

Commission for Aviation Regulation
3rd Floor, Alexander House
Earlsfort Terrace
Dublin 2

Re: Response to the 2019 Draft Determination CP3/2019

July 8th 2019

Dear Commissioner,

I am writing in relation to the draft determination of airport charges as issued by your office for the period 2020-24.

The Irish Tourism Industry Confederation (ITIC) is the representative body for Irish tourism and includes the leading stakeholders within the industry, both private and public-sector. ITIC members include representatives of carriers, ports, accommodation providers, attractions, restaurants and vintners amongst others as well as the two state agencies for tourism, Fáilte Ireland and Tourism Ireland. A full list of our members is included at the bottom of this letter.

Tourism is Ireland's largest indigenous industry and according to CSO figures the sector employs 265,000 nationwide and last year was worth €9.2 billion to the Irish economy.

After significant consultation and discussion ITIC published last year a roadmap for growth within the sector. *Tourism: An Industry Strategy for Growth to 2025* sets out ambitious goals and objectives for Irish tourism including 80,000 more jobs and a 65% increase in revenue from overseas tourists to the country. One of the key enabling factors within the strategy was expansion and investment at Dublin Airport, the key gateway for tourism and trade to the country.

ITIC views Dublin Airport as the key strategic asset for Ireland particularly in the context of our nearest neighbour and biggest trading partner shortly leaving the EU. The continued development of Dublin Airport is vital to the country's prosperity and the near €2 billion investment programme - as previously announced by daa - must proceed in a timely and efficient manner. Dublin has a unique opportunity to copper-fasten its position as a strategic hub between North America and Europe which can only be good for connectivity, tourism and trade. To realise Dublin potential though requires significant investment in both runway infrastructure as well as terminal, pier and stand facilities. Should the investment not happen, or be delayed, other airports in other countries are likely to try and take advantage and secure hub status to Ireland's detriment.

DAA's capacity investment plans for the period 2020-2024 are ambitious and have been welcomed by ITIC. The investment scale and ambition risks being undermined by CAR's draft determination of reduced charges of up to 22% for the period 2020-24. At a time of great uncertainty, with Brexit and other macro-economic factors, investment certainty is vital at the most important trade and tourism gateway for Ireland. At under €10 per passenger Dublin Airport's charges are already very competitive compared to similar airports across the UK and Europe and this is reflected in the growth of airline customers to Dublin in recent times which has benefitted consumers as well as Ireland's tourism industry.

ITIC feels that the final CAR determination must support much-needed development at Dublin Airport at this crucial time and the final determination will have an impact well beyond 2024. ITIC wants to see the development delivered in full as any non-delivery will be damaging for Irish tourism, the

country's key indigenous industry and biggest employer. In terms of other regional airports, a lower charge at Dublin could well have a knock-on effect with airlines requesting similar discounts thus affecting investment elsewhere too.

It should also be noted that the National Aviation Policy elevates the importance of connectivity and Dublin Airport as a hub and reduced investment at Dublin would be counter to this principle.

ITIC is of the view that CAR's determination of charges must allow investment of appropriate scale and ambition to happen at Dublin Airport in a timely fashion. The final determination therefore must be reasonable and balanced and ensure development at Dublin Airport for the benefit of all stakeholders including Ireland's tourism industry. To that end we encourage CAR to carry out independent analysis by specialists that have experience in managing large infrastructural programmes and the finances associated with such programmes.

All stakeholders share the view that Dublin Airport must deliver on its potential which is vital for the island of Ireland at this critical time.

Regards,

Eoghan O'Mara Walsh
CEO

ITIC Membership:

Aer Lingus, Association of Irish Professional Conference Organisers (AIPCO), Association of Visitor Experiences and Attractions (AVEA), Bus Eireann, Car Rental Council of Ireland, CIE Tours International, Coach Tourism & Transport Council (CTTC), Convention Centre Dublin, daa, Do Dublin-Dublin Bus, Dublin Port Company, Emirates, Fáilte Ireland, Guinness Storehouse, Heritage Island, House of Waterford Crystal, Inland Fisheries Ireland, Ireland's Blue Book, Irish Boat Rental Association (IBRA), Irish Caravan & Camping Council, Irish Ferries, Irish Heritage Trust, Irish Hotel Federation (IHF), Irish Rail, Irish Self Catering Federation (ISCF), Incoming Tour Operators Association-Ireland (ITOA), Jameson Distillery Bow St, Kildare Village, Killarney Tourism, Office of Public Works (OPW), Restaurants Association of Ireland (RAI), Shannon Group, Stena Line, Tourism Ireland, TU Dublin, Vintners' Federation of Ireland