



## ECAC Economic matters working groups

### Interview with Silvia Gehrler

*ECAC Focal Point for Economic matters, Director General International, Ministry for Transport, Innovation and Technology, Austria*

**In December 2015, ECAC Directors General decided to establish dedicated working groups for economic matters: the Economic Working Group and the Network of Chief Economists. Appointed ECAC Focal Point for Economic matters in August 2015, Silvia Gehrler, Director General (International) for Austria, explains the background and objectives of bringing back aviation economics to the fore of ECAC activities.**

#### **1. First, why was it deemed timely and necessary to create these two working groups on aviation economics in 2016?**

In the past ECAC has been very much focused on safety, security and the environment, which are also the main focus in ICAO. However, in recent years a number of pressing economic issues in aviation, and how to deal with them, have emerged. New developments in the industry, and geopolitical and global economic aspects have led to various challenges facing the European regulators today. ECAC's added-value lies in its role as a pan-European think tank. ECAC States therefore saw the benefit of creating a platform to exchange views, information and experiences and to learn from each other without duplicating the work that is carried out by other institutions.

Taking into account the overall industry shift towards a more risk-based approach to screening and other relevant developments, we have recently refocused our strategy in order to maintain its momentum and guide future collaboration.

#### **2. What do ECAC's Directors General expect as an outcome?**

I would say that ECAC's Directors General primarily expect good service: provision of useful information, support to facilitate decision-making, and efficient exchanges of views. One big advantage I see is that we have a group of excellent experts from all over Europe working together and efficiently preparing for European positions in worldwide fora such as ICAO. Thanks to joint EU/ECAC coordination Europe can speak with one voice on issues of common interest.

#### **3. What are the priorities for the economic groups in 2017?**

The priorities for the ad hoc coordination group on economic regulation are to focus on the development and examination of multilateral agreements such as for the liberalisation of market access, ownership and control, and cargo. Within this group, ECAC States deliver valuable input on how liberalisation might be developed on a global scale to achieve the best outcome for Europe.

The Economic Working Group is a forum to freely discuss and reach a better understanding on topics of common interest within Europe. The main topics for 2017 are the impacts of new business models for regulators, and connectivity. These issues are also very much in line with the EU Aviation Strategy.

The Network of Chief Economists mainly focuses on examining economic studies and data that exists or is produced by ECAC States to complete knowledge of essential data on issues such as connectivity, traffic data and airport charges.

#### **4. As a regulator, what are the key challenges in economic regulation for ECAC Member States?**

Today, a key challenge lies in the complexity of issues and the very different needs and interests of the ECAC Member States. One of the main challenges in economic regulation for Europe would be to deal with the concept of fair competition. For example, social issues are very high on the agenda for some but less so for others. The same goes for labour issues or the environment. However, all those aspects play a vital role if you consider the advantages or disadvantages for airlines established in Europe. Another key challenge is connectivity. Of course, it is of utmost interest for every Member State to maintain a high level of connectivity. To be connected with the world is a crucial component and a key driver for the economy and for social and cultural development in each country.



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#### 5. Is the existing air service agreement system still valid and what is its future?

The bilateral system has its basis under the Chicago Convention signed in 1944 and has governed international air services since then. A bilateral air service agreement (ASA) is an international treaty between two countries covering the basic framework under which airlines are granted economic bilateral rights to fly between the two countries. Some might think this is an outdated system. From experience, you can see that this system is still valid, and multilateral agreements to liberalise air services for more than two countries are rare, with only some countries having signed up. Since 2014, a global air services agreement to liberalise market access has been discussed at ICAO level between experts. So far, the discussions have shown that States have divergent approaches and interests and it would appear unlikely that a result be achieved in the coming years. But you never know. Aviation is one of the most dynamic areas and even small political or economic events can have a huge impact on the entire sector.

#### 6. What do you like in your role as ECAC Focal Point?

I enjoy working with people very much – and in particular in an international environment. And I am extremely grateful that in this role I meet so many talented and experienced colleagues. This pushes me and motivates me a lot. And of course: aviation is extremely fascinating and interesting! ■

**Silvia Gehrler** has been Director General International since 2013 and has been at the head of the Department of Strategy and International in the Austrian Civil Aviation Authority since 2009. She initially worked with the Ministry for Economic Affairs and joined the Austrian Permanent Representation at the EU in Brussels in 1995, the year of Austria's accession to the EU, as Trade Policy Attachée. She also worked at the US Embassy in 1999 before joining the Austrian Ministry for Transport in 2000 where she headed the unit for EU and International Aviation. From 2004 -2007 she represented Austria on the Council of the International Civil Aviation Organization as a member of the ABIS Rotation Group (Belgium, Ireland, Luxembourg, Netherlands and Switzerland). Ms Gehrler received a master's degree in business administration specialising in aviation and trade from Vienna Economic University and holds a master's degree in public relations.