

AVIATION JOURNAL

May 2018, no. 2

DIARY DATES

FIFTH AIR LAW CONFERENCE
CREATING LEGAL GATEWAYS IN THE ITALIAN,
EUROPEAN AND INTERNATIONAL AVIATION
MARKETS
15 June 2018
LUISS Viale Romania 32, Rome, Italy
Laura Pierallini, coordinator and moderator

EBACE 2018
29-31 May 2018
Geneva, Switzerland
Studio Pierallini, subcommittee member of AMAC legal affairs

2018 BEAUMONT INTERNATIONAL AEROSPACE CONFERENCE 11-12 July 2018 London, United Kingdom Laura Pierallini, speaker

CONTENTS

ITALIAN SUPREME COURT – AUTHORIZED ACCESS TO CONTRACTS BETWEEN LOCAL AIRPORTS AND RYANAIR

CONSTRUCTION OF THE FIRST ITALIAN SPACEPORT IN TARANTO

FIRST BOEING B737 MAX 8 DELIVERED TO THE ITALIAN CARRIER 'AIR ITALY'

LUISS SCHOOL OF LAW – FIFTH AIR LAW CONFERENCE ON THE CREATION OF LEGAL GATEWAYS IN THE AVIATION MARKETS



ITALIAN SUPREME COURT - AUTHORIZED ACCESS TO CONTRACTS BETWEEN LOCAL AIRPORTS AND RYANAIR By Marco Marchegiani

On 20th April 2018 the Italian Supreme Court rendered a decision (no. 9912) affirming that Alitalia shall be entitled to have sight of the contracts entered into between Ryanair and the managing companies of four Italian airports in 2009 and 2014, namely Alghero, Bari, Trapani and Verona. The long awaited ruling, which essentially overturned the previous judgments given by the Italian Administrative Courts to deny the Alitalia's claims, established an important case-law in relation to the contracting activity of airports' management companies with low-cost carriers and, in particular, with Ryanair, being the first airline operating in Italy in terms of carried passengers on national and international routes (36 million in 2017). Indeed the Irish carrier is believed to benefit from significant aid from local airports, which are attributable to considerable financing from the local entities to the carrier. In return, on the one side the airports took advantages from advertisement campaigns and promotional activities and, on the other side, the involved regions can enjoy a huge increase of tourism and business connections in their territories. The relationship between local airports and low-cost carriers is estimated to value more than Euro 100 million per year. In this respect, Alitalia had argued that the disputed practice would affect the playing field between competitors, conferring a 'non-commercial' benefit to the low-cost carriers, which, due to such aids, could offer lower fares to customers. On the other hand, the Italian airports' line of argumentation was entirely based on the fact that such agreements have become common practice for mid-size and small local airports throughout Europe, and they would fall within the broader structure of the so-called 'co-marketing' agreements. However according to the Supreme Court these contracts are not private agreements, but, instead, even if entered into between private operators they must be considered as public documents relating to commercial interests of the administrative local entities. As a result, accepting Alitalia's arguments, the Court found that the claimant shall be permitted to have full and unconditioned access to the agreements concluded by the mentioned airports with Ryanair. The decision at hand represents an important turning point for the fierce competition between

carriers in regional markets, as well as a significant precedent to be used for having access to contracts with other low-cost carriers.

CONSTRUCTION OF THE FIRST ITALIAN SPACEPORT IN TARANTO By Francesco Grassetti

The first Italian spaceport will be located in Taranto, in the South-eastern region Apulia. The news has been given by the Ministry of Infrastructures and Transport after completion of the evaluation process carried out by ENAC (the Italian CAA) to identify the most suitable site to realize and launch the spaceport infrastructure within 2020. The choice of the location - for an infrastructure expected to become a basic pillar of a new era follows the agreement signed in December 2017 by Altec (an Italian company jointly owned by the Italian Space Agency and Thales Alenia Space, the Franco-Italian aerospace manufacturer) and the US leading player Virgin Galactic of Mr. Richard Branson, that is developing the so called "Space Ship Two", a shuttle to be engaged in suborbital flights intended for the space tourism, along with its shuttle carrier aircraft "WhiteKnightTwo" that will bring the shuttle up to 15.000 meters, where it will be released to then reach the planned operational height by the activation of its rocketpowered engine. Virgin Galactic is also working on the production and launch of small satellites in the low orbit. According to the said agreement, the parties will evaluate the operational opportunities created by the Italian spaceport, from suborbital test flights to the training of astronauts and pilots, from educational sessions to space tourism services. In a pioneer country like the United States the commercial space transportation represents an important transition towards a regular exploitation of the extra-atmospheric resources by private entities also for commercial purposes, while space activities worldwide have been mainly conducted by public institutions or state-owned companies so far. Space transport is therefore a significant business opportunity also for the Italian economy, as clearly outlined by the president of the Italian Space Agency at a recent meeting with the press: "The space flight for touristic purposes is close to be achieved. This new market will need appropriate areas for the take-off and landing of the space vehicles throughout the globe. Italy can offer the main characteristics to address this need of new infrastructures, favourable climate conditions, a territory surrounded by the sea, thousands of touristic attractions for visitors from all over the world. Today we know that the first spaceport will come to reality very soon". These words are confirmed by data recently made available in respect of the Italian space industry: the national market is currently worth Euro 1,6 billion and employs 6000 workers, both numbers being under a continuous growth. Furthermore, space activities are among those with the largest return in terms of investment, around Euro 5 per each Euro invested, which increases up to Euro 10 if the investment concerns telecommunications services by way of satellite devices.

FIRST BOEING B737 MAX 8 DELIVERED TO THE ITALIAN CARRIER 'AIR ITALY' By Andrea Trimarchi

At the beginning of May the first aircraft of a long-haul fleet renovation plan has been delivered to Air Italy, the Italian carrier formerly known as "Meridiana" and whose minority stock has been acquired by Qatar Airways in 2017. The first Air Italy Boeing 737 Max 8, produced by the giant US manufacturer, and designed to replace the successful Boeing B737-800, was delivered and warmly welcomed at Milan Malpensa Airport. In the words of Qatar Airways' CEO Akbar Al Baker, the delivery of the aircraft - which is only the first of the twenty B737-Max 8 ordered by the carrier, represents "an extraordinary moment for the development of a new aviation age in Italy". The introduction of such new aircraft model is fundamental for the worldwide network expansion that will bring Air Italy to offer direct services from the main Italian airports to New York, Miami, Bangkok and Mumbai by the end of 2018.

15 JUNE 2018 9AM - FIFTH AIR LAW CONFERENCE ON THE CREATION OF LEGAL GATEWAYS IN THE AVIATION MARKETS - LUISS SCHOOL OF LAW

In the context of the executive course on air transport coordinated by Laura Pierallini, on 15 June next the fifth air law conference will take place focusing on the creation of legal gateways in the Italian, European and International aviation markets. The following topics will be presented and discussed by UK, international and Italian prominent experts: revitalization of the Italian aviation market; economic sustainability of airlines; EU General Data Protection Regulation coming into force and impact for the aviation industry.