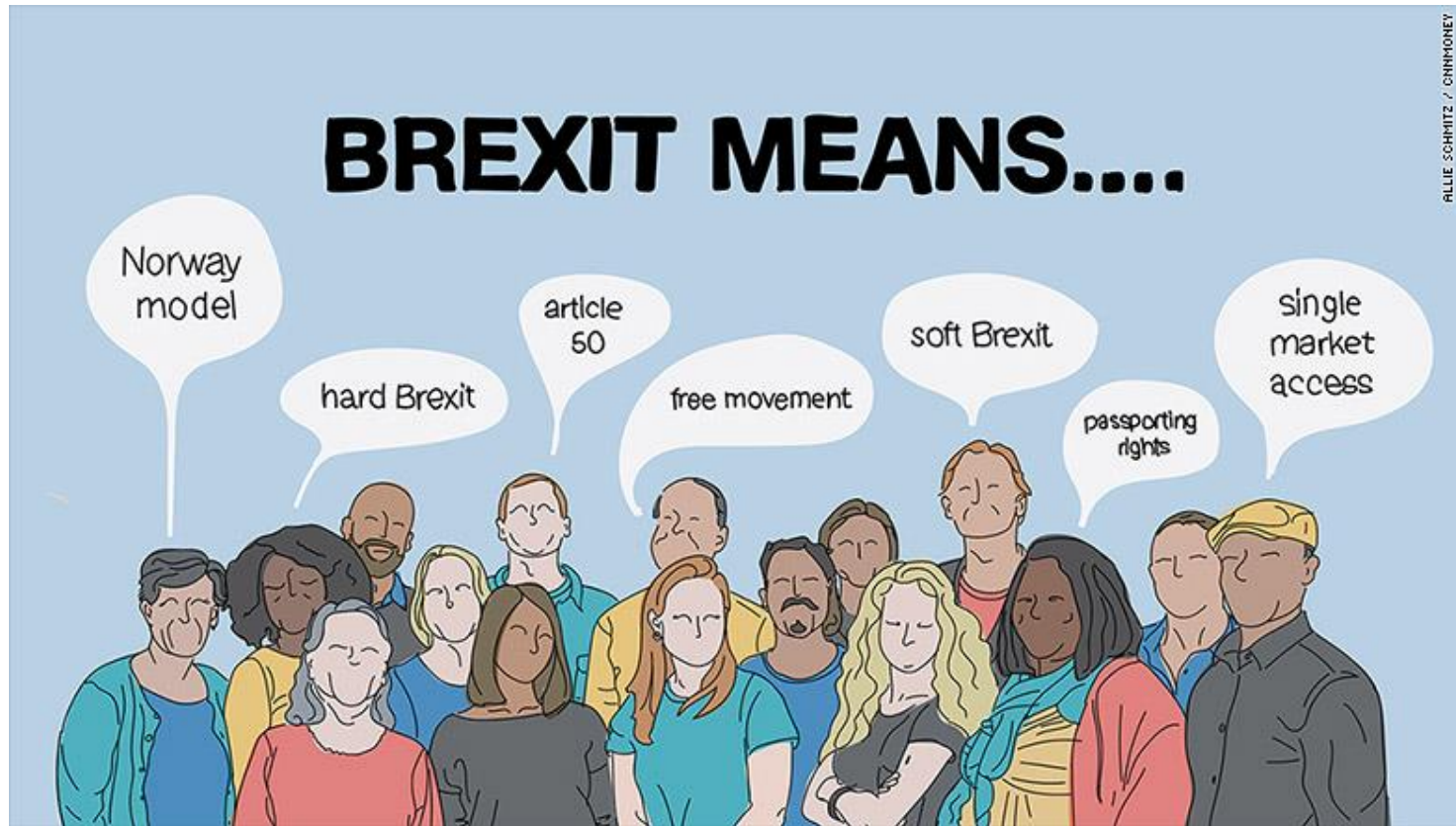




**Presentation**  
**«BREXIT in Aviation – Main**  
**Concerns for Greek/EU**  
**carriers»**

***Travel Law Forum***  
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- Aviation is largely regulated by the EU - in excess of 80 shared pieces of legislation currently in force
- UK has been at the forefront of what is a global aviation industry and the concerns and the impact of Brexit is a major task – not just a UK issue



## Main Concerns for Greek/EU carriers:

- Traffic Rights
- Other considerations:
  - EASA
  - Ownership and control (EC Reg. 1008/2008)
  - Customs



**Traffic Rights /Market access :**

- Within the EU:
- For EU carriers to/from the UK and intra UK
- For UK carriers to/from and within the EU
  
- Outside the EU:
- For UK carriers to/from non-EU destinations where traffic rights are agreed at EU level
- For EU carriers on code-shares through UK airports to/from non-EU destinations where traffic rights are agreed at EU level
- For Non-EU carriers, impact on code-shares



**Between EU Member States**

- Regulation EC (No) 1008/2008:  
sets common rules for the licensing of carriers within the EU and provides unfettered access to intra - EU routes to airlines holding an operating license (“Community Carriers” ). This includes 7<sup>th</sup> freedom and 9<sup>th</sup> freedom of the air (full market access).
- The EU Withdrawal Bill will incorporate EU Regulations into the body of UK law. This will not provide automatic access post-Brexit for UK carriers to EU destinations (vice versa), not to other intra EU routes, because :
  - UK carriers will no longer be EU carriers, and therefore will no longer qualify for a valid AOC and operating license
  - UK will no longer be an EU Member State, so EU airlines will lose automatic free rights to fly to/from the UK



### **UK – other EU Member States – Post Brexit**

- Access to UK for EU carriers and to the EU for UK carriers is subject to the negotiations going forward.
- Brexit “models” for Aviation:
  - Maintenance of Status quo including business aviation
  - UK to join European Economic Area
  - Negotiation of a new bilateral UK-EU aviation agreement (Swiss model)
  - UK to join European Common Aviation Area
  - Negotiation of new ASAs with individual Member States.
  - Recourse to old bilateral ASAs in the event of a Hard Brexit (no “aviation deal” )

### **UK – Non-EU Countries**

- Traffic rights between UK and third countries are founded upon treaties at EU level, e.g. EU-US Open Skies Agreement. Upon leaving the EU, UK will automatically cease to be party – need to negotiate new arrangements.
- Non EU airlines with code shares with UK carriers that will no longer be able to fly to/from those countries may be impacted. Also, EU airlines with code shares through UK to/from those countries .

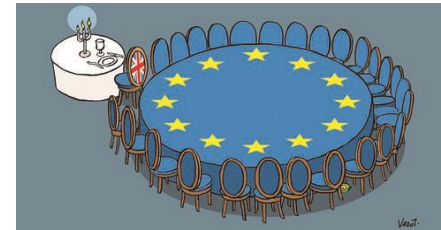


Latest news: Last week in the context of Brexit negotiations between EU and UK, EU proposed a free trade agreement, like with Canada, while regarding aviation and traffic rights post Brexit, Donald Tusk (European Council President) stressed in its paper that an aviation agreement should be entered into in order to ensure the connection between the airports and the free movement of passengers between EU and Britain. We also read that many carriers want an aviation agreement by the end of the summer of 2018.



## Other considerations for EU operators:

### EASA – European Aviation Safety Agency



- EASA is an agency of the EU under Basic Reg. 216/2008 for aviation safety , technical security, licensing, and environmental.
- Industry is clear that UK should remain part of EASA. There are models for non EU-members to be part of EASA (e.g. Switzerland, Norway, Iceland and Lichtenstein under art 66 of the Basic Regulation).
- Possible impact of Brexit on UK aerospace industry that rely on EASA licensing (approvals and certification of aerospace products, of aerospace manufacturers, MROs and personnel) and EU carriers enjoying such services.

### **Ownership status - EU airlines:**

- Article 4 – EC Reg. 1008/2008 sets strict EU majority ownership and control criteria and requires a Community Carrier to be majority owned and effectively controlled by EU nationals.
- EU carriers majority owned or controlled by UK nationals may run the risk of losing their community carrier status. Shareholding structures may be impacted.

### **Customs:**

- Current UK Government policy is that the UK will be leaving the EU Customs Union.
- Need to establish a new customs zone aligned with the EU customs zone.
- Absent of an agreement, importation and export of aircraft, engines, parts, or other goods will not be subject to “free EU status” – duties and customs taxes for EU carriers.





**Thank you.**