



Mr. Cathal Guiomard  
Commissioner  
Commission for Aviation Regulation  
3<sup>rd</sup> Floor, Alexandra House  
Earlsfort Terrace  
Dublin 2

20<sup>th</sup> June 2006

Response to the Draft Decision on the Interim Review of 2005 Determination on  
Maximum Levels of Airport Charges at Dublin Airport

Dear Commissioner,

Ireland's acknowledged deficit in transport infrastructure impairs the efficient movement of people and goods, impacting negatively on business competitiveness and the quality of life for many citizens. In the last 15 years, the stock of public-infrastructure capital has fallen by over 10%. Consequently, the development of critical transport infrastructure in Ireland is a major priority for IBEC members. While significant investment strategies are in place to correct this infrastructure deficit, Dublin Airport - a key gateway - remains a severe bottleneck to economic growth and inward investment.

Ireland is ranked as one of the worst OECD countries for the efficiency of our transport infrastructure. Congestion at Dublin Airport is fuelling this highly negative view. In 2006, passenger numbers through Dublin Airport rose to 21 million and since 1995, passenger numbers have increased on average by over 14% per annum.

Our peripheral location combined with the lack of a land bridge to continental Europe makes the country very reliant on effective air transport. It is vital that high quality, appropriate infrastructure to support the efficient movement of both people and goods is in place. If this movement cannot be facilitated, all businesses will suffer. The development of Dublin Airport's Terminal 2 and additional piers, as designed, are essential.

The Commission must strongly support the Government's Aviation Action Plan of May 2005 by allowing the prompt development of cost effective capacity that meets international quality standards expected of a modern airport. Critically, capacity delivered must reflect long-term growth patterns and cater for the present and future needs of passengers, Airport developers and airlines. The suggestion to constantly catch up with capacity constraints through constructing a small facility initially and adding extensions at later dates does not promote economic expansion. Such an approach would lead to disruption, delay and unnecessary cost to airport



users. Development of Dublin Airport must be ambitious and requires a significant step change to safeguard continued competitiveness.

Given the scale of the essential investment required at Dublin Airport, it is the responsibility of the Commission to bring certainty to the sector. The Commission must provide clear commitment as to what funding mechanisms will be available for future pricing periods. Funding uncertainties increase the difficulty of acquiring third-party financing and jeopardise vital investment. In the delivery of essential infrastructure, IBEC have consistently accepted user charges that are equitable, fair and proportionate.

I trust that these points will inform the final decision on the interim review of the 2005 Determination.

Yours sincerely,

A handwritten signature in black ink that reads "Danny McCoy". The signature is written in a cursive style.

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Danny McCoy  
Director of Policy, IBEC