



ZEIT: Is this your vision of future air travel?
In ten years all Ryan-Air customers will fly free of charge?

O'Leary: Yes, indeed

ZEIT: Brussels is denying airport subsidising...

O'Leary: (laughing): Brussels is denying subsidising? Brussels is the home of subsidy!

ZEIT: ...and particularly those subsidies which have been granted to you by the Belgian airport Charleroi.

O'Leary: I'm not sure whether courts will cancel these decisions. What would happen, if airports like Charleroi wouldn't grant us a rebate? Nobody would fly from these airports! The EU-administration has no clue of our business. They don't have to pay for their flights! (fixing a pen behind his ear).

ZEIT: How much subsidy do you get?

O'Leary: Not a single Cent.



European Law of Governmental Aid: Granting of Subsidies to fund Regional Airports

Ever since Ryanair entered the market, it is common practise of regional airports to grant benefits to low-cost-carriers, in order to render their locations attractive for airline companies. An analysis is being performed as to which requirements such attraction- and rebate-systems have to meet, in order not to constitute illegal subsidy according to art. 87 of the European Community Treaty. The work is based on the example decision of the European Commission stating that the public airport of Charleroi had granted to Ryanair illegal subsidies in form of marketing allowances, rebates on airport charges etc. Additionally, governmental privileges, which could be transmitted to the airlines in form of low charges, were granted to the operating company of the airport. From a legal point of view the granting of subsidies can be justified and thus be allowed. This is only possible in legally determined exceptional cases. In Germany for the airport of Schönefeld an exceptional decision has already been taken, further lawsuits are pending all over Europe. This dissertation should critically enlighten the decisions taken, and provide a total overview of the actual legal situation.

DLR, Air Transport and Airport Research