

Commission for Aviation Regulation,
3rd Floor,
Alexandra House,
Earlsfort Terrace,
Dublin 2,
D02 W773

To whom it may concern,

Re: Response to the 2019 Draft Determination CP3/2019

Fáilte Ireland welcomes the opportunity to make a submission on the draft determination. The primary objective of this submission is to underscore several overseas tourist and tourism industry considerations to help inform the Commission's deliberations.

The National Policy Context – Sustained Tourism Growth

Several government strategy documents from *Global Ireland: Ireland's Global Footprint to 2025* to *People, Place and Policy: Growing Tourism to 2025* contain ambitious targets for overseas tourism.

Reflecting a long-term modal shift towards air travel, 89% of all overseas tourists arrive by air (excluding cruise ship passengers). Hence, the growth and sustainability of Irish tourism is inextricably linked to growth in competitively priced air access from our key source markets, i.e., countries of origin. It is well recognised that there is a strong correlation between affordable and suitably timed air access services from a given country and growth in tourism from that country.

The government's ambitious overseas tourism growth targets cannot be achieved unless Ireland's ports of entry and exit are set up to accommodate ever growing passenger volumes and at competitive airfares. Key access points, such as Dublin airport, are particularly important. These points of access cannot be allowed to become limiting factors on Ireland's tourism growth. They must continue to be growth enablers.

With this in mind and with reference to the draft determination:

- 89% of all overseas tourists arrive/depart by air, of which some 86% use Dublin airport – almost three out of every four overseas tourists use the airport
- It is vital that the volume, range and mix of direct flights to and from the airport is (a) maintained and (b) improved to sustain and grow tourism

Airports Services & Meeting Overseas Tourists' Expectations

Ireland has never been a cheap destination, but we continue to be rated as good value by overseas tourists as the experiences, services and products delivered are in line with the prices charged. This must continue to be the case.

From a service point of view, some 75% of overseas tourists' first and/or last experience of Ireland occurs at Dublin airport. The quality of this interaction impacts on their assessment of their time here. This is significant given the importance of word-of-mouth referrals amongst visitors to Ireland and our international reputation for excellent hospitality.

Several factors influence how tourists are likely to view their airport experience, including:

- Ease of accessing the airport
- Ability to get reliable information quickly
- Ease of check-in
- Queuing times
- Ability of staff to deal with unexpected complications and events
- Cleanliness, etc.

Every effort must be made to ensure that the highest standards of customer service are set, monitored and met insofar as they impact directly upon the tourists' experience.

Financially Viable

While we are mindful that in setting the price cap the Commission gives due consideration to daa's ability to operate in a financially viable manner, this is not an area in which Fáilte Ireland has deep expertise. Rather, our concerns are grounded in first principles and they are that any determination should not

- Result in higher than necessary cost for airlines and air passengers
- Result in a diminution in the customer service experience
- Create risk or uncertainty which will limit the growth opportunities for the wider tourism economy

The final determination needs to be compatible with sustained long-term growth of tourism and sustained high standards of customer service.

In summary

Dublin airport is critical for the ongoing success of Irish tourism. Our core concern is the need to ensure that the airport produces sufficient revenue in order to be able to reinvest in continuous service improvement while still being competitively priced.

We are available to discuss any of the points raised. Once more, I would like to thank the Commission for the opportunity to make this submission.

Yours sincerely,

Caeman Wall

Head of Economic & Industry Analysis