

BARUK

BOARD OF AIRLINE REPRESENTATIVES IN THE UK

www.bar-uk.org

NEWSLETTER

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Chief Executive's welcome

The G20 meeting in London has just finished and its intentions declared. Whether it will produce the conditions for markets to grow, and the expansion of desperately needed financing facilities, now remains to be seen.

Meanwhile, unemployment is increasing, travel is being cut and aircraft are being taken out of use.

Only an optimist would say with any certainty that the bottom of the downward cycle has been reached and the 'green shoots of recovery' are just about to be seen.

Even if they are not, let's hope that the economic Spring will shortly arrive, and replace the bleak Winter that has been with us for much longer than we would like.

Mike Carrivick

1. Aviation taxation

The new Air Passenger Duty that is due to commence in November continues to attract criticism from many different sectors of the travel community.

These include concerns on the equitability of the tax, and its effects on inward visitor numbers as well as UK-originating passenger numbers.

Industry associations, including BAR UK, have held further meetings at the Treasury, but without any apparent willingness by them to change.

2. Airport slots

Many airports in the UK are so busy that arriving and departing flights are controlled by the allocation of time slots to airlines.

One of the basic requirements for an airline to retain its slots is to use each one at least 80% of the time.

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The current economic climate is such that the EU Regulation that applies may be suspended for the Summer flight season (April-October) with the possibility of extending into the Winter season as well (through to March 2010).

Whilst this proposal has not won universal acclaim, many see it as a sensible move, economically and environmentally.

The timing of the final decision for the summer season has yet to be announced.

Slots in the UK are coordinated by ACL Ltd, and a more detailed statement can be seen via <http://www.acl-uk.org/latestNews.aspx?id=33>

3. Competition Commission (CC) and airport ownership

The final decisions of the Competition Commission's market investigation and report into the supply of airport services by BAA in the UK were recently announced.

Well anticipated, the CC confirmed that BAA will be required to sell both London Gatwick and London Stansted airports, and either Edinburgh or Glasgow airport.

Issues now facing BAA, bearing in mind the state of the economy and financial markets, include the timescale in which these airports must be sold, and the expected sale value.

BAA is carefully considering the CC's report before making any response.

4. News at BAR UK

(i) Board changes

The Board is pleased to announce that Richard Midgley of South African Airways has been co-opted to fill the vacancy that has existed since Marcus McKenzie, also of SAA, left the industry some months ago.

(ii) New Member

Membership of BAR UK has just been enhanced by the enrolment of TAM Airlines of Brazil.

TAM will be represented by Ms Sue Faithfull, General Manager UK/Ireland, to whom a warm welcome is extended!



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(iii) Renewals 2009

That its members value BAR UK has been demonstrated by the fact that the renewal rate for 2009 has been 100%!

This is very heartening to the Board and to the secretariat.

With the inclusion of new member TAM, membership now stands at 92 airlines, as high as it has ever been.

(iv) Membership changes - welcomes and farewells

Airline	Welcome	Farewell
Air Astana	Ashendra Liyanage	Richard Ledger
China Airlines	Simon Chang	Kelvin Chen

(v) BAR UK IT 'in the clouds'

Any business, no matter how small, has to ensure it is prepared for disaster recovery in the event of business disruption e.g. fire etc. Making sure that business records and activities are backed up is an essential part of disaster recovery.

Our previous system, which was not networked, was outdated and a potential liability.

For a remarkably small investment, BAR UK has moved over to what is known as 'cloud computing'.

In brief, using encrypted Apple products and processes, all BAR UK files, including e mails, are now internet-based.

This means that they can easily be accessed from anywhere, and from any PC linked to the internet, with constant availability and back up via Apple. Furthermore, this also provides superb remote access for e mails whilst the Chief Executive is out and away from the office.

(vi) BAR UK General Meetings

The most recent General Meeting was held on 26 February at the City offices of Stephenson Harwood, who generously hosted the event.

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Attended by over 60 people, there was a very full agenda, addressing:

- The requirements concerning full fare transparency for passengers, arising from the EU's 3rd Package Regulation.
- Obligations concerning the carriage of assistance dogs in the cabin.
- A full presentation concerning the ministerial approval for a third runway at Heathrow.
- A keynote speech by Phil Woolas M.P., the Borders and Immigration Minister.

Looking ahead, please note the details for our NEXT MEETING:

Date: Wednesday 20 May 2009
Venue: Design Centre, Islington (generously hosted by the Eye4Travel Exhibition)
Agenda: ANNUAL GENERAL MEETING, to be immediately followed by GENERAL MEETING
Time: 0930 for 1000

Full details will be circulated in due course.

5. Current business issues

Amongst the many issues being handled by BAR UK are some regular topics. These include:

(a) e-Borders. Concerns still exist on the details of the roll-out programme on a country-by-country basis, and the methodologies by which data will be provided by carriers to e-Borders.

These matters are currently the subject of extensive dialogue between BAR UK and e-Borders.

(b) National ID Cards. The proposed mandatory requirement that airport workers be issued with a National ID Card before being able to obtain an airside pass continues to be a point of contention between the airline community and the Home Office.

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A trial scheme is due to be introduced at London City and Manchester airports, commencing in October 2009, for an 18-month period. However, until any substantive benefits can be determined and agreed, the airline community remains opposed to the scheme, including on the grounds of cost and time.

(c) Consultations. BAR UK has five diverse consultations to consider and then respond to, as appropriate, on behalf of its members:

- London City airport to be a slot-designated airport
- Overseas Criminal Record Checks for transport staff
- The inclusion of aviation in the EU Emissions Trading Scheme
- Reforming the framework for the economic regulation of UK airports
- The Planning Act: Application procedures for nationally significant infrastructure projects.

All of these will require considerable research, and feedback from the membership, before any considered response is provided.

The next BAR UK Newsletter will be published in June 2009

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