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Dr. Adrian Corcoran
Commission for Aviation Regulation (CAR)
Earlsfort Centre
6 Earlsfort Terrace
Saint Kevin's
Dublin 2

By email: AdrianCorcoran@aviationreg.ie; info@aviationreg.ie

Dear Adrian,

I refer to CAR's draft determination in respect of airport charges at Dublin Airport between January 2023 and December 2026.

Dublin Airport has consistently been one of the worst performing airports within Europe during 2022, with airlines and passengers suffering huge delays, missed flights and unsanitary conditions, all of which have caused lasting reputational damage to Ireland's brand and tourism industry.

It is therefore inconceivable that CAR now wish to reward daa's mismanagement (which culminated in placing the national army on standby) with unjustified and excessive airport charge increases of potentially more than 40%. CAR's proposal is based on fundamentally flawed logic, designed deliberately to push up the price cap by including an excessive c. €3bn capital investment programme (objected to by airport users) and grossly inefficient levels of operating expenditure, clear symptoms of an inefficient monopolist.

Ryanair's business model is very simple, low fares underpinned by competitive airport charges drive passenger growth and increased connectivity. A clear example of this was demonstrated this Summer following the introduction of reduced airport charges at Dublin Airport via its Traffic Recovery Support Scheme ("TRSS"). Ryanair responded (to reduced airport charges) with its biggest ever Dublin Summer schedule, including the allocation of 11 new, more environmentally friendly Boeing 8-200 "gamechanger" aircraft, over 1,800 weekly flights and 121 destinations.

If CAR insists on undertaking a review of the current price cap, the outcome should be a lowering of Dublin's excessive airport charges (or at the very least freeze them) like Aena in Spain, Swedavia in Sweden, Riga, etc. It is incumbent upon CAR as regulator to safeguard national interests, and not reward daa's mismanagement, late submissions and inadequate cost detail offered during a flawed consultation process, which based on CAR's Draft Determination of 22 July, will result in excessive Dublin airport charges for 2023 to 2026.

More concerningly for the Irish economy and particularly the tourism sector, unjustified airport charge increases (that are out of line with market trends) will force Ryanair to redeploy aircraft, routes, and flights to other lower cost airports elsewhere in Europe who are actively working with Ryanair to reduce airport charges. This past month, Ryanair has closed bases in Athens and Brussels following the decisions of their Regulators to support uncompetitive airport charges.

Ryanair will continue to campaign for lower-cost air access on behalf of the Irish consumer and wider economy, so that Irish tourism can not only recover the traffic lost during the Covid-19 pandemic, but also grow to support the creation of employment and enhanced connectivity. Whilst Dublin Airport maintains significant market power over its users, a loss of connectivity for the Airport and for our island economy is a fact of life if access costs are increased to uncompetitive levels – as evidenced by the disastrous impact the previous, ill-judged and short lived Irish "air travel tax" had on tourism and connectivity.

CAR must play its role as an independent regulator, and demand that Dublin Airport reduces its excessive airport charges, and instead its management dedicates their focus on delivering an acceptable airport and terminal experience for customers – rather than preparing illogical and poorly thought-out proposals to increase already uncompetitive airport charges.

I attach at **Appendix 1** Ryanair's detailed response to CAR's Draft Determination, which has been prepared in consultation with external advisors. We request that you take this under due consideration in reaching your Final Determination. Ryanair urges CAR to ensure daa follows the example of other (competing) airports across Europe and reduces airport charges to avoid seriously damaging connectivity, employment, inbound investment, and tourism to Ireland – especially during this time of economic uncertainty.

In the meantime, should you have any questions, please do not hesitate to contact me or my team.

Yours sincerely,

Jason McGuinness
Director of Commercial
Ryanair

cc Regan Tilson, Airport Economics Manager, Ryanair
Eoin Kealy, Head of Competition & Regulatory, Ryanair
Adam Kehoe, Airport Economics Analyst, Ryanair
Ray Kelliher, Director of Route Development, Ryanair