

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM (89) 476 final

Brussels, 2 October 1989

## REPORT

on the first year (1988) of implementation  
of the aviation policy approved in December 1987

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(presented by the Commission)

REPORT ON THE FIRST YEAR (1988) OF IMPLEMENTATION  
OF THE AVIATION POLICY APPROVED IN DECEMBER 1987

INTRODUCTION

The measures adopted by the Council Decisions on 14 December 1987 on scheduled air services between Member States of the European Community were a first step towards the realisation of a single aviation market in the European Community.

The Council Directive 87/601/EEC (1) (fares) and the Council Decision 87/602/EEC (2) (capacity/market access) give the Commission the obligation to publish a report on the application and implementation of these Directives by 1 November 1989.

To this end a questionnaire has been sent to the Member States by letter dated 17 January 1989. Replies have been received from all Member States but Denmark.

The replies to the questionnaire form the basis for this report, although they were not always complete or in a comparable format. Therefore additional data have been derived from OAG schedule information and ABC World Airways Guide information.

It should be noted that comprehensive data on the development of capacity, market access and fares are very difficult to obtain. In these instances the Commission has had to rely on other publicly available sources.

The subjects covered in this report are

- a) general development,
- b) fares,
- c) capacity and market access.

Although the regulations are limited to intra-Community traffic, the wider perspectives of the developments on a worldwide basis are discussed in section "A. general developments".

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(1) OJ No L374, 31.12.87, p. 12

(2) OJ No L374, 31.12.89, p. 19

A. GENERAL DEVELOPMENT OF THE AIR TRANSPORT INDUSTRY

In 1988 the generally favorable development of the air transport industry world-wide and within Europe continued. This trend started in 1983/84 and was generated by three key factors:

- increase of traffic volume
- moderate fuel price development
- increase of productivity and efficiency.

Though all these factors are closely interrelated, the continuous increase of traffic volumes may be considered as the most important reason for the current stable economic and financial situation of the airline industry. Favorable macro-economic trends in the western world and increasing economic cooperation and integration have generated traffic increases and, thereby, improved substantially the demand side of the air carriers' activities. Carriers from the European Community have been able to make full use of this basic development by increasing both capacities and the number of passengers carried (see Annex A 1):

Table 1

Total scheduled air traffic (world-wide)

| Unit                                 | Year | IATA-carriers | % change | Community air carriers (1) | % change |
|--------------------------------------|------|---------------|----------|----------------------------|----------|
| Passengers carried (1000)            | 1986 | 949.900       | + 6,1    | 97.072                     | + 1,6    |
|                                      | 1987 | 1.036.800     | + 9,1    | 105.913                    | + 9,1    |
|                                      | 1988 | 1.072.100     | + 5,0    | 114.274                    | + 7,9    |
| ASKs(2) (mil)                        | 1986 | 2.213.000     | + 6,3    | 282.775                    | + 6,0    |
|                                      | 1987 | 2.367.000     | + 6,9    | 298.374                    | + 5,5    |
|                                      | 1988 | 2.506.000     | + 6,0    | 333.293                    | + 11,7   |
| Total operating revenues (mil US \$) | 1986 | 123.000       | + 9,6    | 19.932                     | + 15,8   |
|                                      | 1987 | 147.000       | +19,5    | 24.378                     | + 22,3   |
|                                      | 1988 | 166.000       | +12,9    | 28.444                     | + 16,6   |
| Load factors                         | 1986 | 65,2          | -        | 64,7                       |          |
|                                      | 1987 | 67,2          | -        | 69,0                       |          |
|                                      | 1988 | 66,9          |          | 68,2                       |          |

Sources: IATA  
AEA

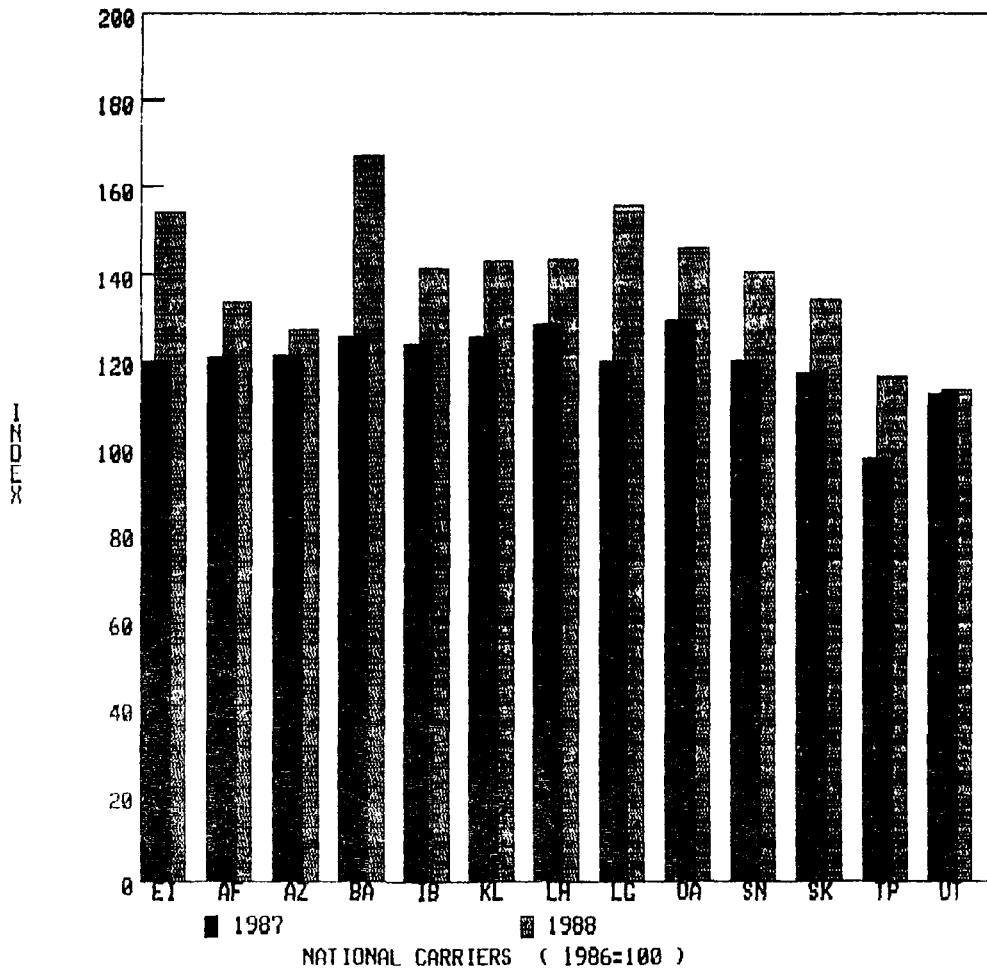
(1) AEA-members only

(2) ASK=available seat kilometers

The available information on the development in 1989 suggests that the basic trends continue. During the first 4 months, in particular European passenger traffic did well, showing a 9.7% increase over 1988 (AEA information dated 9 June 1989).

With only a few exceptions all major Community air carriers have been able to participate in this development of the overall traffic volume (1). Accordingly, the recent revenue development of the European airline industry highlights the positive impact of traffic increases on the financial situation of the air carriers (2).

FIGURE 1  
DEVELOPMENT TOTAL REVENUE OF COMMUNITY AIR CARRIERS  
(MEMBERS AEA)



These basic trends on the demand side have been accompanied by positive developments on the supply side, i.e. most air carriers have managed to keep cost developments under control. Since 1986 the operating costs per output unit for the international scheduled services of the AEA members have been continuously decreasing. Moderate fuel price developments have played a key role in achieving this improvement:

(1) See Annexes A1, A2 and A3.  
(2) See Annex 4.

Table 2

Spot Jet Fuel Prices (Europe)  
US cents/per US Gallon

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|              |      |
|--------------|------|
| 1982         | 96.5 |
| 1983         | 83.9 |
| 1984         | 79.0 |
| 1985         | 79.7 |
| 1986         | 48.5 |
| 1987         | 52.4 |
| 1988         | 47.3 |
| 1989 (April) | 55.5 |

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Source: AVMARK

The available information on the financial performance of European air carriers indicates a further improvement of the financial results in 1988. In 1988 operating gross results of all AEA members (covering also non-Community carriers) have been almost 30% above the 1987 result.

## B. FARES

The Directive on air fares has introduced two zones of flexibility related to the normal economy air fare (Y fare). The development of the Y fare therefore has considerable impact on these zones of flexibility for the discount and deep discount fares. On the basis of fares information from ABC over a period of three years (6/87, 6/88 and 6/89) the following conclusions can be drawn on the basis of economy and deep discount fares between the major hubs of Member States:

Generally the level of the Y fare has increased modestly, following more or less the rate of inflation (Annex B 1). Only in some instances a considerable decrease can be noted, e.g. fares out of Copenhagen. Some airlines have offered a Y fare at a much lower level than their direct competitors. These airlines, Air Europe, Ryan Air, Dan Air and others, have introduced such low fully flexible economy fares on a limited number of routes. These fares have, however, met with problems on interlining.

The lowest published excursion fares have in most cases increased slightly in 1988. However, the range of increases and decreases is wider for the Y-fares (Annex B 2).

The excursion fares taken as a percentage of the Y fares vary considerably. Looking at the zones of flexibility of the air fares directive it is interesting to note that 58% (75 out of 129 fares offered by all carriers) of the lowest published excursion fares of this survey were below the 45% of the economy fare in 1988. In 1989 this percentage increased to 60% (73/121); 36% (43/121) even dropped below the 40% limit envisaged in the Directive (Annex B I).

The introduction of the zones of flexibility had little or no effect on relations where a more liberal regime had been agreed upon. Between the United Kingdom and Belgium, Germany, Ireland, Luxemburg and the Netherlands more flexible arrangements are presently in force. In most of these cases a double disapproval regime exists with a provision allowing for government intervention in certain limited circumstances, i.e. where a proposed tariff is judged to be either predatory or excessive.

Between the UK and Germany a country of origin regime for certain fare types exists and replaces the zones of flexibility of the Directive.

The provision allowing for additional flexibility for bilaterally approved fares below the deep discount zone has been used on a number of routes. It concerned different fare types such as promotional fares, APEX fares, Super Pex and Youth fares. Five Member States reported that no additional flexibility was asked for. Between the other Member States the additional flexibility clause was used by only a limited number of airlines.

In Summer 1988 and Winter 88/89 the tariff approval provisions have not given rise to serious bilateral problems between Member States. The arbitration provisions therefore were not used in this period. Where refusal of air fares was contemplated for various reasons, consultations, if at all necessary, helped to find reasonable solutions. Five Member States reported that they have not refused any air fares (Annex B 3).

The text of the Directive has given rise to various comments. The following remarks were reported by Member States:

- The periods mentioned in Article 4 and in Article 7 differ (21 days-30 days). This can give rise to problems.
- The zones only cover a small part of all discount and deep discount fares available.
- The filings of airlines are often incomplete. This complicates application of the zonal scheme.
- The conditions attached to the discount and deep discount zones are unrealistic and therefore not widely accepted and used by the airlines.
- The terminology of Article 3 is vague: "long term fully allocated costs" and "satisfactory return on capital" cannot easily be applied.
- It is unclear from the text whether the 21 days period provided for in Article 7.1 could be prolonged by the first state where it requested and awaited additional information from an airline.

C. CAPACITY AND MARKET ACCESS

The regime for capacity sharing as set out in Decision 87/602 has had limited effect on the bilateral relations between Member States. Before the coming into force of the Decision a strict application of the 50-50 capacity sharing regime had already been replaced by more flexible arrangements. The United Kingdom had such arrangements with the Benelux, Germany, France and Ireland, but also France reported special arrangements with Portugal, Germany and Ireland. Ireland had special arrangements with the Netherlands and Italy because its airline operated partly on a country-pair monopoly basis; the same applied between Greece and Portugal and between Spain on the one hand and Italy and Luxemburg on the other. Furthermore, after the coming into force of the Decision many capacity shares fall outside the zones established in Article 3 of that Decision.

Table 3

Distribution of bilateral capacity shares within the Community

| Number of Bilateral Relations with Capacity shares falling within the zones | June '87  | June '88  | June '89  |
|---|-----------|-----------|-----------|
| 0 - 0   | 3         | 2         | 2         |
| 45 - 55   | 27        | 28        | 29        |
| 40 - 60   | 8         | 14        | 12        |
| 25 - 75   | 14        | 7         | 8         |
| outside these zones   | 5         | 7         | 7         |
| 100 - 0   | 9         | 8         | 8         |
|   | <u>66</u> | <u>66</u> | <u>66</u> |

Source: OAG

The capacity shares of the individual Member States calculated with respect to the rest of the Community have remained relatively stable after the coming into force of the Decision.

Table 4

Community-wide capacity shares for individual Member States

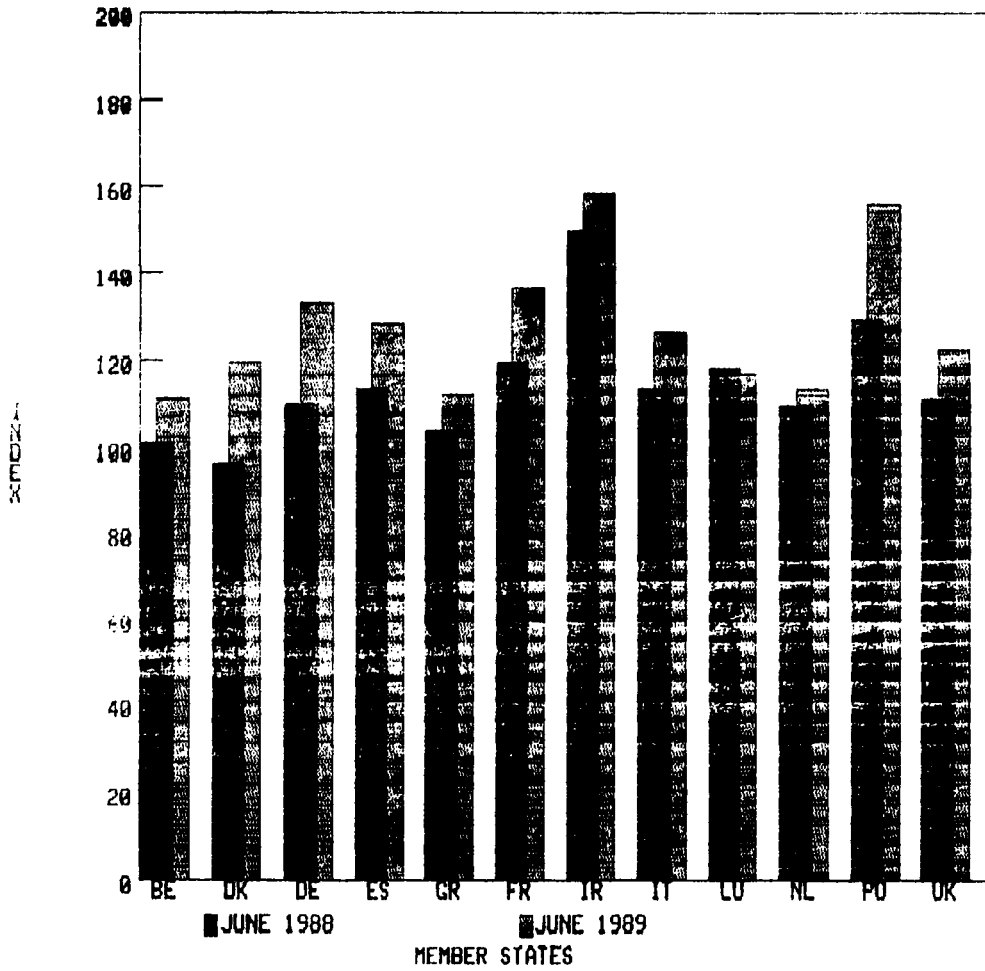
|                | June '87 | June '88 | June '89 |
|----------------|----------|----------|----------|
| Belgium        | 47.6     | 45.8     | 48.5     |
| Denmark        | 54.4     | 50.4     | 48.2     |
| France         | 49.0     | 50.8     | 51.3     |
| Germany        | 45.6     | 45.2     | 48.4     |
| Greece         | 47.9     | 48.8     | 49.1     |
| Ireland        | 70.6     | 77.1     | 74.7     |
| United Kingdom | 48.1     | 47.9     | 47.7     |
| Italy          | 47.8     | 46.2     | 45.5     |
| Luxemburg      | 75.6     | 77.8     | 77.5     |
| Netherlands    | 53.0     | 52.3     | 49.7     |
| Portugal       | 52.2     | 50.3     | 51.8     |
| Spain          | 52.8     | 49.1     | 48.9     |

Source: OAG



With respect to the general increase of capacity the favourable developments set out in section A are reflected in the number of seats offered by the airlines of the Member States.

**FIGURE 2**  
**DEVELOPMENT OF SEATS OFFERED INDEX FOR INTRA-COMMUNITY ROUTES**  
**(June 1987=100)**



Source: OAG

The increase of capacity did not affect the load factors negatively. The majority of airlines experienced a substantial increase in their load factors between 1986 and 1988.

TABLE 5

LOAD FACTOR DEVELOPMENT OF COMMUNITY AIR CARRIERS  
WORLD-WIDE OPERATIONS (AEA MEMBERS)

|                 |                 | 1986  | 1987  | 1988  |
|-----------------|-----------------|-------|-------|-------|
| SAS             | SK <sup>o</sup> | 66.34 | 69.44 | 66.98 |
| LUFTHANSA       | LH              | 60.33 | 66.58 | 65.95 |
| OLYMPIC AIRWAYS | OA              | 61.81 | 65.52 | 68.14 |
| AIR FRANCE      | AF              | 65.23 | 69.55 | 70.15 |
| UTA             | UT              | 66.76 | 66.63 | 68.58 |
| AER LINGUS      | EI              | 71.48 | 71.62 | 71.91 |
| ALITALIA        | AZ              | 61.47 | 64.74 | 63.92 |
| LUXAIR          | LG              | 52.40 | 54.94 | 53.17 |
| KLM             | KL              | 65.40 | 68.78 | 69.08 |
| TAP             | TP              | 66.84 | 70.90 | 69.02 |
| IBERIA          | IB              | 67.05 | 70.53 | 70.83 |
| BRITISH AIRWAYS | BA              | 66.13 | 71.83 | 68.67 |
| TOTAL           |                 | 64.67 | 68.95 | 68.20 |

<sup>o</sup> DATA REFERS TO TOTAL SCANINAVIAN AND NOT JUST DENMARK

Source: AEA

Given the limited effects of the increased capacity flexibility, it is not surprising that no requests have been made so far by Member States for an exemption of the application of the capacity sharing regime on the basis of serious financial damage for airlines caused by the capacity provisions.

An ambiguous development can be reported on the application of the provision for multiple designation. On the one hand the number of routes where more than one carrier of one Member State has operated increased from 22 in 1987 to 33 in 1989. On the other hand it should be noted that only five Member States have given their airlines the benefit of multiple designation. Furthermore, it should be noted that the airlines designated by a Member State cannot always act independently. It is remarkable that many of the routes with multiple designation are routes which do not meet the thresholds set out in the decision and that these same Member States were hesitant to allow their airlines to compete on the busy routes (Annex C 1).

The establishment of routes between hubs and regional airports and between regional airports has developed favourably. Between 1987 and 1989 127 new air connections were introduced. 13 newly introduced routes disappeared again within two years after the introduction.

The exemptions of airports provided for in the decision has in some instances precluded the authorities to allow additional services to be operated to and from these airports (Annex C 2) while other sources have been refused in the same airports.

Combining scheduled air services to or from two or more points in another Member State or States has been done by a limited number of carriers on a limited number of routes.

Table 6

Combination of points

| Carrier              | Number of routes<br>31.12.1987 | Number of routes<br>31.12.1988 |
|----------------------|--------------------------------|--------------------------------|
| British Airways      | 8                              | 8                              |
| Air France           | 2                              | 2                              |
| Air Portugal         | 2                              | 2                              |
| Aer Lingus           | 1                              | 1                              |
| Lufthansa            | 1                              | 1                              |
| Iberia               | 1                              | 1                              |
| Connectair           | 1                              | 1                              |
| KLM                  | 2                              | 2                              |
| Netherlines          | 1                              | 1                              |
| SAS                  | 1                              | -                              |
| Birmingham Executive | 1                              | -                              |
| British Island       | -                              | 1                              |
| Scottish European    | -                              | 1                              |
| Alitalia             | -                              | 1                              |
|                      | <u>21</u>                      | <u>22</u>                      |

Source: Information from Member States

Fifth freedom operations reported to the Commission were allowed on the following routes:

Table 7

Fifth freedom operation

|   |                              |
|---|------------------------------|
| Aer Lingus  | DUB - <u>MAN - AMS</u>       |
|   | DUB - <u>MAN - CPH</u>       |
|   | DUB - <u>MAN - HAM</u>       |
|   | DUB - <u>BHX - BRU</u>       |
| Air Portugal  | LIS - <u>NCE - STR</u>       |
|   | LIS - <u>MAN - DUB</u>       |
|   | LIS - <u>ROM - ATH</u>       |
|   | LIS - <u>AMS - HAM</u>       |
| Iberia  | MAD - <u>BCN - LUX - HAM</u> |
| SAS   | CPH - <u>GLA - DUB</u>       |
| British Airways   | BFS - <u>BHX - AMS - CGN</u> |
| Netherlines   | AMS - <u>SXB - LUX</u>       |
| Unidentified carriers were<br>allowed 5th freedom between | BRU - FRA                    |
|   | BRU - LUX                    |

Source: Information from Member States

Although this list, based on the replies to the questionnaire may not be complete, the conclusion that the provision allowing for fifth freedom rights has been used in only few instances seems justified. The restrictive conditions contained in this provision may be the reason for the limited use of Article 8 of the Decision. It should also be mentioned that before 1988 only one fifth freedom service was operated by a Community air carrier.

In three instances applications for fifth freedom operations have been turned down. The derogation of an airport involved was the reason for two rejections. The interpretation of Article 8 was the basis for the other refusal for granting operating rights under this article.

On the question of airport derogations it can be noted that the general provision for refusing new services in cases where an airport has insufficient facilities or navigational aids to accommodate a service has not been used.

#### CONCLUSION

Air fares have in general followed the rate of inflation except where new airlines were present in the market which were able to use the Article 3 provisions of the air fares Directive to achieve reduction in the economy fare of up to 15%. The zonal schemes has not been used much.

The market access provisions have resulted in the creation of a large number of new routes and it is in particular interesting to see the re-emergence of fifth freedom air services by Community air carriers.

The capacity sharing provisions have in a number of cases been having a restrictive effect on mutual developments. In other relations where Member States bilaterally have individual more liberal arrangements no disruption of traffic has occurred.

Passengers carried by major Community air carriers  
(world-wide)

| Airline    | Unit     | 1986   | 1987   | 1988   | % change |        |
|------------|----------|--------|--------|--------|----------|--------|
|            |          |        |        |        | 86/87    | 87/88  |
| Aer Lingus | 1000 PAX | 1.972  | 2.279  | 3.045  | + 15,6   | + 33,6 |
| Air France | 1000 PAX | 12.025 | 13.361 | 14.709 | + 11,1   | + 10,5 |
| Alitalia   | 1000 PAX | 8.383  | 9.149  | 9.154  | + 9,1    | + 0,1  |
| British AW | 1000 PAX | 16.998 | 19.100 | 22.516 | + 12,4   | + 17,9 |
| Iberia     | 1000 PAX | 13,593 | 14.102 | 14.466 | + 3,7    | + 2,6  |
| KLM        | 1000 PAX | 5.074  | 5.899  | 6.219  | + 16,3   | + 5,4  |
| Lufthansa  | 1000 PAX | 15.173 | 16.865 | 17.791 | + 11,3   | + 5,5  |
| Luxair     | 1000 PAX | 248    | 273    | 298    | + 10,1   | + 9,2  |
| Olympic    | 1000 PAX | 6.480  | 6.568  | 6.660  | + 1,4    | + 1,4  |
| Sabena     | 1000 PAX | 2.233  | 2.362  | 2.605  | + 5,8    | + 10,3 |
| SAS        | 1000 PAX | 11.870 | 12.633 | 13.320 | + 6,4    | + 5,4  |
| TAP        | 1000 PAX | 2.132  | 2.439  | 2.635  | + 14,4   | + 8,0  |
| UTA        | 1000 PAX | 891    | 883    | 796    | - 0,9    | - 9,9  |

Source: AEA

Available seat kilometres (ASKs) and load factors of major  
Community air carriers  
(World-wide operations)

| Airline    | Unit                        | 1986           | 1987           | 1988           | % change               |                         |
|------------|-----------------------------|----------------|----------------|----------------|------------------------|-------------------------|
|            |                             |                |                |                | 86/87                  | 87/88                   |
| Aer Lingus | Mil ASKs<br>load<br>factors | 3.492<br>71,5  | 3.823<br>71,6  | 4.567<br>71,9  | + 9,5<br>+ 0,1<br>pts. | + 19,5<br>+ 0,3<br>pts. |
| Air France | Mil ASKs<br>load<br>factors | 42.266<br>65,2 | 45.207<br>69,5 | 48.939<br>70,1 | + 7,0<br>+ 4,3<br>pts. | + 8,3<br>+ 0,6<br>pts.  |
| Alitalia   | Mil ASKs<br>load<br>factors | 22.761<br>66,5 | 23.700<br>64,7 | 24.458<br>63,9 | + 4,1<br>+ 3,2<br>pts. | + 3,1<br>- 0,8<br>pts.  |
| British AW | Mil ASKs<br>load<br>factors | 61.135<br>66,1 | 64.457<br>71,8 | 82.911<br>68,7 | + 5,4<br>+ 5,7<br>pts. | + 28,6<br>- 3,1<br>pts. |
| Iberia     | Mil ASKs<br>load<br>factors | 27.344<br>67,1 | 27.508<br>70,5 | 28.935<br>70,8 | + 0,6<br>+ 3,4<br>pts. | + 5,2<br>+ 0,3<br>pts.  |
| KLM        | Mil ASKs<br>load<br>factors | 29.159<br>65,4 | 31.696<br>68,8 | 33.686<br>69,0 | + 8,7<br>+ 3,4<br>pts. | + 6,2<br>+ 0,2<br>pts.  |
| Lufthansa  | Mil ASKs<br>load<br>factors | 44.167<br>60,3 | 47.722<br>66,6 | 51.601<br>66,0 | + 8,0<br>+ 6,3<br>pts. | + 8,1<br>- 0,6<br>pts.  |
| Luxair     | Mil ASKs<br>load<br>factors | 229<br>54,4    | 236<br>54,9    | 284<br>53,2    | + 3,1<br>+ 0,5<br>pts. | + 12,0<br>- 1,7<br>pts. |
| Olympic    | Mil ASKs<br>load<br>factors | 10.326<br>61,8 | 10.868<br>65,5 | 11.051<br>68,1 | + 5,2<br>+ 3,7<br>pts. | + 1,7<br>+ 2,6<br>pts.  |
| Sabena     | Mil ASKs<br>load<br>factors | 8.445<br>65,9  | 8.825<br>67,9  | 9.826<br>66,4  | + 4,5<br>+ 2,0<br>pts. | + 11,1<br>- 1,3<br>pts. |
| SAS        | Mil ASKs<br>load<br>factors | 18.902<br>66,3 | 19.019<br>69,4 | 20.941<br>67,0 | + 0,6<br>+ 3,1<br>pts. | + 11,0<br>- 2,4<br>pts. |
| TAP        | Mil ASKs<br>load<br>factors | 6.695<br>66,8  | 7.021<br>70,9  | 8.172<br>69,0  | + 4,9<br>+ 2,1<br>pts. | + 16,4<br>- 1,9<br>pts. |
| UTA        | Mil ASKs<br>load<br>factors | 7.854<br>66,8  | 8.295<br>66,6  | 7.922<br>68,6  | + 5,6<br>- 0,2<br>pts. | - 4,5<br>+ 2,0<br>pts.  |

Source: AEA

Available seat kilometres (ASKs) and load factors of major  
Community air carriers (geographical Europe)(1)

| Airline    | Unit                        | 1986           | 1987           | 1988           | % change                |                         |
|------------|-----------------------------|----------------|----------------|----------------|-------------------------|-------------------------|
|            |                             |                |                |                | 86/87                   | 87/88                   |
| Aer Lingus | Mil ASKs<br>load<br>factors | 1.243<br>63,0  | 1.445<br>66,0  | 1.944<br>65,4  | + 11,2<br>+ 3,0<br>pts. | + 34,9<br>- 0,6<br>pts. |
| Air France | Mil ASKs<br>load<br>factors | 6.786<br>59,1  | 7.561<br>61,4  | 8.805<br>60,8  | + 11,4<br>+ 2,3<br>pts. | + 11,7<br>- 0,6<br>pts. |
| Alitalia   | Mil ASKs<br>load<br>factors | 5.439<br>63,0  | 5.561<br>66,0  | 5.993<br>65,4  | + 2,2<br>+ 3,0<br>pts.  | + 7,8<br>- 0,6<br>pts.  |
| British AW | Mil ASKs<br>load<br>factors | 10.320<br>63,4 | 11.442<br>68,6 | 13.000<br>66,5 | + 10,9<br>+ 5,1<br>pts. | + 13,6<br>- 2,1<br>pts. |
| Iberia     | Mil ASKs<br>load<br>factors | 7.747<br>68,3  | 7.854<br>72,0  | 8.731<br>71,1  | + 1,4<br>+ 4,7<br>pts.  | + 11,2<br>- 0,9<br>pts. |
| KLM        | Mil ASKs<br>load<br>factors | 3.019<br>59,0  | 3.570<br>59,9  | 3.844<br>60,5  | + 11,8<br>+ 0,9<br>pts. | + 7,7<br>+ 0,6<br>pts.  |
| Lufthansa  | Mil ASKs<br>load<br>factors | 9.078<br>57,7  | 9.653<br>61,3  | 10.520<br>60,6 | + 6,3<br>+ 3,6<br>pts.  | + 9,0<br>- 0,7<br>pts.  |
| Luxair     | Mil ASKs<br>load<br>factors | 229<br>52,4    | 233<br>54,9    | 284<br>53,2    | + 1,7<br>+ 2,5<br>pts.  | + 21,9<br>- 1,7<br>pts. |
| Olympic    | Mil ASKs<br>load<br>factors | 3.454<br>58,6  | 3.869<br>64,0  | 4.034<br>66,3  | + 12,0<br>+ 5,4<br>pts. | + 4,3<br>+ 2,8<br>pts.  |
| Sabena     | Mil ASKs<br>load<br>factors | 1.743<br>58,2  | 1.937<br>58,1  | 2.225<br>55,5  | + 11,1<br>- 0,1<br>pts. | + 14,9<br>- 2,6<br>pts. |
| SAS        | Mil ASKs<br>load<br>factors | 6.302<br>62,6  | 6.839<br>62,0  | 7.715<br>59,4  | + 8,5<br>- 0,6<br>pts.  | + 12,8<br>- 2,6<br>pts. |
| TAP        | Mil ASKs<br>load<br>factors | 1.896<br>68,3  | 2.190<br>71,2  | 2.811<br>65,9  | + 11,1<br>- 2,9<br>pts. | + 28,4<br>- 5,3<br>pts. |
| UTA        | Mil ASKs<br>load<br>factors | ---            | ---            | ---            | ---<br>pts.             | ---<br>pts.             |

Source: AEA

(1) Covers all international routes originating and terminating within Europe, including Turkey, USSR (up to 55°E).



Total revenue of major Community air carriers (world-wide)

| Airline    | Unit          | 1986  | 1987  | 1988  | % change |        |
|------------|---------------|-------|-------|-------|----------|--------|
|            |               |       |       |       | 86/87    | 87/88  |
| Aer Lingus | million<br>\$ | 277   | 331   | 427   | + 19,5   | + 29,0 |
| Air France | million<br>\$ | 2.985 | 3.586 | 3.978 | + 20,1   | + 10,9 |
| Alitalia   | million<br>\$ | 1.695 | 2.053 | 2.151 | + 21,1   | + 4,8  |
| British AW | million<br>\$ | 3.836 | 4.790 | 6.415 | + 24,9   | + 33,9 |
| Iberia     | million<br>\$ | 1.657 | 2.043 | 2.339 | + 23,3   | + 14,5 |
| KLM        | million<br>\$ | 1.892 | 2.365 | 2.704 | + 25,0   | + 14,3 |
| Lufthansa  | million<br>\$ | 3.531 | 4.516 | 5.066 | + 27,9   | + 12,2 |
| Luxair     | million<br>\$ | 25    | 30    | 39    | + 20,0   | + 30,0 |
| Olympic    | million<br>\$ | 481   | 621   | 701   | + 29,1   | + 13,0 |
| Sabena     | million<br>\$ | 673   | 805   | 945   | + 19,6   | + 17,4 |
| SAS        | million<br>\$ | 1.832 | 2.137 | 2.455 | + 16,7   | + 14,9 |
| TAP        | million<br>\$ | 481   | 464   | 556   | - 3,5    | + 19,8 |
| UTA        | million<br>\$ | 567   | 637   | 638   | + 12,4   | + 0,2  |

Source: AEA

Development of certain promotional fares within the Community

CITY PAIRS (ABC INFORMATION 6/87, 6/88, 6/89)  
 DEVELOPMENT OF Y-FARES I DEVELOPMENT OF THE LOWEST  
 (JUNE 1987 = 100 %) I PUBLISHED EXCURSION FARE  
 I (Y-FARE = 100 %)

|           | Y87*/Y87           | Y88/Y87            | Y89/Y87             | EXC87<br>/Y87      | EXC88<br>/Y88      | EXC89<br>/Y89      |
|-----------|--------------------|--------------------|---------------------|--------------------|--------------------|--------------------|
| BRU CPH   |                    | 102.0              | 104.1               | 46.2               | 50.0               | 50.0               |
| BRU FAF   |                    | 103.0              | 106.2               | 37.5               | 37.5               | 37.6               |
| BRU FRA   |                    | 103.2              | 107.5               | 48.6               | 55.9               | 55.8               |
| BRU ATH   |                    | 100.1              | 101.1               | 29.7               | 31.5               | 30.9               |
| BRU DUB   |                    | 100.0              | 103.0               | 52.3               | 42.7               | 31.8               |
| BRU DUB * | /                  | 48.8 <sup>3)</sup> |                     |                    |                    |                    |
| BRU ROM   |                    | 103.0              | 107.2               | 42.8               | 42.4               | 42.0               |
| BRU LUX   |                    | 103.0              | 106.2               | 50.0               | 50.0               | 50.0               |
| BRU AMS   |                    | 102.2              | 105.3               | 51.7               | 51.5               | 51.6               |
| BRU LIS   |                    | 102.0              | 102.0               | 40.0               | 40.4               | 41.2               |
| BRU MAD   |                    | 103.0              | 108.3               | 43.7               | 43.3               | 42.4               |
| BRU LON   |                    | 103.1              | 106.1               | 37.7               | 37.7               | 37.8               |
| BRU LON * | 49.3 <sup>4)</sup> | 41.1 <sup>4)</sup> | 103.1 <sup>1)</sup> | 29.6 <sup>9)</sup> | 30.9 <sup>1)</sup> | 25.6 <sup>1)</sup> |
| INFLATION |                    | 101.3              | 103.7               |                    |                    |                    |
| CPH BRU   |                    | 98.4               | 104.0               | 38.8               | 39.7               | 42.6               |
| CPH FAF   |                    | 97.9               | 104.1               | 39.9               | 35.0               | 36.6               |
| CPH FRA   |                    | 100.3              | 109.1               |                    |                    |                    |
| CPH ATH   |                    | 95.5               | 101.0               | 31.0               | 31.4               | 32.5               |
| CPH DUB   |                    | 98.8               | 102.0               | 42.8               | 40.4               | 32.3               |
| CPH ROM   |                    | 94.0               | 96.9                | 47.4               | 49.5               | 40.0               |
| CPH LUX   |                    | 98.1               | 104.0               | 50.2               | 48.4               | 42.6               |
| CPH AMS   |                    | 100.3              | 106.9               | 40.6               | 40.6               | 42.5               |
| CPH LIS   |                    | 95.4               | 102.0               | 34.0               | 35.1               | 37.1               |
| CPH MAD   |                    | 96.3               | 102.0               | 46.3               | 45.5               |                    |
| CPH LON   |                    | 91.4               | 94.7                | 35.6               | 38.8               | 40.0               |
| LON *     |                    |                    |                     |                    |                    | 29.8 <sup>1)</sup> |
| INFLATION |                    | 104.8              | 108.7               |                    |                    |                    |
| PAR BRU   |                    | 103.2              | 106.5               | 34.6               | 33.0               | 33.0               |
| PAR CPH   |                    | 102.0              | 104.0               | 37.0               | 37.0               | 37.4               |
| PAR FRA   |                    | 103.3              | 106.3               |                    | 40.1               |                    |
| PAR ATH   |                    | 102.0              | 104.0               | 33.5               | 33.5               | 33.6               |
| PAR DUB   |                    | 102.6              | 105.7               | 47.7               | 40.1               | 27.5               |
| PAR ROM   |                    | 100.0              | 101.9               | 46.2               | 47.6               | 48.1               |
| PAR LUX   |                    | 102.8              | 105.6               | 67.8               | 40.9               | 41.2               |
| PAR AMS   |                    | 101.9              | 105.2               | 33.7               | 34.0               | 34.1               |
| PAR LIS   |                    | 102.1              | 104.1               | 37.9               | 39.6               | 38.8               |
| PAR MAD   |                    | 104.2              | 104.2               | 46.6               | 58.7               | 42.6               |
| PAR LON   |                    | 102.8              | 106.2               | 51.7               | 37.4               | 43.9               |
| LON *     | /                  |                    |                     |                    |                    | 34.4 <sup>1)</sup> |
| INFLATION |                    | 102.7              | 105.5               |                    |                    |                    |

\* = FARE OFFERED NOT BY/FOR ALL CARRIERS

| CITY PAIRS | (ABC INFORMATION 6/87, 6/88, 6/89) |         | EXC87<br>/Y87 | EXC88<br>/Y88 | EXC89<br>/Y89 |
|------------|------------------------------------|---------|---------------|---------------|---------------|
|            | Y87*/Y87Y88/Y87                    | Y89/Y87 |               |               |               |
| FRA BRU    | 101.7                              | 104.8   | 51.2          | 56.5          | 56.7          |
| BRU *      | /                                  | 101.75) |               |               |               |
| FRA CPH    | 101.8                              | 105.9   |               | 38.1          |               |
| FRA PAR    | 101.6                              | 104.7   |               |               |               |
| FRA ATH    | 102.1                              | 105.2   | 62.1          | 62.1          | 62.1          |
| FRA DUB    | 101.6                              | 101.6   | 76.9          |               |               |
| FRA ROM    | 101.9                              | 105.0   | 77.8          | 77.9          | 77.9          |
| FRA LUX    | 102.1                              | 102.1   | 76.2          | 76.1          | 76.1          |
| FRA AMS    | 102.0                              | 105.4   | 50.9          | 54.8          | 54.7          |
| FRA LIS    | 102.0                              | 104.1   | 74.4          | 74.4          | 74.4          |
| FRA MAD    | 102.0                              | 105.8   | 72.1          | 72.8          | 73.0          |
| FRA LON    | 100.0                              | 102.3   | 90.7          | 37.9          | 37.9          |
| INFLATION  | 101.3                              | 103.8   |               |               |               |
| ATH BRU    | 115.4                              | 118.9   | 46.9          | 28.9          | 39.4          |
| ATH CPH    | 124.4                              | 125.6   | 45.6          | 39.4          | 40.2          |
| ATH PAR    | 115.5                              | 119.0   | 45.9          | 40.0          | 42.7          |
| ATH FRA    | 115.5                              | 120.1   | 59.0          | 54.9          | 54.9          |
| ATH DUB    | 113.2                              |         | 44.1          | 41.0          |               |
| ATH ROM    | 118.9                              | 122.5   | 50.0          | 45.6          | 45.6          |
| ATH LUX    | 115.4                              | 118.9   | 46.9          | 43.6          | 39.4          |
| ATH AMS    | 115.4                              | 119.0   | 45.4          | 42.2          | 43.0          |
| ATH LIS    | 113.2                              | 115.5   | 51.0          | 47.4          | 47.4          |
| ATH MAD    | 115.4                              | 119.0   | 50.6          | 47.0          | 44.0          |
| ATH LON    | 113.2                              | 117.7   | 39.6          | 37.6          | 37.6          |
| INFLATION  | 113.3                              | 127.8   |               |               |               |
| DUB BRU    | 103.0                              | 106.0   | 46.0          | 38.3          | 32.8          |
| BRU *      | /                                  | 49.53)  |               |               |               |
| DUB CPH    | 103.2                              | 106.1   | 45.5          | 43.1          | 43.1          |
| DUB PAR    | 103.1                              | 106.3   | 54.5          | 35.9          | 27.9          |
| DUB FRA    | 102.8                              | 106.1   | 64.3          | 39.5          | 38.3          |
| DUB ATH    | 100.0                              |         | 44.0          | 44.0          |               |
| DUB ROM    | 100.0                              | 103.1   | 29.1          | 29.9          | 30.0          |
| DUB LUX    | 97.5                               |         | 59.3          | 52.0          |               |
| DUB AMS    | 103.2                              | 106.4   | 65.8          | 40.9          | 33.4          |
| AMS *      | /                                  | 52.93)  |               |               |               |
| DUB LIS    | 100.0                              | 100.0   | 36.4          | 37.6          | 25.7          |
| DUB MAD    | 100.0                              | 90.0    | 55.3          | 57.1          | 57.9          |
| DUB LON    | 100.0                              | 102.9   | 33.2          | 37.0          | 30.4          |
| LON *      | 56.73)                             | 47.17)  |               | 33.28)        | 29.42,8)      |
| INFLATION  | 102.1                              | 105.0   |               |               |               |
| ROM BRU    | 106.3                              | 111.6   | 51.1          | 51.2          | 51.2          |
| ROM CPH    | 100.0                              | 100.0   | 55.4          | 57.5          | 50.0          |
| ROM PAR    | 100.0                              | 104.0   | 46.6          | 39.2          | 58.4          |
| ROM FRA    | 105.2                              | 110.8   | 76.0          | 76.0          | 75.7          |
| ROM ATH    | 105.0                              | 108.2   | 50.0          | 49.1          | 49.0          |
| ROM DUB    | 100.0                              | 103.0   | 45.2          | 43.4          | 34.6          |
| ROM LUX    | 106.3                              | 111.6   | 51.1          | 51.2          | 51.2          |
| ROM AMS    | 106.3                              | 106.3   | 51.7          | 51.7          | 51.7          |
| ROM LIS    | 103.1                              | 106.1   | 51.1          | 51.1          | 51.6          |
| ROM MAD    | 105.1                              | 114.3   | 52.2          | 51.2          | 46.5          |
| ROM LON    | 97.9                               | 101.9   | 28.5          | 29.1          | 37.3          |
| INFLATION  | 104.9                              | 109.7   |               |               |               |

\* = FARE OFFERED NOT BY/FOR ALL CARRIERS

CITY PAIRS (ABC INFORMATION 6/87, 6/88, 6/89)

|           | Y87*/Y87           | Y88/Y87             | Y89/Y87 | EXC87<br>/Y87      | EXC88<br>/Y88      | EXC89<br>/Y89       |
|-----------|--------------------|---------------------|---------|--------------------|--------------------|---------------------|
| LUX BRU   | 103.0              | 106.2               |         | 50.0               | 50.0               | 50.0                |
| LUX CPH   | 102.0              | 104.1               |         | 47.6               | 47.5               | 44.7                |
| LUX PAR   | 102.8              | 106.2               |         | 39.9               | 40.1               | 40.1                |
| LUX FRA   | 103.0              | 103.0               |         | 71.8               | 71.8               | 71.8                |
| LUX ATH   | 100.1              | 101.1               |         | 29.7               | 30.2               | 30.9                |
| LUX DUB   | 100.0              |                     |         | 54.9               | 54.9               |                     |
| LUX ROM   | 103.0              | 107.2               |         | 42.8               | 42.4               | 42.0                |
| LUX AMS   | 102.1              | 105.5               |         | 67.5               | 51.5               | 51.4                |
| LUX LIS   | 102.0              | 102.0               |         | 40.0               | 40.4               | 41.2                |
| LUX MAD   | 103.0              | 108.3               |         | 63.0               | 43.3               | 42.4                |
| LUX LON   | 103.2              | 106.4               |         | 37.8               | 37.8               | 38.6                |
| INFLATION | 101.4              | 103.6               |         |                    |                    |                     |
| AMS BRU   | 102.5              | 106.0               |         | 51.8               | 51.7               | 51.4                |
| AMS CPH   | 100.2              | 100.2               |         | 45.5               | 43.5               | 44.9                |
| AMS PAR   | 102.0              | 105.5               |         | 28.6               | 28.7               | 34.7                |
| PAR *     |                    |                     |         |                    |                    | 28.6 <sup>11)</sup> |
| AMS FRA   | 102.2              | 105.3               |         | 50.9               | 54.7               | 54.7                |
| AMS ATH   | 99.4               | 99.4                |         | 24.1               | 25.0               | 25.8                |
| AMS DUB   | 100.0              | 103.0               |         | 50.7               | 46.1               | 32.9                |
| DUB *     | 60.7 <sup>4)</sup> | 49.0 <sup>3)</sup>  |         |                    |                    |                     |
| AMS ROM   | 101.5              | 101.5               |         | 29.1               | 29.2               | 41.7                |
| AMS LUX   | 102.5              | 105.6               |         | 67.6               | 51.4               | 51.5                |
| AMS LIS   | 100.0              | 100.1               |         | 30.0               | 30.8               | 31.4                |
| AMS MAD   | 100.0              | 100.0               |         | 37.1               | 38.2               | 36.0                |
| AMS LON   | N/A                |                     |         |                    | 39.8               | 63.7                |
| LON *     | N/A                |                     |         |                    | 36.6 <sup>6)</sup> | 36.6 <sup>6)</sup>  |
| INFLATION | 100.9              | 102.3               |         |                    |                    |                     |
| LIS BRU   | 107.2              | 109.6               |         | 44.9               | 45.1               | 45.0                |
| LIS CPH   | 105.4              | 107.4               |         | 50.0               | 50.0               | 50.0                |
| LIS PAR   | 107.4              | 109.5               |         | 38.8               | 40.5               | 39.7                |
| LIS FRA   | 107.3              | 109.4               |         | 71.5               | 71.5               | 71.5                |
| LIS ATH   | 106.0              | 108.2               |         | 51.0               | 53.2               | 51.0                |
| LIS DUB   | 105.2              | 105.2               |         | 36.4               | 37.5               | 40.0                |
| LIS ROM   | 107.7              | 110.9               |         | 50.5               | 50.0               | 48.6                |
| LIS LUX   | 107.2              | 109.6               |         | 44.9               | 45.1               | 45.0                |
| LIS AMS   | 107.4              | 109.5               |         | 45.0               | 45.0               | 45.0                |
| LIS MAD   | 115.5              | 119.8               |         | 58.8               | 58.8               | 56.7                |
| LIS LON   | 107.5              | 118.6               |         | 41.9               | 41.9               | 41.8                |
| LON *     | /                  | 107.5 <sup>2)</sup> |         | 35.6 <sup>2)</sup> | 35.7 <sup>2)</sup> | 32.3 <sup>2)</sup>  |
| INFLATION | 109.4              | 117.1               |         |                    |                    |                     |

\* = FARE OFFERED NOT BY/FOR ALL CARRIERS

CITY PAIRS (ABC INFORMATION 6/87, 6/88, 6/89)

|           | Y87*/Y87Y88/Y87 |      | Y89/Y87 |          | EXC87    | EXC88   | EXC89     |
|-----------|-----------------|------|---------|----------|----------|---------|-----------|
|           | /Y87            | /Y88 | /Y87    | /Y89     | /Y87     | /Y88    | /Y89      |
| MAD BRU   |                 |      | 103.0   | 108.2    | 45.0     | 44.6    | 43.8      |
| MAD CPH   |                 |      | 100.0   | 102.0    | 44.7     | 44.7    |           |
| MAD PAR   |                 |      | 104.1   | 104.1    | 46.6     | 46.2    | 42.6      |
| MAD FRA   |                 |      | 107.2   | 112.3    | 69.2     | 69.9    | 70.9      |
| MAD ATH   |                 |      | 102.0   | 105.1    | 50.5     | 50.5    | 48.0      |
| MAD DUB   |                 |      | 105.3   | 94.6     | 55.4     | 54.2    | 57.7      |
| MAD ROM   |                 |      | 105.0   | 109.3    | 52.2     | 51.2    | 46.5      |
| MAD LUX   |                 |      | 103.0   | 108.2    | 65.0     | 44.6    | 43.8      |
| MAD AMS   |                 |      | 103.1   | 103.1    | 37.6     | 38.8    | 40.1      |
| MAD LIS   |                 |      | 104.1   | 108.4    | 59.0     | 58.9    | 56.7      |
| MAD LON   |                 |      | 100.0   | 103.0    | 30.9     | 31.9    | 32.0      |
| LON *     | /               |      |         | 100.0 2) |          |         |           |
| INFLATION |                 |      | 104.7   | 109.2    |          |         |           |
| LON BRU   |                 |      | 105.2   | 111.5    | 40.1     | 40.1    | 38.3      |
| BRU *     | 61.54)          |      | 51.0 4) | 109.4 4) | 39.1 10) | 35.1 1) | 27.6 1)   |
| LON CPH   |                 |      | 97.6    | 97.6     | 43.6     | 45.0    | 47.2      |
| CPH *     |                 |      |         |          |          |         | 33.9 1)   |
| LON PAR   |                 |      | 104.9   | 111.1    | 50.6     | 36.5    | 34.4      |
| PAR *     | /               |      |         | 104.9 1) |          |         | 30.6 2)   |
| LON FRA   |                 |      | 102.5   | 110.1    |          | 35.2    | 33.6      |
| FRA *     |                 |      |         |          |          |         | 26.0 12)  |
| LON ATH   |                 |      | 100.0   | 105.0    | 29.6     | 29.6    | 29.8      |
| ATH *     | /               |      |         |          |          |         | 25.3 12)  |
| LON DUB   |                 |      | 109.0   | 112.4    | 36.5     | 37.1    | 44.0      |
| DUB *     | 66.33)          |      | 50.6 7) | 58.4 3)  |          | 33.5 8) | 28.5 2,8) |
| LON ROM   |                 |      | 96.4    | 100.9    | 34.8     | 38.0    | 38.1      |
| LON LUX   |                 |      | 106.7   | 112.5    | 38.5     | 38.3    | 38.0      |
| LON AMS   |                 |      | 104.1   | 112.3    | 39.7     | 43.4    | 48.2      |
| AMS *     | 80.84)          |      | 67.14)  | 100.06)  |          | 38.8 9) | 36.0 12)  |
| LON LIS   |                 |      | 100.0   | 105.1    | 30.3     | 30.3    | 33.4      |
| LIS *     |                 |      |         | 100.02)  |          |         | 26.2 12)  |
| LON MAD   |                 |      | 94.9    | 100.0    | 31.0     | 31.4    | 29.0      |
| MAD *     |                 |      |         | 94.92)   |          |         |           |
| INFLATION |                 |      | 104.4   | 109.3    |          |         |           |

\* = FARE OFFERED NOT BY/FOR ALL CARRIERS

N/A = NOT AVAILABLE

INFLATION = PRICE DEFLATOR OF PRIVATE CONSUMPTION

ESTIMATES OF THE COMMISSION FOR 1988 AND 1989

SOURCE: EUROPEAN ECONOMY, ANNUAL ECONOMIC REPORT 1988-89

No 38, NOVEMBER 1988, PAGE 160, TABLE 24

- 1) AIR EUROPE
- 2) DAN AIR
- 3) RYANAIR DUBLIN (FR)
- 4) RYANAIR EUROPE (UQ)
- 5) SCOTTISH EUROPEAN
- 6) NETHERLINES
- 7) VIRGIN ATLANTIC
- 8) AER LINGUS
- 9) TRANSAVIA
- 10) BRITISH CALEDONIAN
- 11) AIR FRANCE
- 12) BRITISH AIRWAYS

DEVELOPMENT OF THE LOWEST PUBLISHED  
ROUND-TRIP EXCURSION FARE; 1987=100%  
CITY PAIRS

|           | EXC87*/EXC87 | EXC88/EXC87 | EXC89/EXC87 |
|-----------|--------------|-------------|-------------|
| BRU CPH   |              | 110.3       | 112.5       |
| BRU PAF   |              | 103.1       | 106.5       |
| BRU FRA   |              | 118.8       | 123.6       |
| BRU ATH   |              | 106.4       | 105.2       |
| BRU DUB   |              | 81.8        | 62.7        |
| BRU ROM   |              | 102.1       | 105.1       |
| BRU LUX   |              | 103.0       | 106.2       |
| BRU AMS   |              | 101.9       | 105.1       |
| BRU LIS   |              | 103.0       | 105.1       |
| BRU MAD   |              | 102.0       | 105.1       |
| BRU LON * | 78.4         | 84.3        | 72.0        |
| BRU LON   |              | 103.0       | 106.3       |
| INFLATION |              | 101.3       | 103.7       |
| CPH BRU   |              | 100.6       | 114.1       |
| CPH PAR   |              | 85.9        | 95.5        |
| CPH FRA   |              | N/A         | N/A         |
| CPH ATH   |              | 96.5        | 105.9       |
| CPH DUB   |              | 93.4        | 77.1        |
| CPH ROM   |              | 98.1        | 81.9        |
| CPH LUX   |              | 94.6        | 88.1        |
| CPH AMS   |              | 100.3       | 112.1       |
| CPH LIS   |              | 98.6        | 111.4       |
| CPH MAD   |              | 94.7        |             |
| CPH LON   |              | 99.5        | 106.4       |
| LON *     |              |             | 79.1        |
| INFLATION |              | 104.8       | 108.7       |
| PAR BRU   |              | 98.4        | 101.6       |
| PAR CPH   |              | 102.1       | 105.1       |
| PAR FRA   |              | N/A         | N/A         |
| PAR ATH   |              | 102.1       | 104.3       |
| PAR DUB   |              | 86.2        | 61.0        |
| PAR ROM   |              | 103.0       | 106.2       |
| PAR LUX   |              | 62.1        | 64.2        |
| PAR AMS   |              | 102.8       | 106.3       |
| PAR LIS   |              | 106.7       | 106.7       |
| PAR MAD   |              | 131.3       | 95.3        |
| PAR LON   |              | 74.5        | 90.2        |
| LON *     |              |             | 70.7        |
| INFLATION |              | 102.7       | 105.5       |
| FRA BRU   |              | 112.3       | 115.9       |
| FRA CPH   |              | N/A         | N/A         |
| FRA PAR   |              | N/A         | N/A         |
| FRA ATH   |              | 102.0       | 105.1       |
| FRA DUB   |              | N/A         | N/A         |
| FRA ROM   |              | 102.0       | 105.2       |
| FRA LUX   |              | 102.0       | 102.0       |
| FRA AMS   |              | 110.0       | 113.4       |
| FRA LIS   |              | 102.0       | 104.0       |
| FRA MAD   |              | 103.0       | 107.2       |
| FRA LON   |              | 41.8        | 42.8        |
| INFLATION |              | 101.3       | 103.8       |

DEVELOPMENT OF THE LOWEST PUBLISHED  
ROUND-TRIP EXCURSION FARE; 1987=100%  
CITY PAIRS

|           | EXC87*/EXC87 | EXC88/EXC87 | EXC89/EXC87 |
|-----------|--------------|-------------|-------------|
| ATH BRU   |              | 71.2        | 99.8        |
| ATH CPH   |              | 107.4       | 110.6       |
| ATH PAR   |              | 100.6       | 110.6       |
| ATH FRA   |              | 107.4       | 111.7       |
| ATH DUE   |              | 105.3       |             |
| ATH ROM   |              | 108.5       | 111.8       |
| ATH LUX   |              | 107.4       | 99.8        |
| ATH AMS   |              | 107.4       | 112.8       |
| ATH LIS   |              | 105.3       | 107.4       |
| ATH MAD   |              | 107.4       | 103.6       |
| ATH LON   |              | 107.4       | 111.7       |
| INFLATION |              | 113.3       | 127.8       |
|           |              |             |             |
| DUB BRU   |              | 85.9        | 75.5        |
| DUB CPH   |              | 97.6        | 100.4       |
| DUB PAR   |              | 68.0        | 54.4        |
| DUB FRA   |              | 63.3        | 63.3        |
| DUB ATH   |              | 100.0       |             |
| DUB ROM   |              | 102.9       | 106.3       |
| DUB LUX   |              | 85.4        |             |
| DUB AMS   |              | 64.2        | 54.1        |
| DUB LIS   |              | 103.2       | 70.7        |
| DUB MAD   |              | 103.2       | 94.1        |
| DUB LON   |              | 111.6       | 94.2        |
| LON *     |              |             | 91.3        |
| INFLATION |              | 102.1       | 105.0       |
|           |              |             |             |
| ROM BRU   |              | 106.3       | 111.7       |
| ROM CPH   |              | 103.8       | 90.3        |
| ROM PAR   |              | 84.0        | 130.4       |
| ROM FRA   |              | 105.1       | 110.4       |
| ROM ATH   |              | 103.2       | 106.2       |
| ROM DUE   |              | 96.1        | 78.9        |
| ROM LUX   |              | 106.3       | 111.7       |
| ROM AMS   |              | 106.2       | 106.2       |
| ROM LIS   |              | 103.0       | 107.1       |
| ROM MAD   |              | 103.1       | 101.6       |
| ROM LON   |              | 100.0       | 133.1       |
| INFLATION |              | 104.9       | 109.7       |
|           |              |             |             |
| LUX BRU   |              | 103.0       | 106.2       |
| LUX CPH   |              | 101.9       | 97.8        |
| LUX PAR   |              | 103.3       | 106.6       |
| LUX FRA   |              | 103.0       | 103.0       |
| LUX ATH   |              | 102.1       | 105.2       |
| LUX DUB   |              | 100.0       |             |
| LUX ROM   |              | 102.1       | 105.1       |
| LUX AMS   |              | 77.9        | 80.3        |
| LUX LIS   |              | 103.0       | 105.1       |
| LUX MAD   |              | 70.7        | 72.9        |
| LUX LON   |              | 103.2       | 108.6       |
| INFLATION |              | 101.4       | 103.6       |

DEVELOPMENT OF THE LOWEST PUBLISHED  
ROUND-TRIP EXCURSION FARE; 1987=100%  
CITY PAIRS

|           | EXC87*/EXC87 | EXC88/EXC87 | EXC89/EXC87 |
|-----------|--------------|-------------|-------------|
| AMS BRU   |              | 102.4       | 105.3       |
| AMS CPH   |              | 95.9        | 98.9        |
| AMS PAR   |              | 102.5       | 128.1       |
| PAR *     |              |             | 105.5       |
| AMS FRA   |              | 109.8       | 113.1       |
| AMS ATH   |              | 103.3       | 106.5       |
| AMS DUB   |              | 90.9        | 66.8        |
| AMS ROM   |              | 102.0       | 145.6       |
| AMS LUX   |              | 77.8        | 80.3        |
| AMS LIS   |              | 102.8       | 105.0       |
| AMS MAD   |              | 102.9       | 97.1        |
| AMS LON   |              | N/A         | N/A         |
| INFLATION |              | 100.9       | 102.3       |
|           |              |             |             |
| LIS BRU   |              | 107.6       | 109.8       |
| LIS CPH   |              | 105.4       | 107.4       |
| LIS PAR   |              | 112.0       | 112.0       |
| LIS FRA   |              | 107.4       | 109.5       |
| LIS ATH   |              | 110.5       | 106.1       |
| LIS DUB   |              | 108.3       | 115.5       |
| LIS ROM   |              | 106.5       | 106.5       |
| LIS LUX   |              | 107.6       | 109.8       |
| LIS AMS   |              | 107.6       | 109.7       |
| LIS MAD   |              | 115.5       | 115.5       |
| LIS LON   |              | 107.5       | 118.4       |
| LON *     | 84.9         | 91.5        | 91.5        |
| INFLATION |              | 109.4       | 117.1       |
|           |              |             |             |
| MAD BRU   |              | 102.0       | 105.2       |
| MAD CPH   |              | 100.0       |             |
| MAD PAR   |              | 103.0       | 95.0        |
| MAD FRA   |              | 108.2       | 114.9       |
| MAD ATH   |              | 102.0       | 99.9        |
| MAD DUB   |              | 103.0       | 98.7        |
| MAD ROM   |              | 103.0       | 97.2        |
| MAD LUX   |              | 70.7        | 72.9        |
| MAD AMS   |              | 106.3       | 109.8       |
| MAD LIS   |              | 103.9       | 104.2       |
| MAD LON   |              | 103.3       | 106.5       |
| INFLATION |              | 104.7       | 109.2       |



DEVELOPMENT OF THE LOWEST PUBLISHED  
ROUND-TRIP EXCURSION FARE; 1987=100%  
CITY PAIRS

|           | EXC87*/EXC87 | EXC88/EXC87 | EXC89/EXC87 |
|-----------|--------------|-------------|-------------|
| LON BRU   |              | 105.2       | 106.5       |
| BRU *     | 97.4         | 92.2        | 76.6        |
| LON CPH   |              | 100.7       | 105.6       |
| CPH *     |              |             | 75.7        |
| LON PAR   |              | 75.6        | 75.6        |
| PAR *     |              |             | 67.1        |
| LON FRA   |              | N/A         | N/A         |
| LON ATH   |              | 100.0       | 105.4       |
| LON DUB   |              | 110.8       | 135.4       |
| DUB *     |              |             | 87.7        |
| LON ROM   |              | 105.2       | 110.4       |
| LON LUX   |              | 106.3       | 111.3       |
| LON AMS   |              | 113.8       | 136.2       |
| AMS *     |              |             | 101.7       |
| LON LIS   |              | 100.0       | 115.8       |
| LIS *     |              |             | 90.8        |
| LON MAD   |              | 95.9        | 93.4        |
| INFLATION |              | 104.4       | 109.3       |

N/A = NOT AVAILABLE

\* = FARE OFFERED NOT BY/FOR ALL CARRIERS

SOURCE: ABC WORLD AIRWAYS GUIDE 6/87, 6/88, 6/89

INFLATION = PRICE DEFLATOR OF PRIVATE CONSUMPTION  
ESTIMATES OF THE COMMISSION FOR 1988 AND 1989

SOURCE: EUROPEAN ECONOMY, ANNUAL ECONOMIC REPORT 1988-89  
NO 38, NOVEMBER 1988, PAGE 160; TABLE 24

| Route                             | Company                        | Refused by | Reason                       |
|-----------------------------------|--------------------------------|------------|------------------------------|
| London-Nice                       | British Airways/Air France     | UK         | unjustified fare increases   |
| London-Lyon                       | " " " "                        | UK         | " " "                        |
| London-Athens                     | British Airways/Olympic/E.O.   | UK         | " " "                        |
| Manchester-Athens                 | " " " "                        | UK         | " " "                        |
| London-Copenhagen                 | British Airways/SAS/E.O.       | UK         | " " "                        |
| Manchester-Copenhagen             | " " " "                        | UK         | " " "                        |
| London-Faro                       | British Airways/TAP/E.O.       | UK         | " " "                        |
| London-Lisbon                     | " " " "                        | UK         | " " "                        |
| Manchester-Milan                  | British Airways/ALITALIA/E.O.  | UK         | " " "                        |
| London-Geneva                     | " " " "                        | UK         | " " "                        |
| London-Milan                      | " " " "                        | UK         | " " "                        |
| London-Pisa                       | " " " "                        | UK         | " " "                        |
| London-Rome                       | " " " "                        | UK         | " " "                        |
| London-Turin                      | " " " "                        | UK         | " " "                        |
| London-Munich                     | British Airways/LUFTHANSA/E.O. | UK         | " " "                        |
| London-Munich                     | Air Europe                     | D          | fare levels and conditions   |
| London Paris                      | Air Europe                     | F          | fares not cost related       |
| London-Paris                      | London City Airways            | F          | fares cond. too relaxed      |
| East-Midlands-Paris               | British Midlands               | F          | tariffs not cost related     |
| London-Copenhagen                 | Air Europe                     | DK         | fare levels and conditions   |
| Dublin-Munich                     | Ryan Air                       | D          | fare levels and conditions   |
| Germany-Portugal                  | Lufthansa                      | P          | discount on first class fare |
| Paris-Dublin                      | Aer Lingus                     | F          | insufficient information     |
| Paris-Channel Islands<br>Normandy | Jersey Europe                  | F          | unjustified fare level       |
| Paris-Italy                       | ALITALIA                       | F          | unjustified fare level       |
| London-Nice                       | British Airways                |            |                              |

Proposed air fares rejected by Member States

| Multiple Designation | June '87  | June '88  | June '89   |
|----------------------|---|---|--|
| Germany              | -   | 1 Lufthansa<br>2 Sudavia<br><br>MUC - VCE 1,2   | 1 Lufthansa<br>3 Air Bremen<br>4 Hamburg Airlines<br>5 Regionalflug (RFG)<br>6 Delta Air<br><br>BRE - LON 1,3<br>HAM - LON 1,4<br>PAD - LON 3,5<br>STR - BCN 1,6 |
| Ireland              | 1 Aer Lingus<br>2 Ryanair (Dublin)<br><br>DUB - LON 1,2   | 1 Aer Lingus<br>2 Ryanair (Dublin)<br><br>DUB - GLA 1,2<br>DUB - LON 1,2<br>DUB - MAN 1,2<br>ORK - LON 1,2<br>SNN - LON 1,2 | 1 Aer Lingus<br>2 Ryanair (Dublin)<br><br>MUC - DUB 1,2<br>DUB - LON 1,2<br>ORK - LON 1,2<br>SNN - LON 1,2   |
| Italy                | -   | -   | 1 Alitalia<br>2 Avianova<br>STR - BLQ 1,2  |
| Netherlands          | 1 KLM<br>2 NLM-Dutch Airlines<br>3 Netherlines<br>4 Transavia<br><br>BHX - AMS 1,2,3<br>LON - AMS 1,3,4 | 1 KLM<br>2 NLM-Dutch Airlines<br>3 Netherlines<br>4 Transavia<br><br>BRE - AMS 1,2<br>DUS - AMS 1,2<br>BHX - AMS 1,2,3      | 1 KLM<br>2 NLM-Dutch Airlines<br>3 Netherlines<br>4 Transavia<br><br>DUS - AMS 1,2<br>BHX - AMS 2,3<br>LON - AMS 1,3,4   |

Multiple designation

| Multiple Designation | June '87  | June '88   | June '89   |
|----------------------|---|--|--|
| United Kingdom       | 1 British Airways<br>2 British Caledonian<br>3 Air UK<br>4 Ryanair Europe (Luton)<br>5 Birmingham Exec. Airways<br>6 Dan-Air Services<br>7 British Midland<br>8 British Air Ferries<br>9 Suckling Airways<br>10 Britannia Airways<br>11 Monarch Airlines<br><br>BRU - LON 1,2,3,4<br>PAR - LON 1,2,3<br>NCE - LON 1,2<br>DUB - BHX 1,5<br>DUS - LON 1,2<br>FRA - BHX 1,5<br>FRA - LON 1,2,3<br>HAM - LON 1,2<br>DUB - LON 1,6<br>ORK - LON 1,6<br>LON - MIL 1,2<br>BFS - AMS 1,3<br>BRX - AMS 1,5 | 1 British Airways<br>-<br>3 Air UK<br>4 Ryanair Europe (Luton)<br>5 Birmingham Exec. Airways<br>6 Dan-Air Services<br>7 British Midland<br>-<br>9 Suckling Airways<br>10 Britannia Airways<br>11 Monarch Airlines<br>12 Air Europe<br>13 Eurocity Express<br>14 Virgin Atlantic Airways<br><br>BRU - LON 1,3,4,12<br>PAR - LON 1,3,12,13<br>PAR - GLA 1,3<br>DUS - BHX 1,5<br>FRA - BHX 1,5<br>FRA - LON 1,3<br>MUC - LON 1,12<br>DUB - LON 1,6,14<br>ORK - LON 1,6<br>BHX - AMS 1,5<br>LON - AMS 1,3,7,13<br>MAN - AMS 1,6,9<br>MME - AMS 3,6 | 1 British Airways<br>-<br>3 Air UK<br>-<br>5 Birmingham Exec. Airw<br>6 Dan-Air Services<br>7 British Midland<br>-<br>-<br>10 Britannia Airways<br>11 Monarch Airways<br>12 Air Europe<br>13 Eurocity Express<br>14 Virgin Atl. Airways<br>15 Scottish European Airways<br>16 Orion Airways<br><br>BRU - EDI 1,15<br>BRU - LON 1,3,12<br>CPH - LON 1,10<br>PAR - BHX 1,5<br>PAR - LON 1,3,6,12,13<br>NCE - LON 1,6<br>DUS - BHX 1,5<br>DUS - LON 1,12<br>FRA - BHX 1,5<br>FRA - GLA 1,15<br>MUC - LON 1,12<br>ATH - LON 1,16<br>DUB - LON 1,6,7,14 |

| Multiple Designation | June '87  | June '88   | June '89  |
|----------------------|---|--|---|
|                      | LON - AMS 1,2,3,4,7<br>LON - RTM 2,8<br>MAN - AMS 1,6,9<br>MME - AMS 3,6<br>NCL - AMS 3,6<br>LON - FAO 1,10<br>LON - LIS 1,6<br>LON - AGP 1,11<br>LON - PMT 11,12 | NCL - AMS 3,6<br>LON - FAO 1,10<br>LON - LIS 1,6<br>LON - ACE 10,12<br>LON - AGP 1,11<br>LON - PMI 11,12<br>LON - MAD 1,6<br>MAN - ACE 10,12 | ORK - LON 1,6<br>LON - ROM 1,12<br>BHX - AMS 1,5<br>LON - AMS 1,3,7,13<br>MAN - AMS 1,6<br>NME - AMS 3,6<br>NCL - AMS 3,6<br>LON - LIS 1,6<br>LON - AGP 1,11,12<br>LON - MAD 1,6<br>LON - MAH 6,11<br>LON - TCI 10,11 |

New Routes created between June 1987 and June 1988 (\*)

Connections

|             |                             |  |
|-------------|-----------------------------|--|
| Belgium     | Sabena                      | Brussels-Southend<br><u>Liège-Turin</u>  |
| Danmark     | -----                       |  |
| Deutschland |                             |  |
|             | Lufthansa                   | Düsseldorf- <u>Turin</u><br>Munich-Catania<br>Munich-Florence<br>Munich-Trieste<br>Frankfurt-Eindhoven<br>Munich-Lisbon  |
|             | RFG<br>(Regionalflug)       | Lyon-Stuttgart   |
|             | Sudavia                     | Munich- <u>Genoa</u>   |
| Espana      | Iberia                      | Hamburg-Luxemburg-Barcelona-Madrid<br>Fiumicina- <u>Malaga-Tenerife Sur</u><br><u>Linate-Malaga-Tenerife Sur</u><br><u>Linate-Valencia-Malaga</u>  |
| France      | Air France                  | Marseille-Munich<br>Nantes-Düsseldorf(-Berlin)<br>Charles de Gaulle- <u>Saloniki(-Athens)</u><br>Charles de Gaulle-Southampton<br>Charles de Gaulle-Verona<br><u>Nates-Linate</u><br><u>Bordeaux-Lisbon</u><br>Bordeaux(-Toulouse)- <u>Barcelona</u> |
|             | TAT Export                  | Poitiers-Tours-Gatwick<br><u>Bastia-Linate</u><br>(Ajaccio-)Figari-Fiumicino   |
|             | Air Lit-<br>toral           | Lyon- <u>Venice</u><br><u>Marseille-Turin</u><br>Nice-Florence<br>Nice- <u>Turin</u>   |
| Greece      | Olympic                     | Orly- <u>Saloniki(-Athens)</u>   |
| Ireland     | Aer Lingus                  | Hamburg(-Manchester)-Dublin<br>Cork-Bristol  |
|             | Ryanair                     | Dublin-Cardiff<br>Galway-Luton   |
|             | Iona<br>National<br>Airways | Dublin-Belfast   |

\* exempted airports underlined.

Source: OAG

|                |                        |   |
|----------------|------------------------|---|
| Italy          | Alitalia               | Munich-Florence<br>Fiumicino- <u>Linate</u> (-Lisbon)-Oporto  |
|                | Transavio              | Bastia-Pisa-Florence  |
|                | Aliblu                 |   |
|                | Airways                | Lyon-Turin  |
|                | Avianova               | Stuttgart- <u>Bologna</u> -Forli<br>Forli-Florence- <u>Barcelona</u>  |
| Luxemburg      | Luxair                 | Luxemburg-Faro<br>Luxemburg- <u>Malaga</u>  |
| Netherlands    |                        |   |
|                | KLM                    | Amsterdam- <u>Valencia</u>  |
|                | Dynamic                |   |
|                | Air                    | Soutend-Eindhoven   |
| Portugal       | Air                    |   |
|                | Portugal               | Copenhagen-Oporto(-Lisbon)<br>Orly(-Lisbon)-Faro<br>(Vienna-)Munich-Lisbon<br>Dublin(-Manchester)-Lisbon<br><u>Linate</u> (-Lisbon)-Funchal<br><u>Linate</u> -Oporto(-Lisbon)<br><u>Funchal</u> (-Lisbon)-Madrid<br>Frankfurt(-Lisbon)-Ponta Delgrade(Azores) |
| United Kingdom |                        |   |
|                | British Airways        | Cologne-Amsterdam-Birmingham-Belfast<br>(Berlin-)Hannover(-Manchester)-Glasgow  |
|                | Orion Airways          | Birmingham- <u>Alicante</u><br>Birmingham-Ibiza<br>Manchester-Ibiza   |
|                | British Island Airways | Gatwick-Catania<br>Gatwick-Palermo  |
|                | Air Europe Region      | Manchester-Funchal  |
|                | Airways                | Soutend-Rotterdam   |
|                | Loganair               | Corrickfinn-Glasgow   |
|                | British Air Ferries    | Ostende-Soutend   |

New Routes created between June 1988 and June 1989

|             |                           |   |
|-------------|---------------------------|---|
| Belgium     | Sabena                    | Brussels-Edinburgh-Glasgow-Brussels<br>Brussels(-Manchester)-Edinburgh*<br>Brussels(-Manchester)-Glasgow<br>Brussels-Newcastle<br>Brussels(-Manchester)-Belfast Harbour<br><u>Brussels-Bergamo</u><br>Brussels-Florence<br>Brussels-Naples<br>Brussels- <u>Bilbao</u> |
| Danmark     | SAS                       | (Oslo-)Aarhus-Frankfurt<br>Copenhagen-Alicante  |
|             | Cimber Air                | <u>Sonderborg-Montpellier</u><br>Copenhagen-Kiel<br><u>Esbjerg-Kiel</u><br><u>Sonderborg-Kiel</u>   |
|             | Maersk Air                | Copenhagen-Cologne  |
| Deutschland |                           |   |
|             | Lufthansa                 | Copenhagen-Cologne<br>Frankfurt-(Naples-)Bari<br>Stuttgart-Venice<br>Hamburg(-Munich)-Lisbon<br>(Hamburg-)Stuttgart- <u>Barcelona</u>   |
|             | Air Bremen                | Brussels-Bremen<br>Paderborn(-Munster)-Stansted   |
|             | Sudavia                   | Toulouse-Munich   |
|             | RFG                       | Paderborn-Dortmund-Gatwick<br>(Regionalflug)  |
|             | Nürnbergger<br>Flugdienst | Nürnberg- <u>Bergamo</u>  |
|             | DeLTA Air                 | Stuttgart- <u>Barcelona</u>   |
|             | Naske Air                 | Braunschweig-Alghero  |
| Espana      | Iberia                    | Brussels-Valencia-Seville<br>Brussels- <u>Bilbao(-Malaga)</u><br>Birmingham-Madrid- <u>Valencia</u><br>Fuimicino(- <u>Barcelona</u> )-Palma<br>Fuimicino- <u>Valencia(-Malaga)</u><br><u>Linate(-Barcelona)-Palma</u>   |
| France      | Air France                | Brussels-Ajaccio<br>Brussels-Montpellier<br>Lyon(-Munich)-Nürnberg<br>Nice-Dublin<br>Charles de Gaulle-Belfast<br>Charles de Gaulle-Bari<br>Charles de Gaulle-Palermo<br>Bordeaux-Oporto<br>Toulouse-Lisbon<br>Strasbourg(-Toulouse)-Madrid                           |

\* Cities given in brackets on multi stop routes have already been served.

Source: OAG



Air Vendée Brussels-Nantes  
Brit Air Brest-Cork

Greece -----

Ireland Ryanair Killarney-Luton

Italy -----

Luxemburg-----

Netherlands

KLM Treviso-Amsterdam  
Netherlines Strasbourg-Luxemburg(-Amsterdam)

Portugal Air

Portugal (Lyon-)Toulouse-Lisbon  
Hamburg(-Amsterdam)-Lisbon  
Stuttgart(-Nice)-Lisbon  
Fuimicino(-Lisbon)-Funchal  
Luxemburg(-Lisbon)-Oporto

United

Kingdom

British Airways Brussels(-Manchester)-Edinburg  
(Linate-)Lyon-Manchester  
(Hannover-)Cologne(-Birmingham)-Edinburg  
Birmingham-Barcelona

Scottish  
European

Airways Brussels-Glasgow  
Orion Gatwick-Treviso  
Manchester-Mahon

Suckling  
Airways

Cambridge-Amsterdam

New Routes created in 1988 which had disappeared in 1989

|  |                       |
|--|-----------------------|
| Ostende - Southend                           | British Air Ferries   |
| Bastia - Pisa - Florence                     | Transavio             |
| Bastia - Linate                              | TAT Export            |
| (Ajaccio -) Figari - Fiumicio                | TAT Export            |
| Marseille - Turin                            | Air Littoral          |
| Nice - Turin                                 | Air Littoral          |
| Orly - Malpensa                              | Air France            |
| Orly - (Lisbon -) Faro                       | Air Portugal          |
| Cologne - (Amsterdam - Birmingham -) Belfast | British Airways       |
| Frankfurt - Eindhoven                        | Lufthansa             |
| Frankfurt - (Lisbon -) Ponta Delgrade        | Air Portugal          |
| Dublin - Belfast                             | Iona National Airways |
| Birmingham - Alicante                        | (Orion Airways)       |
| Fiumicio - (Malaga -) Tenerife Sur           | Iberia                |

Source: OAG

COM(89) 476 final

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Catalogue number : CB-CO-89-440-EN-C

ISBN 92-77-53345-5

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