Köln-Bonn	-7% (Directive and industry)	Decrease (Industry)	Aviapartner: -20% (fear of Directive)
Shannon	No change		
Torino-Caselle			Sagat: -15% (Directive and industry)
Porto-Sà Carneiro	No comment		PGA: increase (Directive)
Alicante	-20% to -25% (Directive and industry)		

Bilbao	-20% to -25% (Directive and industry)		Iberia: -20% (Industry)
Gran Canaria	-20% to -25% (Directive)		
Ibiza	-20% to -25% (Directive and industry)		Ineuropa: -15% (Industry)
Lanzarote	-20% to -25% (Directive and industry)		Nordic: N/a
Malaga	-20% to -25% (Directive)		
Sevilla	-20% to -25% (Directive and industry)		
Göteborg-Landvetter		Decrease (Directive and industry)	
London-Gatwick	No insight	No change	Inflight Cleaning Services Ltd.: -10% (Directive)
London-Stansted			Stansted Airport Limited: -30% (Directive and industry) ASIG: -20% (Directive and industry)
Luton	-10% (Directive and industry)		
Newcastle	Decrease (Directive)		Servisair: -15% (Industry)
Aberdeen	No change		Servisair: decrease (Directive and industry)
Bristol	N/C		
Edinburgh	Decrease (Industry)		Aviance: -5% (Industry) Servisair: -20% (Directive and industry)
Glasgow	No change		Airline Services Ltd.: Anticipated changes due to progress in service standards. Avance; no change Execair: +10% (Industry) Servisair: -25% (Industry)

ANNEX D

Summary of quality developments - (Source: SH&E Limited, October 2002)

Airport	Airport operator	Airline	AUC	AOC	Handler
Vienna	No change	Austrian Airlines: increase			VAS: no insight
Brussels	Increase	Lufthansa: no change	No change		BGS: increase Aviapartner: no change
Copenhagen	Decrease				SAS: no change
Helsinki	No change	British Airways: no change		No change	GlobeGround: increase Finnair: no change Fortum: increase
Lyon	Decrease	Brit Air: increase	No change		Aviapartner: decrease Servisair: decrease Globeground: increase
Nice	Decrease				Swissport: increase
Paris-CDG	Unstable		No change		Globeground: increase
Toulouse	Decrease		No change		Aviapartner: decrease Servisair: decrease
Frankfurt	No change	British Airways: no change	No change	No change	Acciona Airport Services: no change
Hamburg	No change		No change	No change	Checkpoint B: no change AHS Handling: increase Swissport: no change
Munich	- 5%	British Airways: no change	Decrease/ no change		Aviapartner: no change
Nuremberg	No change		No change		Aviapartner: no change
Stuttgart	No change	Alitalia: increase	No change	No change	Servisair: no change Aerogate: decrease
Athens	Increase		Increase	Increase	Olympic Handling and Goldair: increase
Heraklion	Increase		Increase		
Dublin	Decrease	Aer Lingus: no change	No change		Servisair: no change Aviance: increase
Milan-MXP	No change		No change		
Naples	Increase		No change		
Rome-FCO	No change	Alitalia: increase	Increase		EAS: increase
Luxembourg	No change				CSLux: increase Luxair: increase
Amsterdam	Decrease	KLM: No change	SGUC: decrease	No change	GlobeGround: no insight
Faro	Increase	Charter airlines: increase		Increase during off peak	
Lisbon	No change	Lufthansa: increase		Increase	
Barcelona	Decrease			Decrease	
Fuerteventura	Increase				
Madrid	Increase				
Palma de Mallorca	Increase		Increase		Iberia Handling and Ineuropa: increase
Tenerife Sur	Increase				Ineuropa: increase
Stockholm	-10% to -20%	Skyways: decrease	No change		Novia: no change Servisair: increase
Belfast	No change	BMI: no change		No change	Servisair: +15% Aviance: no change

Birmingham	Decrease	Aer Lingus: increase	Increase		Groundstar: increase Servisair: increase
London-LHR	No comment	United: decrease Malaysian Airlines: -10% Singapore Airlines: increase	No comment	No comment	Swissport: no change
Manchester	Decrease		Decrease	Decrease	Aviance: increase Ringway: increase Servisair: decrease

Quality developments - (Source: SH&E Limited, October 2002)

Airport	Airport operator	AUC	Ground handler
Paris-Orly	No comment		Cariane: increase (Directive)
Marseille-Provence	No change	No change	
Bordeaux-Mérignac	Decrease		
Strasbourg-Entzheim	Increase (Industry)		Swissport: decrease (Directive) Aviapartner: decrease (Directive and industry)
Berlin-Schönefeld	No change		
Hahn	No change		
Dusseldorf	No change	+10% (Directive and industry)	Aviapartner: no change
Hannover-Langenhagen			Aviapartner: no change Hannover Ground Aviation Service: decrease (Industry)
Leipzig-Halle	No change	No change	Aviapartner: no change
Köln-Bonn	No change	No change	Aviapartner: no change
Shannon	Increase (Directive and industry)		
Torino-Caselle			Sagat: no change
Porto-Sà Carneiro	Increase (Directive)		PGA: no change
Alicante	Increase (Directive and industry)		
Bilbao	Increase (Directive and industry)		Iberia: +10% (Industry)
Gran Canaria	Increase (Directive)		
Ibiza	Increase (Directive and industry)		Ineuropa: Increase
Lanzarote	Increase (Directive and industry)		Nordic: N/a
Malaga	Increase (Directive)		
Sevilla	Increase (Directive and industry)		
Göteborg-Landvetter		Decrease (Industry)	
London-Gatwick	No change	No comment	Inflight Cleaning Services: -10% (Directive)
London-Stansted	Decrease (Directive and industry)		ASIG: no change
Luton	+10% (Industry)		
Newcastle	No change		Servisair: no change
Aberdeen	No change		Servisair: increase (Industry)
Bristol	No comment		

Edinburgh	No change		Aviance: -10% (Industry) Servisair: increase (Industry)
Glasgow	Increase (Industry)		Airline Services: increase (Industry) Aviance: +10% (Industry) Servisair: +25% (Industry)

ANNEX E

Number of handlers - (Source: SH&E Limited, October 2002)

		Number of third party handlers[1]									
		Passenger handling (2)		**Baggage handling (3)**		**Freight and mail handling (4)**		**Ramp handling (5.4)**		**Fuel and oil handling (7)**	
Country	Airport	**Before**	**After**	**Before**	**After**	**Before**	**After**	**Before**	**After**	**Before**	**After**
Austria	Vienna	2	8	1	2	3	6	1	2	3	3
Belgium	Brussels	3	5	2	2	5	5	2	2	2	2
Denmark	Copenhagen	2	3	2	3	2	3	2	3	1	1
Finland	Helsinki	3	3	2	2	3	5	3	3	3	3
France	Lyon	5	5	4	7	4	5	7	10	2	2
	Nice	2	3	2	3	2	3	2	3	6	7
	Paris-CDG	2	8	2	5	3	4	2	5	2	2
	Toulouse	2	6	2	7	3	4	2	7	1	1
Germany	Frankfurt	3	6	1	2	22	22	1	2	9	9
	Hamburg	N/a	5	1	2	1	2	1	2	2	2
	Munich	8	7	1	1	2	3	1	2	2	2
	Nuremberg	3	4	1	1	3	3	1	2	1	1
	Stuttgart	4	5	1	1	14	15	1	2	4	4
Greece	Athens[2]	1	4	1	3	1	3	1	3	1	2
	Heraklion	1	3	1	3	1	2	1	3	1	1
Ireland	Dublin	4	7	2	5	3	6	3	5	4	2
Italy	Milan-MXP	3	4	1	2	3	2	2	2	3	3
	Naples	1	2	1	2	1	1	1	2	1	1
	Rome-FCO	1	4	1	3	1	3	1	3	3	3
Luxembourg	Luxembourg	1	1	1	1	1	2	1	2	1	1
Netherlands	Amsterdam	3	4	3	4	5	6	3	5	2	2
Portugal	Faro	1	2	1	2	1	2	1	2	4	3
	Lisbon	1	8	1	2	2	2	1	2	4	4
Spain	Barcelona	2	8	2	2	1	5	2	2	1	2
	Fuerteventura	2	6	2	2	2	2	2	2	1	1
	Madrid	N/a	11	2	2	2	8	2	2	N/a	2
	Palma de Mallorca	2	6	2	2	2	3	2	2	1	1
	Tenerife Sur	2	6	2	2	2	2	2	2	2	2
Sweden	Stockholm	3	4	3	5	2	3	3	4	2	2
UK	Belfast	1	2	1	2	1	2	1	2	1	1
	Birmingham	4	5	2	4	2	4	5	5	3	3
	London-LHR	12	12	8	11	11	12	8	13	4	4
	Manchester	5	5	5	5	5	5	5	5	1	1

(1) 'N/a' means the airport operator has not been able to provide SH&E with the information.

(2) Before refers to Athens-Hellenikon airport, while after refers to the new Athens International Airport "Eleftherios Venizelos".

		Number of self handlers[1]									
		Passenger handling (2)		**Baggage handling (3)**		**Freight and mail handling (4)**		**Ramp handling (5.4)**		**Fuel and oil handling (7)**	
Country	**Airport**	**Before**	**After**	**Before**	**After**	**Before**	**After**	**Before**	**After**	**Before**	**After**
Austria	Vienna	5	4	0	0	7	1	0	0	0	0
Belgium	Brussels	5	5	1	1	2	2	2	2	0	0
Denmark	Copenhagen	2	2	2	2	2	2	2	2	0	0
Finland	Helsinki	2	2	1	1	3	3	1	1	0	0
France	Lyon	7	5	2	1	4	4	3	2	0	0
	Nice	3	2	2	1	1	1	2	1	0	0
	Paris-CDG	2	11	2	1	3	1	2	1	0	0
	Toulouse	2	2	2	2	5	5	2	2	0	0
Germany	Frankfurt	12	12	0	0	6	6	2	0	0	0
	Hamburg	N/a	3	0	0	0	1	0	0	0	0
	Munich	4	4	0	0	1	1	0	0	0	0
	Nuremberg	2	2	0	0	3	3	0	0	0	0
	Stuttgart	3	3	0	0	0	0	0	0	0	0

Greece	Athens[2]	8	4	1	2	1	2	1	2	1	0
	Heraklion	1	2	1	2	1	1	1	2	1	1
Ireland	Dublin	4	2	3	2	7	3	6	8	0	8
Italy	Milan-MXP	5	3	1	0	1	1	1	1	0	0
	Naples	1	1	0	0	0	0	1	1	0	0
	Rome-FCO[3]	6	6	0	2	1	2	0	2	0	0
Luxembourg	Luxembourg	1	1	1	1	1	1	1	1	0	0
Netherlands	Amsterdam	3	2	1	1	1	1	1	2	0	0
Portugal	Faro	9	3	1	1	1	1	1	1	0	0
	Lisbon	8	8	3	2	1	2	3	2	0	0
Spain	Barcelona	9	3	1	1	1	1	1	1	0	0
	Fuerteventura	8	8	3	2	1	2	3	2	0	0
	Madrid	10	7	4	2	8	6	4	2	0	0
	Palma de Mallorca	1	2	1	2	1	1	1	2	0	0
	Tenerife Sur	N/a	9	5	4	N/a	8	5	4	0	0
Sweden	Stockholm	7	3	4	4	4	8	4	5	0	0
UK	Belfast	6	4	4	3	4	4	4	4	0	0
	Birmingham	1	1	1	1	1	1	1	1	0	0
	London-LHR	18	18	7	5	7	7	7	6	0	0
	Manchester	1	1	1	1	1	1	0	0	1	1

(1) 'N/a' means the airport operator has not been able to provide SH&E with the information.

(2) Before refers to Athens-Hellenikon airport, while after refers to the new Athens International Airport "Eleftherios Venizelos".

(3) Self-handlers include service providers owned or controlled by the airline.

ANNEX F

Airport operator's involvement in groundhandling - (Source: SH&E Limited, October 2002)

Airport	Does the airport operator provide handling services?	Does this distort competition?	Is there a separate entity to offer handling services?	Do you think there is any form of cross subsidisation?	How is the separation of accounts safeguarded (according to airport operator)?
Paris-Orly	Yes		Yes		ADP separated its accounts before the Directive came into force. ADP accountants are responsible for the separation of accounts.
Marseille-Provence	No				
Bordeaux-Mérignac	No				
Strasbourg-Entzheim	Yes	Aviapartner: Yes	No		CAA responsible for checking the separation of accounts.
Berlin-Schönefeld	Yes		No		
Berlin-Tegel	Yes		Yes		Meeting of shareholders and board of directors
Hahn	Yes		Yes		Use of certified accountant
Dusseldorf	Yes	AUC: Yes, high market share and long term contracts	Yes	AUC: Yes, suggestion	Own profit centre and separation of revenue and costs. Safeguarded by finance department and controlling system, also checked by the AUC.
Hannover-Langenhagen	Yes	Hannover ground aviation service: No	Yes	Hannover Ground Aviation Service: No	By CAA
Leipzig-Halle	Yes	PortGround: No	Yes	ProtGround: No	Separate investment
Köln-Bonn	Yes	AUC: Yes	Yes	AUC: Unknown	Separate business unit (profit centre), checked by independent accountant
Shannon	Yes		Yes		Direct revenues and costs are allocated to the individual business area. Indirect costs are apportioned based on the outputs of a cost attribution model. Checked by external auditors.
Torino-Caselle	Yes	Sagat: No	Yes		Different companies
Porto-Sà Carneiro	Yes	PGA: Yes	Yes	PGA: Probably	
Alicante	No				
Bilbao	No				
Gran Canaria	No				
Ibiza	No				
Lanzarote	No				
Malaga	No				
Menorca	No				
Sevilla	No				
Göteborg-Landvetter	No				
London-Gatwick	No				
London-Stansted	No				
Luton	No				
Newcastle	No				
Aberdeen	No				
Bristol	No				
Edinburgh	No				
Glasgow	No				

ANNEX G

Centralised infrastructure - (Source: SH&E Limited, October 2002)

Airport	CI defined	Charging Base	Users consulted?	Problems
Paris-Orly	Yes	Cost related	Yes	No
Marseille-Provence	Yes	Number of passengers and usage	No	No
Bâle-Mulhouse	Yes	No separate charges	Yes	No
Strasbourg-Entzheim	Yes	Covered by passenger security charge	Yes	No
Berlin-Schönefeld	Yes	Based on number of passengers, MTOW or usage	Yes	No
Berlin-Tegel	Yes	Parts are covered by aeronautical charges and the access fee, other elements based on number of passengers and MTOW	Yes	Yes
Hahn	Yes	Cost related	Yes	No
Dusseldorf	Yes	Cost related	Yes	Yes, Aviapartner notes the airport has put as much price to CI (see Section 4)
Hannover-Langenhagen	Yes	Usage related	Yes	Yes, Aviapartner notes the airport has put as much price to CI (see Section 4) Hannover ground aviation service: No
Leipzig-Halle	Yes	Cost related	Yes	Yes, AUC noted there is insufficient information about CI
Köln-Bonn	Yes	Based on aircraft type	Yes	Yes, Aviapartner notes the airport has put as much price to CI (see Section 4)
Shannon	No	No charges		
Torino-Caselle	Yes	Based on number of passengers and ATMs	Yes	No
Porto-Sà Carneiro	No	No charges		
Alicante	Yes	Movement basis	No	
Bilbao	Yes	Movement basis	No	
Gran Canaria	Yes	Movement basis	No	
Ibiza	Yes	Movement basis	No	
Lanzarote	Yes	Movement basis	No	
Malaga	Yes	Movement basis	No	
Sevilla	Yes	Movement basis	No	
Göteborg-Landvetter	Yes	Based on number of passengers and ATMs	No	Yes, according to the AUC there were problems with regard to the definition of Ground Power Unit and remote parking
London-Gatwick	No	No charges		
London-Stansted	Yes	Parts are covered by aeronautical charges and other elements are cost related	Yes	Yes, according to ASIG at other airports where oil companies own the facilities, there is difficulty for other fuel suppliers to gain access to the final storage facility.
Luton	Yes	No set formula at present	Yes	No
Newcastle	Yes	Depending on usage	Yes	Yes
Aberdeen	No	No charges		
Edinburgh	No	No charges		
Glasgow	No	No charges		

ANNEX H

Changes in social aspects and training - (Source: SH&E Limited, October 2002)

Airport	Airport operator		AUC		Ground handler	
	Change in social aspects?	**Change in training standards/ education level?**	**Change in social aspects?**	**Change in training standards/ education level?**	**Change in social aspects?**	**Change in training standards/ education level?**
Paris-Orly	Yes	No			Cariane: No	Cariane: No
Marseille-Provence	No	No	Difficult to evaluate	No		
Bâle-Mulhouse					Swissport: Yes, very restrictive salary increases	Swissport: Yes, training reduced to minimum
Bordeaux-Mérignac	Yes, Strikes	Yes				
Strasbourg-Entzheim	No	No			Aviapartner: Yes, frozen salaries	Avipartner: No
Berlin-Schönefeld	Yes	Yes				
Berlin-Tegel	N/a	N/a				
Hahn	No	No				
Dusseldorf	Yes, more flexible working time, lower wages	No	Yes	Yes	Aviapartner: Yes, gain in productivity	Aviapartner: No
Hannover-Langenhagen					Aviapartner: Yes, gain in productivity Hannover Aviation Ground Service: Yes	Aviapartner: No Hannover Aviation Ground Service: No
Leipzig-Halle	Yes, new labour contract	No	Yes	No	PortGround: Yes, new labour contract	PortGround: No
Köln-Bonn	Yes, fewer full time jobs, lower entrance salary	No	No	No	Aviapartner: Yes, gain in productivity	Aviapartner: No
Shannon	No	Yes, more input by airport authority in terms of audit/review of training				
Torino-Caselle					Sagat: Yes, increase of temporary and part-time contracts, decrease in salaries	Sagat: No
Porto-Sà Carneiro	No comment	Yes, more training			PGA: Unkonwn	PGA: Unkonwn
Alicante						
Bilbao					Iberia: No	Iberia: No
Gran Canaria						
Ibiza					Ineuropa: Yes, improved	Ineuropa: Yes, improved

Lanzarote					Nordic: N/A	Nordic: N/A
Göteborg-Landvetter			Yes, more staff on temporary contracts	Yes, due to external rules and regulations		
London-Gatwick	No evidence	No evidence	No	No		
London-Stansted	None	Yes, incorrect use of equipment			ASIG: No	ASIG: Yes, airport company showing greater focus and actively encouraging operators to work with them
Luton	Yes, movement of labour	Yes, continuity of standards				
Newcastle	No	No			Servisair: No	Servisair: Yes, better
Aberdeen	Yes, high employee turnover rate	Yes, improved due to joint training initiatives on the ramp			Servisair: Yes, lower salaries to compete in market	Servisair: Yes, market requirements
Bristol	Yes, job security					
Edinburgh	Yes, more temporary employee contracts	Yes, more structured training and manuals	Yes	Yes	Aviance: No Servisair: Yes, ability to attract calibre of staff required diminished against inability to pay appriate salaries	Aviance: Yes, more demands of hasher training from airlines Servisair: Yes, NVQs to attract employees against competitive market – more multi-functional training to reduce cost
Glasgow		Yes, better			Airline Services: No Aviance: No Servisair: Yes, salaries kept low in order to compete in market Execair: No	Airline Services: No Aviance: Yes, setting up of a training department Servisair: Yes, more multi-functional training Execair: Nol

ANNEX I

Negative impact of Directive according to unions/work councils – (Source: SH&E Limited, October 2002)

Lower salaries.	Insufficient conditions for the take over of staff in German law.
Deteriorating work and security conditions for workers and customers.	No participation of work councils in AUC to get information from first hand (not from the workers) and to come up for social items.
Lower quality levels.	No social aspects in the tender process.
More safety and security issues; also as a result of higher turnover of employees due to lower salaries.	Increase in activity on the ramp can lead to congestion and thus longer working hours for employees (this will become worse with more handlers).
Deteriorating working conditions: more pressure on staff due to increases in productivity (e.g. the increase in workload / productivity is equivalent of 15% less salary in Germany).	With the contracts between handler and airlines becoming shorter, there is less job security as job contracts become shorter as well and increase of the prospective risk for losing a job; shift to more flexible contracts for employees.

ANNEX J

Results of Directive - (Source: SH&E Limited, October 2002)

	Positive results	**Negative results**
Airport operator	More competition	Space problems: too many handlers in limited space
	More choice for handlers	Management of the apron more inflexible, resource allocation is more restricted
	Stimulated new economic impetus	Dominance in AUC by national carrier
	Better customer orientation	
		Decrease of service level (not covered by the Directive)
	Cost-reducing pressures lead to lower prices	Dilution of profit and performance
	Quality programmes to ensure service levels	Obligation of airport operator to guarantee the running of operation restricts competition with third party handlers
	Formal procedures to be followed by handling companies have been beneficial in terms of safety and security	Tendencies toward uncontrolled market access, with no limitation, difficult to make a good evaluation of the suppliers
		Difficulties in case of separately ordered service parts to meet the logistic requirements
		Additional staff training and supervision needed
		Process to limit handlers is very stringent.
		Handlers have been disincentivised from making long-term investments or devising long-term strategies due to short-term airline contracts and commitments.
		Extra demand for access to airside has security and space implications as well as the allocation of scarce resources to satisfy all handlers.
		Additional administration and supervisory work load for managing body.
		Handlers are constantly seeking ways to reduce costs and sometimes these measures have an impact on service standards.
		Self-handling operators make use of infrastructure or resources that could have a greater utilisation from third party handlers.
		If several agents provide different services to same carrier (i.e. representation, passenger, baggage/ramp, etc.) a great deal of coordination is required to ensure acceptable standards
		Directive required airport operators to put a large amount of management resources into ensuring compliance without seeing any specific benefits.
Airport Users' Committee	Better handling products	Limited capacity at airport
	Lower prices	Some handlers have bought market shares and then failed to deliver either a fully healthy product or a viable alternative.
	Higher productivity	
	More choice for handlers	
	Less monopolistic behaviour	
Groundhandlers	Efficiency improvement programmes	Market rates driven down by competition
	Lower prices for airlines	Lower profitability for both airports and handlers
	More choices for airlines	Less attractive employment conditions
	More choices for employees	Not one single handler has economies of scale
	Opened access to closed markets for third party handlers, removed airport monopoly activities	Strong competition may endanger the quality of services and create safety and security problems
	Approached market conditions within Europe standard of services.	High expenditure for tender procedure
	Started a focus on the abuses in the industry	Additional expenditure for separation of accounts
	Groundhandlers are being respected and consulted on airport procedures	In some countries the national legislation protects only airports and staff, not the new entrants.
	Have a sense of security in the industry and therefore being a better employer.	Airlines are able to undercut third party handlers by at least the level of the access fee, which airport companies are unable to resolve on level playing field.
		Directive open to too much interpretation, leading to inconsistent application of the intended principles of the directive.
		Airport operators still required to maintain their profit margins and therefore to increase ancillary charges to compensate