

The Irish Association of International Express Carriers (IAIEC)

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8th December 2003

Reference: Commission Paper CP4/2003

The Irish Association of International Express Carriers (IAIEC) is the trade association for the international express industry in Ireland. It comprises DHL, FedEx, TNT and UPS. All four companies are express operators providing guaranteed, fast, reliable, on-demand, world-wide, door-to-door movement of shipments. Next-day delivery is by far the most important type of express delivery and is used by Irish businesses to achieve the rapid, time-definite delivery of high value goods and documents to customers throughout the world.

By its very nature, next-day delivery necessitates late afternoon pick-ups and early morning deliveries, which in turn means that express operators have to have access to airports that operate on a 24-hour basis. Next-day delivery has become an important service to businesses and has led to serious cost savings and efficiency gains.

The IAIEC would like to express support for the majority of the proposals outlined in Commission Paper CP4/2003. For instance, new traffic forecasts are clearly needed since the Aer Rianta centreline numbers were developed in 2000. Similarly, the adjustment from Irish Pounds to Euros is sensible.

The increased security costs are virtually all focused on the passenger bag screening area. Therefore, as we transport packages rather than carry passengers, we are not really in a position to comment on this issue. In addition the members of the Association have invested heavily in their security procedures and equipment in the context of complying with the national Air Cargo Security Programme (ACSP).

However, we do have concerns about two of the proposals. For instance, it would appear that the proposals to adjust the values of certain data used to calculate yields are dealing with errors in the formulae that were used to generate the required Return on Capital. As such it makes sense to correct those errors. However, the target for the Return on Capital (for an institution that is exposed to very little risk) strikes us as, in an international context, quite high.

The final proposal regarding the off-peak runway sub-cap merited its own addendum, which was not easy to fully comprehend. The theory of runway "damage" as the means to determine landing fees is clearly an evolving area and one to be frank that the international air cargo and express industry is largely unfamiliar with not having come across it in this manner before.

However recognizing the importance of making a constructive contribution to the process a very preliminary review would suggest that the occupation of a runway by any size of aircraft precludes the use of that runway by any other plane of any size, at whatever time it takes place.

This occupancy cost comes into play in the calculations of airfield capacity, which in turn, drives Capital Investment decisions. Thus the "damage" caused to the pavement by the impact of a landing aircraft should not be the sole basis for the recovery of charges. However, if the Commission does decide to focus strictly on the "damage" theory, we would suggest that for example the key units of measurement should combine each aircraft's maximum gross take-off weight (MGTOW) with the wheel load footprint of each aircraft type.

However, it should be noted that these objections are not major objections and we are confident that they could be addressed in future face-to-face discussions between the IAIEC and the Commission.

DECEMBER 2003

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