



**Commission for Aviation Regulation Consultation Paper 1/2021  
Consultation on a Second Interim Review due to COVID-19 of the 2019 Price  
Determination of Airport Charges at Dublin Airport  
IATA Submission - 05 May 2021**

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IATA appreciates the opportunity to respond to the Commission for Aviation Regulation's consultation on a Second Interim Review due to COVID-19 of the 2019 Price Determination of Airport Charges at Dublin Airport.

We note the Commission's supplementary document clarifying the deadlines for responses. Therefore the present document focuses in responding questions 1 to 4 of the consultation document (and a subsequent document will address Dublin airport's proposals). These are addressed below:

1. Does the current situation resulting from COVID-19 represent substantial grounds to conduct a 2021 Interim Review of the varied 2019 Determination?

The last review covered the years 2020 and 2021 on the basis that the traffic for both years had been materially different from that assumed in determination and aimed to *"implement solutions to avoid or resolve any unintended consequences that may have arisen from the large reductions in traffic."*

While traffic in 2020 and 2021 reported significant differences compared to the assumptions made back in in the 2019 determination, the case is less so for 2022 since all forecasts show a significant level of traffic recovery for that year. We are therefore not fully convinced that a review of the 2022 is necessary. If at all, it would need to focus on very specific elements, as mentioned in our response to Q3.

2. What time-period should an interim review of the varied 2019 Determination cover? (just 2022, or beyond this)

If the CAR decided on carrying out a review, we believe it should be limited to 2022. Next year the CAR can then assess whether there is a need to review the decisions behind 2023. As it is widely predicted that the traffic will recover in the next years, waiting a year will help

the CAR to assess how traffic recovers during 2022 and have a better view of the prospect of 2023 (and very possibly determine that no more adjustments are needed).

3. Is a limited interim review, as outlined in Section 6, most appropriate at this time?
  - a. If so, what are the key elements we should consider in this review?

If the CAR decided a review were needed, the scope of its intervention should be limited to where is strictly necessary. Amendments to the opex pass through mechanism, the reprofiling triggers and commercial revenue rolling mechanism may be merited.

However, we do not see any merit in disallowing clawbacks for unspent capex (as decided by CAR for 2020 and 2021, though yet subject to the appeals panel review). The 2019 determination included an allowance of some EUR 103m in 2022 for depreciation and return on capital for “new” capex, most of which will not exist. Considering that traffic is expected to return (though, admittedly, not yet to 2019 levels) during 2022, maintaining an allowance for inexistent capex would be disproportional.

Consultation on the timeline and prioritization of the Capex programme might be useful to ensure that the triggers and phasing remain relevant. Any changes to the quality of service regime should wait until there is a greater understanding of how traffic returns and which health measures will remain in place.

- b. If we conduct a narrow review and an appeal panel is established, should we wait until the potential appeal process is concluded to publish the draft and final decisions?

If elements under the consideration of the Appeals Panel are the same as those the CAR intends to apply for this review, then it would be prudent to wait for the Panel’s decision.

4. Is a more wide-ranging review required at this time, as discussed in Section 7? If so:
  - a. How should we deal with uncertainty if we conduct a full review?
  - b. What are the key areas that should be considered in such a review?

As stated during last year’s consultation, we do not believe that the full review is merited. If for whatever reason, a full review is deemed necessary, then all elements of the building blocks methodology should be reassessed. We are available to further discuss on this subject should the CAR be seriously considering moving in this direction.