Ryanair, Europe’s largest low fares airline, today (Wednesday, 17th December 2008) welcomed the European Court of First Instance (CFI) decision to dismiss the EU Commission’s flawed 2004 Charleroi case which wrongly claimed that Ryanair’s low cost agreement at Charleroi was a subsidy or State Aid. Today’s CFI ruling proves that Ryanair did not receive any subsidy or State Aid from Charleroi or the Walloon region. The CFI’s decision is a vindication of Charleroi Airport, which has been transformed from an unused facility in 2001 into a growing profitable airport, with over 2m passengers annually, providing competition and choice to the high cost Brussels Zaventem Airport. It also means the Commission’s 2005 “Airport Guideline” which were based on this unlawful Charleroi case are now null and void.

Ryanair today called on the European Commission to drop the 8 other unlawful State Aid cases that the Commission has brought against similar secondary airports in Alghero, Aarhus, Bratislava, Frankfurt Hahn, Hamburg Lubeck, Pau, Berlin Schonefeld and Tampere and to focus instead on the real and blatant breaches of the state aid rules by Europe’s biggest flag carriers, such as the most recent illegal bailout of Alitalia by the Italian Government, and the €500m. state aid by the Austrian Government to Lufthansa as a ‘sweetener’ to persuade them to buy Austrian Airlines.

Welcoming today’s CFI ruling in Brussels, Ryanair’s Michael O’Leary said:

"Ryanair is delighted to have today obtained justice in a four year long case which was politically motivated and biased from the start. Charleroi airport has been the model for how small regional and secondary airports around Europe can transform themselves from unused airfields into growing profitable international airports, which are providing regional growth, new jobs, lower fares, competition and choice for millions of European consumers. This baseless complaint was originally brought by Brussels Zaventem Airport in an attempt to block competition from Charleroi Airport, and the EU Commission should have rejected it back in 2003 in the interests of competition and consumers.

"Charleroi Airport has proven over the past six years that their low cost model works. They have built a new low cost terminal, based on the success of their agreement with Ryanair, and now other airlines are serving Charleroi as a result. Charleroi airport has been profitable each year for the past six years, which disproves the Commission’s original claim that Charleroi would be loss making for the term of the Ryanair contract.

"Today’s decision is great news for Charleroi, competition, consumers and low cost airports across Europe. Ryanair now calls on the EU Commission to drop their other equally unlawful State Aid cases against similar regional and secondary airports (Alghero, Aarhus, Bratislava, Frankfurt Hahn, Hamburg Lubeck, Pau, Berlin Schonefeld and Tampere), most of which have been brought to the Commission by larger competitor airports who are trying to block competition and lower fares.

"Ryanair will be using today’s pro-consumer decision by the CFI to call for an early meeting with DG Transport. We believe that now is the time for Ryanair and the EU Commission to build a better working relationship based on a shared objective of “putting consumers first” so that Europe’s largest international airline can work closely with Europe’s Transport Commission to promote and develop more low fare flights, more choice and competition, more regional and secondary airports, more jobs, and much more traffic and tourism growth for the
benefit of European integration and all of Europe’s citizens. Today’s decision shows that both the Commission and Ryanair has made mistakes in the past, so it is time for Ryanair and the Commission to stop fighting, and we sincerely hope that the CFI ruling can be the catalyst for Ryanair and the EU Commission to work together to put Europe’s consumers first”.

ENDS.

For reference:

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Wednesday, 17th December 2008
Ryanair Welcomes EU Ruling on Over €1bn in Unlawful State Aid to Air France

Ryanair, Europe’s largest low fares airline, today (29th Jan) welcomed yesterday’s decision by the European Commission to disallow unlawful State aid to Air France in the form of reduced airport charges on domestic routes in France. The Commission’s investigation resulted from Ryanair’s State aid complaint in May 2006 against the over €1 billion in State aid received by Air France in the form of these unlawful domestic route discounts.

Ryanair’s Jim Callaghan said:

“Yesterday’s decision confirms yet again that flag carriers throughout Europe have been, and are, in receipt of billions of euros in State aid, while the Commission has been wasting time pursuing tiny regional and secondary airports, like Charleroi, for, what the Courts have now found, were commercial arms-length deals with Ryanair, easyJet and other low fares airlines.

Following the recent dismissal by the European Court of First Instance of the Commission’s flawed 2004 Charleroi decision, yesterday’s decision is a second significant victory for European consumers and low fares airlines in less than two months. The Commission should now recognise the benefits of low fares air travel to regional and secondary airports, and start promoting low-cost regional airport development similar to Charleroi, Tampere, Lübeck, Schöenefeld, Alghero, Pau, Aarhus, Bratislava and Hahn.

Ryanair regrets that the Commission did not order Air France to repay the €1 billion in unlawful State aid, which it received between 1997 and 2008 in the form of reduced domestic airport charges within France. Nevertheless, yesterday’s decision is a welcome change in the Commission’s record of ignoring State aid to Europe’s flag carrier airlines.”
RYANAIR WELCOMES EC FINDING OF NO STATE AID
IN THE BRATISLAVA INVESTIGATION

Ryanair, Europe’s favourite airline, today (27 Jan ‘10) welcomed the European Commission’s confirmation that Ryanair’s agreement with Bratislava airport does not involve any State aid. This decision marks another successful conclusion of a State aid investigation involving Ryanair, in addition to the Charleroi judgment in December 2008.

Following a detailed investigation resulting from a baseless complaint by Sky Europe, the Commission was able to conclude that Ryanair’s agreement with Bratislava airport fully complies with the Market Economy Investor Principle. The Commission therefore confirmed that a private airport would have agreed to the same terms of the agreement with Ryanair, with the view to growing traffic and commercial revenues at the airport.

Ryanair’s Juliusz Komorek said:

“The Commission’s confirmation that Ryanair’s agreement with Bratislava airport does not involve any State aid is good news for consumers and regional and secondary airports throughout Europe. It is also a welcome development in the Commission’s application of State aid rules. The decision confirms that public airports are permitted to offer the same deals to airlines as their private counterparts do, with the view to attracting traffic and maximising commercial revenues. It further reflects and affirms the commercial realities of the airline and airport markets following the liberalisation in the 1990s.

“Ryanair calls on the Commission to close the remaining seven State aid investigations at Alghero, Pau, Lübeck, Frankfurt Hahn, Berlin Schöenefeld, Aarhus and Tampere, and confirm that Ryanair’s agreements with these airports are arms-length commercial deals which do not involve State aid. This would remove the damaging uncertainty from the market, which was initially created by spurious complaints by high-fare, fuel-surcharging airlines and their fellow monopoly-abusing, consumer-overcharging airports”.

Ends. Wednesday, 27th January 2010

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