2. DG Hololei meeting with EU airlines (Lufthansa Group, SAS, Finnair, Air France/KLM, ITA and LOT), 28 February 2023, Tokyo

Lufthansa indicated they currently have stable operations (75% from 2019 levels) and are flying the Southern route for inbound flights (EU-JAPAN) and the Polar one
for outbound flights. They are nonetheless running into issues with cabin crews due to elapsed times. There is no strong Japanese eagerness to travel to Europe (Japanese government plans to incentivize people staying and travelling in Japan, especially ageing population). They are encountering issues with transport infrastructure in Haneda. On sustainability, while Japanese carriers do a very good PR work, initiatives are not taken to consumer. Public awareness is not there to incentivize SAF production and carriers to take collective action. Slots is a main concern for Lufthansa and indicated they would not like the Japanese Government to reverse their position on JNUS simply because a couple European coordinators will remove exceptions to Japanese airlines. Air France/KLM also reported a strong recovery at 65% of 2019 levels. The main challenges are due to no Russian overflight, including issues with crews and of course longer hours. On slots, they had great cooperation with Japanese authorities during COVID and the momentum still persists, but there will need to be a change. As regards infrastructure, there won’t be enough staff in airports for the summer. Also trying to push sustainability. Finnair reported that for the summer season they will have 14 frequencies/week. Informed by JCAB that they will concede slot waivers linked to the non-use of Russian airspace. Any possible “retaliation” will be bilateral on EU MS-Japan. Finnair is confident waivers will be kept. Market will recover 50-60% of what it was in 2019. ITA complained about bureaucracy when asking for new license changing from Alitalia to ITA, which is taking months. Beyond this, cooperation had been very good during and after COVID.

In his reply, DG Hololei indicated that the recovery will be gradual but will bring additional passengers to the market now that China has opened. As regards the closure of Russian airspace, there won’t be any change in the foreseeable future. While not closed for Japanese air carriers, they still don’t fly due to 1) security issues, 2) risk of having to do technical landing, which would imply the aircraft stays on the ground as there are no spare parts, and 3) increased insurance premiums. There won’t be changes on the ground relating the war so no easing of sanctions. That puts European airlines in an equal footing with Japanese and Korean companies (not with Chinese). As regards the capacity of the airspace and potential disruption of air services due to lack of ground handling and security personnel in Europe, DG Hololei informed that disruptions are expected in the summer (ATM strikes in France, less airspace available due to military use, even if flexible use). On the issue of slots, while DG MOVE would not like to see the Japanese Government retaliating on JNUS, this only concerns ANA and CDG/BRU where national coordinators believe ANA has had time to readjust. Also they are flying to some other airports (LHR and Frankfurt).

On sustainability, he informed that ReFuelEU Aviation is in the latest stages of interinstitutional dialogues and that cooperation with Japan in ICAO GA was exemplary (LTAG, CORSIA).