Mid-Term Review of the
Regional Airports Programme
2021 - 2025

Shannon Chamber Input

January 2023

Introduction

- As stated in your request for issues that might be addressed in the forthcoming Mid-Term Review of the Regional Airports Public Consultation Issues Paper, Shannon Chamber, as the business organisation representing over 320 member companies in the wider Shannon area, with an associated reach to their 18,000 employees, would like to put forward 2 specific issues for consideration, as outlined in the following slides.

Issue No. 1:

Expansion of the Regional Airports Programme to all Regional Airports

- Shannon Chamber has welcomed the inclusion of the State-owned regional airports, Shannon and Cork, for CAPEX and OPEX funding which was in line with the business case made by the joint chambers and the Irish Hotels Federation (IHF) in 2021. We also made the case that Shannon and Cork should be permanently included in a multi-annual regional airports programme which is in line with EU state aid rules which allows funding for airports with less than 3m passengers.

- The Regional Airports Programme currently provides Exchequer support to 'regional airports' defined by the Department of Transport as those that *'operate scheduled passenger services and handle less than 1 million annual average passengers'*. However, The European Commission specifies that airports with **under 3 million passengers** are eligible for Capital Expenditure (CAPEX) support at varying levels of intensity.

- Extending the Regional Airports Programme to all regional airports would provide an opportunity to address the imbalance that currently exists in aviation in Ireland, support investment in the regions, and help realise the objectives of Ireland 2040. It would deliver a more balanced economy for the country and recognise the benefits of our airports for economic growth. As has been stated repeatedly, the dominance of Dublin Airport is creating an imbalance from an aviation perspective.

- The Regional Airports Programme, while predominantly targeted at safety and security-related projects and activities, should also support sustainability projects, thereby contributing to the attainment of the Government's Climate Action Plan targets.

Shannon Chamber's request therefore is:

- *To expand the Regional Airports Programme to include all regional airports with under 3 million passengers for CAPEX, PPR-C and PPR-O support, as permitted under EU State Aid rules. This would assist in delivering the objectives of Ireland 2040 and the Climate Action Plan?*

Issue No. 2:

Support for EU Hub Connectivity for Shannon Airport

- One of the adverse effects of Brexit is that Shannon Airport no longer has connectivity to an EU Hub, which is vital for the multi-sectoral businesses operating in Shannon and the wider region. London Heathrow no offers EU Hub advantages.

- EU Regulation 1008/2008, allows Member States to support scheduled air services on routes which are vital for the economic development of a region. Connectivity to an EU Hub is vial for the Shannon region, therefore, the above Regulation should apply to supporting the introduction of a direct air link from Shannon Airport to an EU Hub.

Shannon Chamber's request therefore is:

- *That the Regional Airports Programme supports a new EU Hub Connectivity for Shannon Airport.*

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